Calif. court rejects tiered water rates

By Meghann M. Cuniff, Orange County Register

An appellate court on Monday declared San Juan Capistrano's water rate system illegal, questioning the validity of the longstanding tiered rate model that's used by agencies across drought-stricken California to encourage water conservation.

But the 29-page ruling, which has been anxiously awaited by municpalities and water districts throughout the state, emphasizes that rates that increase as usage increases are "perfectly consonant" with state law so long as the rates correspond with service costs. That just didn't happen in San Juan Capistrano.

The judges also declared legal San Juan Capistrano's method of charging all water customers for recycled water even though the service wasn't available to everyone, which reverses part of the August 2013 ruling from now retired Orange County Superior Court Judge Greg Munoz that declared the city's entire rate structure illegal.

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