

# DEVELOPING AN INNOVATIVE MODEL FOR INTERSTATE WATER TRANSFERS



San Diego County Water Authority



The Water Authority’s Board of Directors approved a landmark Memorandum of Understanding in February 2026 to develop a legal framework and mechanisms to explore an interstate water transfer pilot program with the U.S. Bureau of Reclamation, the Metropolitan Water District and agencies in Nevada and Arizona. The Water Authority’s goals include supporting water affordability for San Diego County residents and building flexibility into our water management portfolio.

## KEY OBJECTIVES

### PILOT PROGRAM DEVELOPMENT

The February 2026 Memorandum of Understanding approved by the Water Authority’s Board creates a pathway for a federally backed pilot program enabling interstate water transfers using desalinated seawater from the Claude “Bud” Lewis Carlsbad Desalination Plant, along with other potential sources.

### REGIONAL & INTERSTATE BENEFITS

By transferring desalinated water to other states, San Diego County can help recover the cost of desalinated supplies, which is the region’s most costly investment.

### COLORADO RIVER RELIEF

The program promotes flexible water use without building new infrastructure.

## SHARING THE COLORADO RIVER

<b>40 MILLION</b>	<b>4.5 MILLION</b>
<b>PEOPLE</b>	<b>IRRIGATED ACRES</b>
<b>30</b>	<b>7</b>
<b>TRIBES</b>	<b>STATES</b>
<b>1</b>	<b>2</b>
<b>RIVER</b>	<b>COUNTRIES</b>



Seven states make up the Colorado River Basin: Arizona, California, Colorado, New Mexico, Nevada, Utah and Wyoming

## POTENTIAL PARTNERS

- U.S. BUREAU OF RECLAMATION
- SAN DIEGO COUNTY WATER AUTHORITY
- METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA
- SALT RIVER PROJECT
- ARIZONA DEPARTMENT OF WATER RESOURCES
- CENTRAL ARIZONA WATER CONSERVATION DISTRICT
- SOUTHERN NEVADA WATER AUTHORITY

MAY 2026

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## BACKGROUND

### CLAUDE "BUD" LEWIS CARLSBAD DESALINATION PLANT

The nation's largest seawater desalination facility produces up to 54 million gallons per day of drought-proof drinking water.

### WATER AUTHORITY INVESTMENTS

Over \$3 billion in reliability projects, including the 2003 Quantification Settlement Agreement – which generates water conservation in the Imperial Valley – and conservation programs that cut per capita demand in San Diego County by 50% over 35 years.

### SUFFICIENT SUPPLIES

Lower water demand and new local sources coming online in 2026-2027 create opportunities for interstate water exchanges.



## WHY IT MATTERS

### COLORADO RIVER CRISIS

The river supports 40 million people but faces severe drought and declining flows. Innovative partnerships and interstate water transfers are important tools for helping to manage severe drought.

### SAN DIEGO'S LEADERSHIP

With decades of investment in water reliability and conservation, the Water Authority is uniquely positioned to assist other regions while safeguarding local supplies.

## BENEFITS

### AFFORDABILITY FOR SAN DIEGO

Revenues from water transfers could offset desalination costs, mitigating rate impacts on local working families.

### REGIONAL RESILIENCE

Flexible water-sharing agreements strengthen drought preparedness for multiple states.

### ENVIRONMENTAL & FISCAL RESPONSIBILITY

No new infrastructure is required, supporting sustainable water management.

## FREQUENTLY ASKED QUESTIONS

### HAS THIS BEEN DONE BEFORE?

No. This type of interstate desalinated water transfer has never been achieved in the Lower Colorado River Basin.

### WHAT IS THE TIMELINE?

Partners are moving quickly given the urgency of river conditions, but there is no set timeline.

### WILL SAN DIEGO HAVE ENOUGH WATER?

Yes. The priority is ensuring local needs are met as the Water Authority continues to work closely with member agencies.