



News Release

Santa Fe Irrigation District

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For Immediate Release

Santa Fe Irrigation District
858.756.2424

Jessica L. Parks
Public Information Officer

www.sfidwater.org

BOARD ADOPTS POSITION OF SUPPORT FOR THE WATER AUTHORITY'S LAWSUIT AGAINST METROPOLITAN WATER DISTRICT

RANCHO SANTA FE, Calif.— At its January 19, 2012 Board of Directors meeting, the Board adopted a position of support for the San Diego County Water Authority's (Water Authority) litigation with Metropolitan Water District of Southern California (MWD). The Water Authority's Assistant General Manager, Dennis Cushman, provided the Board a presentation and briefing on the litigation with MWD. After the presentation, the Board unanimously approved a resolution to support the Water Authority's lawsuit and support their ongoing efforts to secure a reliable water supply and transportation rates from MWD at affordable, lawful and equitable prices. The Santa Fe Irrigation District purchases approximately 60 percent of its water supply from the Water Authority.

Background on the Lawsuit:

In June 2010, the Water Authority filed a lawsuit challenging MWD's 2011 and 2012 wholesale water rates. The Water Authority alleges that MWD improperly overcharges for the transportation of water and uses that money to subsidize the cost of MWD water. This violates California's Constitution, other state law and standard water utility practice. Because the Water Authority pays MWD to transport the Water Authority's water transfer supplies it obtains from the Imperial Valley, MWD's rate structure overcharges San Diego County ratepayers. In 2011 alone, the overcharges were about \$31 million, and the estimate for 2012 is \$43.2 million. By 2021, if left unchallenged, the overcharges could grow to more than \$230 million annually.

To learn more about the lawsuit, visit: www.sdcwa.org/mwdrate-challenge

About Santa Fe Irrigation District The Santa Fe Irrigation District provides water and related services to residential, commercial and agricultural customers in the communities of Rancho Santa Fe, Solana Beach and Fairbanks Ranch. The District serves about 20,000 customers in a 16-square-mile area. The District supplies over 4.5 billion gallons (or 13,500 acre feet) of water per year to its customers, using a blend of local water from Lake Hodges and imported water purchased through the San Diego County Water Authority. The District operates the jointly owned R.E. Badger Filtration Plant, a 40-million-gallon-per-day water-treatment plant. The District owns rights to local water supplies from Lake Hodges and the San Dieguito Reservoir.