



## **OMWD to Use \$2 Million Water Wholesaler Refund to Reduce Future Costs to Customers**

**Encinitas, CA**—Olivenhain Municipal Water District’s Board of Directors unanimously voted at its April 14 meeting to utilize a \$2 million refund to reduce future rate increases to OMWD ratepayers. The refund resulted from San Diego County Water Authority’s decade-long litigation with Metropolitan Water District of Southern California seeking legal rates and repayment of overcharges.

“This is a tremendous victory for our region and our ratepayers,” said OMWD Board Treasurer Christy Guerin. “The court rulings will not only enable OMWD to minimize rate increases over the next four years, but also help to avoid future overcharges.”

SDCWA won several critical issues in cases covering 2011-2014, and was deemed the prevailing party and awarded the payment of legal fees and charges in addition to damages and interest payments from MWD. More money may follow as the amount of legal fees and costs owed to SDCWA is yet to be determined, and cases filed beyond 2014 are still pending.

In a February 25 statement, SDCWA Board Secretary Jerry Butkiewicz expressed his thanks to former SDCWA Vice Chair Guerin for her efforts over the years in the MWD litigation and settlement talks.

To address increasing costs, OMWD’s 2019 Water Cost of Service Study Report proposed gradual annual increases to water rates through mid-2024. By applying OMWD’s share of the refund to its rate stabilization fund, OMWD rates will remain lower than would be proposed in the Cost of Service of Study. OMWD’s rates are already in the lower half among San Diego County water agencies.

Concerned about the financial impacts of COVID-19 on customers, OMWD’s board reduced in March a proposed water rate increase from 5 percent to 2.6 percent. In 2020, the board also opted not to increase rates for OMWD sewer customers, and did not raise capacity fees for new water service connections through June 2021.

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*Olivenhain Municipal Water District is a public agency providing water, wastewater services, recycled water, hydroelectricity, and operation of Elfin Forest Recreational Reserve. Organized in 1959, OMWD currently serves approximately 87,000 customers over 48 square miles in northern San Diego County.*

### **For Immediate Release**

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