



**FOR IMMEDIATE RELEASE: January 15, 2020**

Contact: Leslie Wolf Branscomb at  
[lawolf@sandiego.gov](mailto:lawolf@sandiego.gov) or (619) 533-5896

## **City Suing SDG&E for \$35 Million**

*Utility is refusing to honor its legal obligations to San Diegans*

City Attorney Mara W. Elliott announced today that the City of San Diego is suing San Diego Gas & Electric for refusing to honor promises it made when it obtained the exclusive rights to provide gas and electricity to San Diegans in 1971.

As the City moves forward with its Pure Water San Diego Program, which will reduce ocean pollution and increase San Diego's water supply, SDG&E has failed to relocate at its own expense its underground infrastructure that obstructs the City project, which it is required to do under the terms of its contract with the City.

In June 2018, SDG&E refused to undertake design and relocation work for Phase 1 of the program unless the City fronted the money. To avoid a costly delay, the City provided initial funding of \$35,578,521 to SDG&E to begin the work. Despite months of discussion, the parties have been unable to resolve this dispute short of litigation.

The lawsuit, approved by a unanimous vote of the City Council on October 22, 2019, seeks to recoup the City's \$35,578,521 and force SDG&E to honor the explicit terms of its franchise agreements.

**“It’s unfortunate that a lawsuit is needed to compel our longtime partner to honor the terms of its contract with the City,”** City Attorney Mara W. Elliott said. **“Pure Water is critical to protecting the ocean from pollution and increasing our water independence. This program cannot be compromised by further delays.”**

In 2014, the City Council approved the Pure Water San Diego Program to divert sewage flow away from the Point Loma Wastewater Treatment Plant and convert it into potable water through purification technology.

The Pure Water program will make San Diego more water independent, and will provide a safe, secure and sustainable local water supply. Phase 1 of the program will create 30 million gallons a day of potable water and is scheduled to be completed in 2023.

###