

# WATER TRANSFERS ENHANCE AFFORDABILITY & RELIABILITY



In early 2026, the San Diego County Water Authority's Board of Directors approved the transfer of 20,000 acre-feet of water annually for 21 years, split evenly between the Western Municipal Water District and Eastern Municipal Water District in Riverside County. The historic partnerships strengthen regional water security, support strategic water resource management across Southern California, and deliver major cost savings for local families.



Our Partners

## BACKGROUND

### WATER AUTHORITY INVESTMENTS

Over \$3 billion in reliability projects, including the 2003 Quantification Settlement Agreement and conservation programs that cut per capita demand by 50% over 35 years.

### A NEW PARTNERSHIP WITH METROPOLITAN

A landmark legal agreement between the Water Authority and Metropolitan in 2025 allowed for water exchanges or transfers, which help Southern California manage water more efficiently.

### SUFFICIENT SUPPLIES

Lower demand and new local sources coming online in 2026-2030 create opportunities for water transfers and exchanges.

## HOW IT WORKS

### PAPER TRANSFERS

Water exchanges will occur “on paper,” meaning Western and Eastern will take water deliveries from the Metropolitan Water District's existing infrastructure and avoid costly new pipelines.

### POTENTIAL SCALE

The Water Authority is exploring opportunities to maximize the region's water supply investments while ensuring long-term reliability. More than 50,000 acre feet can be exchanged as part of the settlement. The agency is taking a careful approach to balancing supplies and demands.

### FEDERAL PARTNERSHIP

A separate pilot program for interstate water exchanges is under development with the federal government. The program would help demonstrate new tools for regional water management while leveraging San Diego County's water investments.

## BENEFITS

### REDUCE RATE IMPACTS FOR SAN DIEGANS

Adding millions of dollars in revenues each year will help cover the cost of water supplies for the San Diego region and minimize surplus.

### REGIONAL RESILIENCE

Flexible water-sharing agreements strengthen regional drought preparedness in Southern California and potentially beyond.

### ENVIRONMENTAL & FISCAL RESPONSIBILITY

No new infrastructure is required, supporting sustainable water management.

## KEY OBJECTIVES

### SUPPORT STRATEGIC WATER MANAGEMENT

The strategic alliance provides partner water districts with access to additional supplies and long-term security backed by the Water Authority's portfolio of proven conservation programs, infrastructure investments, and legal protections.

### MODERNIZE THE BUSINESS MODEL

By using resources in new ways, the Water Authority is generating new revenues to help sustain regional water infrastructure for generations to come.

## WHY IT MATTERS

### AFFORDABILITY

With more than \$3 billion in water security investments over the past 30 years, the Water Authority has enough water for the foreseeable future. Maximizing the use of these assets helps to ensure that the region's ratepayers can benefit from these investments for years to come, while ensuring they are only paying for what's needed.

### SAN DIEGO'S LEADERSHIP

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



**MORE INFO**

## FREQUENTLY ASKED QUESTIONS

### HAS THIS BEEN DONE BEFORE?

The transfer agreement between the Water Authority and Western/Eastern Water is the first of its kind and sets a precedent for water sharing in Southern California.

### WHY IS THE WATER AUTHORITY SEEKING TRANSFERS NOW?

With long-term demands decreasing in San Diego County and additional local supplies coming online in 2026 and 2027, the region has sufficient supplies through 2050, according to the current draft Urban Water Management Plan. At the same time, water agencies across the Southwest are looking for flexible ways to improve water reliability.

### HOW MUCH WATER IS SAN DIEGO COUNTY TRANSFERRING?

The contract signed with Western/Eastern Water on April 1, 2026, commits the Water Authority to transferring 20,000 acre-feet per year for 21 years. Western Water is also pre-purchasing approximately 60,000 acre-feet of water for future delivery.

### WILL THESE TRANSFERS REDUCE WHOLESALE WATER RATES IN SAN DIEGO COUNTY?

It's premature to speculate about rate impacts because there are numerous complex variables in rate-setting, and the Board will make decisions about how to allocate new revenues in coming months. In addition, retail water agencies have their own costs, and their rate proposals will reflect their needs – not just the wholesale cost of water.



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