



FOR IMMEDIATE RELEASE
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San Diego City Council Approves Ongoing Improvements to Public Utility Services

WATER RATE INCREASES COVER RISING COST OF PURCHASING IMPORTED WATER AND NEEDED INFRASTRUCTURE IMPROVEMENTS

SAN DIEGO – The San Diego City Council today approved water rate increases that are needed over the next two years to improve customer service technology, repair aging infrastructure and continue to provide safe, reliable water to residents. The increases also cover the rising cost of purchasing imported water for calendar years 2023 through 2025.

A cost-of-service study conducted last year found that if the City's water rates remained unchanged, there wouldn't be enough revenue to provide necessary water services for the next two years. The rate increase approved today is also attributed to a rate hike from the San Diego County Water Authority (SDCWA), the region's water wholesaler, which buys and imports the water we need for the region.

"The City currently purchases 85% to 90% of all its drinking water, and we work diligently to find ways to keep costs down for our customers," said Juan Guerreiro, Director of the City's Public Utilities Department. "This necessary increase will allow us to continue our investments in replacing and rehabilitating our pipelines and maintain reliable water service for the residents of San Diego."

Following the City Council's approval today, water rates will increase 5% overall beginning Dec. 1, 2023, then increase another 5.2% effective July 1, 2024, for a total one-year increase of 10.2%. Another increase of 8.7% overall will take effect the following year on Jan. 1, 2025.

The City must fund routine rehabilitation and replacement of aging infrastructure to ensure Public Utilities provides reliable service that complies with state and federal regulations. Because the Public Utilities Department is entirely reliant on ratepayer funds to operate the water system, the department gets no money from the City's General Fund to carry out this critical function.

The City is also continuing its investment in Pure Water San Diego, a landmark water-recycling program that will greatly reduce the need for the City to purchase imported water. Pure Water is planned to provide nearly half of San Diego's water supply locally by the end of 2035.

Operations and project needs are analyzed annually, and the increase in 2025 may be lower than this figure. Historically, the City has implemented lower-than-projected increases because the operational needs do not reach the cost assumptions in the cost-of-service study due to process changes and/or efficiencies.

More information about the water rate adjustments is available at sandiego.gov/rate-adjustments. Anyone who feels they need financial assistance in paying their water bill can apply for the [Low Income Household Water Assistance Program](#).

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