



**Our Region's Trusted Water Leader**  
**San Diego County Water Authority**

4677 Overland Avenue, San Diego, CA 92123

## **News Release**

Ed Joyce  
(949) 276-1675 cell  
[Ejoyce@sdcwa.org](mailto:Ejoyce@sdcwa.org)

### **\$35.9 Million More in MWD Overcharges Being Returned to Local Water Agencies**

*Final settlement of litigation now in reach*

*Editor's Note: A table of distributions by agency follows the release.*

October 28, 2021 – The San Diego County Water Authority's Board of Directors today announced a plan to distribute \$35.9 million to its 24 member agencies across the region after receiving a fund transfer from the Los Angeles-based Metropolitan Water District of Southern California to pay legal damages and interest.

Combined with a similar payment in February, the Water Authority has distributed more than \$80 million to its member agencies in 2021 as a result of its successful rate litigation against MWD. The two parties are seeking to resolve the remaining issues outside of court as they partner on water supply reliability, conservation, affordability, and climate change issues challenging Southern California.

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**"The Water Authority is leading efforts in San Diego County to maintain a reliable and affordable water supply."**

■ Gary Croucher, Board Chair  
San Diego County Water Authority

"The Water Authority is leading efforts in San Diego County to maintain a reliable and affordable water supply," said Water Authority Board Chair Gary Croucher. "While the rate litigation was necessary to protect our ratepayers, we fully embrace the new spirit of collaboration at MWD under General Manager Adel Hagekhalil and Board Chair Gloria Gray as we focus on the challenges ahead with a united front."

The payments approved by the Board today resulted from the Water Authority's rate case litigation in state Superior Court asking MWD to set legal rates and repay overcharges.

The Water Authority won key issues in cases covering 2011-2014 and was deemed the prevailing party by the Court, which means it is also owed legal fees and charges in addition to the recent damages and interest payment from MWD. In February, the Water Authority sent checks totaling \$44.4 million to its member agencies after it received a check for that amount from MWD to remedy overcharges from 2011-2014.

Per today's decision by the Water Authority's Board, an additional \$35.9 million will be returned to member agencies in proportion to their overpayments between 2015-2017.

The court rulings will also help avoid future overcharges 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.

In addition to damages and interest, 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.

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*The San Diego County Water Authority sustains a \$253 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.*



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# \$80.24M+ Combined Disbursement

Member Agency	Distribution #1	Distribution #2	Total
Carlsbad M.W.D.	\$1,692,236.88	\$1,362,940.86	\$3,055,177.74
Del Mar, City of	\$108,025.65	\$88,358.85	\$196,384.50
Escondido, City of	\$1,754,022.94	\$1,291,896.32	\$3,045,919.26
Fallbrook P.U.D.	\$909,412.67	\$625,250.63	\$1,534,663.30
Helix W.D.	\$2,847,389.34	\$2,425,228.87	\$5,272,618.21
Lakeside W.D.	\$348,005.17	\$237,868.80	\$585,873.97
Oceanside, City of	\$2,351,413.99	\$1,938,202.55	\$4,289,616.54
Olivenhain M.W.D.	\$2,039,332.40	\$1,622,584.51	\$3,661,916.91
Otay W.D.	\$3,162,939.58	\$2,525,944.50	\$5,688,884.08
Padre Dam M.W.D.	\$1,157,551.53	\$846,518.19	\$2,004,069.72
Pendleton Military Reserve	\$4,958.08	\$5,701.47	\$10,659.55
Poway, City of	\$1,167,915.01	\$837,149.50	\$2,005,064.51
Rainbow M.W.D.	\$1,343,382.03	\$908,190.96	\$2,251,572.99
Ramona M.W.D.	\$596,663.83	\$369,181.59	\$965,845.42
Rincon Del Diablo M.W.D.	\$630,780.62	\$468,066.70	\$1,098,847.32
San Diego, City of	\$17,676,521.64	\$14,990,247.29	\$32,666,768.93
San Diego, City of	\$368,002.42	\$366,659.60	\$734,662.02
Santa Fe I.D.	\$748,699.93	\$646,414.28	\$1,395,114.21
Sweetwater Authority	\$874,367.74	\$1,070,931.27	\$1,945,299.01
Vallecitos W.D.	\$1,590,623.74	\$1,248,828.17	\$2,839,451.91
Valley Center M.W.D.	\$1,332,471.26	\$682,215.91	\$2,014,687.17
Vista I.D.	\$1,571,006.35	\$1,227,642.91	\$2,798,649.26
Yuima M.W.D.	\$98,149.47	\$85,129.98	\$183,279.45
<b>Total</b>	<b>\$44,373,872.29</b>	<b>\$35,871,153.70</b>	<b>\$80,245,025.99</b>

