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News Release

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Water Authority Distributes \$10.4 Million More to Member Agencies

A total of \$90.7 million from successful rate litigation helps offset current and future inflationary pressures

May 26, 2022 – The San Diego County Water Authority's Board of Directors voted on Thursday to distribute \$10.4 million to its 24 member agencies as a result of the agency's successful rate litigation against the Metropolitan Water District of Southern California. The money is from attorneys' fees paid by MWD to the Water Authority.

The refund brings the total refunds from the Water Authority's rate case lawsuits to \$90.7 million, following two distributions totaling more than \$80 million to local member agencies in 2021. Member agencies received refunds based on their portion of purchased water.

Over the past several years, the Water Authority won key issues in several related cases contesting MWD's rates, and was deemed by the Court to be the prevailing party in the 2010-2014 cases. That means MWD paid legal fees and charges in addition to damages and interest.

Besides the cash distributions, the court rulings also help avoid future overcharges by MWD and thereby minimize future disputes over MWD's rates charged to transport the Water Authority's Colorado River water supplies through MWD facilities. Those charges – if they had continued – would have cost San Diego County residents more than \$500 million over the life of the Water Authority's water delivery contract with MWD.

The rate case lawsuits generated other substantial benefits, including an increase in the Water Authority's preferential rights to MWD water by approximately 100,000 acre-feet a year, equivalent to about twice the annual production of the \$1 billion Carlsbad Desalination Project.

Another outcome of the lawsuits affirmed the Water Authority's access to MWD programs supporting development of local supplies and water-efficiency measures. Since the court ruled it was illegal for MWD to prohibit the Water Authority from accessing these programs, the Water Authority has secured almost \$500 million in local project benefits for the San Diego region, helping to lower the costs of Pure Water San Diego, East County Advanced Water Purification Program, and Pure Water Oceanside.

The Water Authority is seeking to conclude the remaining elements of the litigation as quickly as possible, while continuing to work collaboratively with MWD on critical issues such as drought response and resource planning.

Background about the litigation is at www.sdcwa.org/projects-programs/programs/metropolitan-water-district/mwd-rate-case/.

MWD Rate Case Distributions of \$90.7 Million

		Total
Member Agency	Distribution #3	Distribution
Carlsbad M.W.D.	\$398,486.16	\$3,453,663.90
Del Mar, City of	\$25,437.77	\$221,822.27
Escondido, City of	\$413,035.48	\$3,458,954.74
Fallbrook P.U.D.	\$214,147.54	\$1,748,810.84
Helix W.D.	\$670,500.25	\$5,943,118.46
Lakeside W.D.	\$81,947.89	\$667,821.86
Oceanside, City of	\$553,708.49	\$4,843,325.03
Olivenhain M.W.D.	\$480,219.85	\$4,142,136.76
Otay W.D.	\$744,805.69	\$6,433,689.77
Padre Dam M.W.D.	\$272,579.02	\$2,276,648.74
Pendleton Military Reserve	\$1,167.52	\$11,827.07
Poway, City of	\$275,019.40	\$2,280,083.91
Rainbow M.W.D.	\$316,338.19	\$2,567,911.18
Ramona M.W.D.	\$140,501.77	\$1,106,347.19
Rincon Del Diablo M.W.D.	\$148,535.56	\$1,247,382.88
San Diego, City of	\$4,162,448.72	\$36,829,217.65
San Dieguito W.D.	\$86,656.82	\$821,318.84
Santa Fe I.D.	\$176,303.07	\$1,571,417.28
Sweetwater Authority	\$205,895.20	\$2,151,194.21
Vallecitos W.D.	\$374,558.41	\$3,214,010.32
Valley Center M.W.D.	\$313,768.93	\$2,328,456.10
Vista I.D.	\$369,938.92	\$3,168,588.18
Yuima M.W.D.	\$23,112.13	\$206,391.58
Total	\$10,449,112.78	\$90,694,138.77

Note: Distribution #3 was approved by the Water Authority's Board of Directors on May 26, 2022, following two distributions in 2021.



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The San Diego County Water Authority sustains a \$240 billion regional economy and the quality of life for 3.3 million residents through a multi-decade water supply diversification plan, major infrastructure investments and forward-thinking policies that promote fiscal and environmental responsibility. A public agency created in 1944, the Water Authority delivers wholesale water supplies to 24 retail water providers, including cities, special districts and a military base.

