



CALIFORNIA WATER SERVICE GROUP

MAKING RECORDS

SUMMARY ANNUAL REPORT 2017



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SERVICE GROUP

SUMMARY ANNUAL REPORT
2017



**MAKING
RECORDS**

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You drop the needle on your favorite record and the sound washes over you. You understand what author Pat Conroy meant when he said, “Without music, life is a journey through the desert.”

It took scores of people to provide this soul elixir: writers, producers, sound engineers, musicians, and vocalists. There are the parts you think about, like the vocals and the instrumentals, and the parts you don’t, like the editing, balancing, mixing, and mastering. But the end result is something you savor.

Water is a lot like music in this way. It is essential to living a good life, and it is more complex than many think. A one-man band doesn’t cut it. Instead, it takes an entire cast of people—some of whom are front and center, others of whom are behind the scenes—to deliver the quality, service, and value that our customers enjoy any time they choose.

In 2017, not only did we hit all the right notes—we made records, too.



*“Take a music bath once or twice a week
for a few seasons. You will find
it is to the soul what a water bath
is to the body.”*

— Oliver Wendell Holmes



01

TOPPING THE CUSTOMER SERVICE CHARTS

Topping the Customer Service Charts

We want our customers to be our biggest fans, so we prioritize the things that are important to them: water quality, customer service, conservation, communication, and affordability. In 2017, we met all state and federal water quality standards in the 221 water systems we operate. That doesn't happen by accident. It takes the dedication and commitment of professionals in the field and in the lab, working in concert to execute a rigorous water quality-assurance program.

For our customer service professionals, we debuted a Leading Customer Loyalty training program to win the hearts of our customers by sharpening a variety of skills, including listening, generosity, and empathy. We also topped industry standards for first-call satisfaction, on-time performance, and accuracy in billing. And throughout the company, we hosted events for customers to learn about their water and take advantage of our many water conservation programs. In everything we do, we strive to be as efficient as possible to keep rates affordable.

There's no doubt that the costs of providing a safe, reliable water supply are increasing for all water providers, and we are no exception. But we do offer a Low-Income Ratepayer Assistance (LIRA) program, a hardship grant program, and payment arrangements to help customers who are having difficulties making ends meet. And in the end, our customers pay less than a penny per gallon to have clean water delivered right where they need it. When you consider the enormous amount of effort that goes into obtaining, treating, testing, and transporting the water, that's a pretty good value.

"Country fans are extremely supportive. Once they're with you, they're with you for life."

— Faith Hill



NOTABLE NOTES



470,000+ 

WATER QUALITY TESTS
CONDUCTED ON 60,000+
SAMPLES



105,675

CUSTOMERS REACHED VIA
EMAIL, TEXT, OR PHONE
MESSAGE THROUGH CUSTOMER
OUTREACH PORTAL



555 

FACEBOOK POSTS ELICITING
74,779 REACTIONS



\$10+ million 

IN WATER BILL DISCOUNTS
PROVIDED THROUGH LIRA
PROGRAM

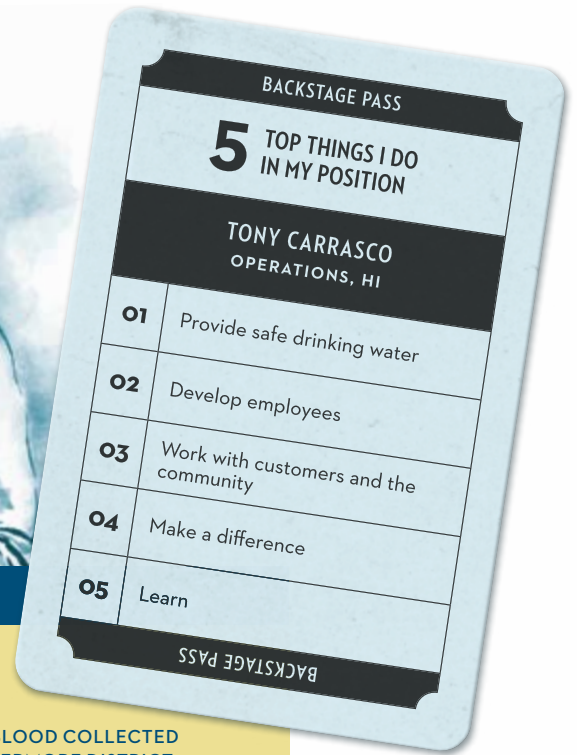


RECORD ACHIEVEMENTS



02

STRIKING A CHORD IN OUR COMMUNITIES



NOTABLE NOTES



\$833,000



CONTRIBUTED TO 330
CHARITABLE ORGANIZATIONS



22

STUDENTS RECEIVED
SCHOLARSHIPS, 6 OF WHOM
ARE FIRST-GENERATION
COLLEGE STUDENTS



2,500

TOYS COLLECTED BY OUR EAST
LOS ANGELES DISTRICT FOR
TOYS FOR TOTS



126

PINTS OF BLOOD COLLECTED
IN OUR LIVERMORE DISTRICT,
ENOUGH TO SAVE 378 LIVES



9,000+

POUNDS OF FOOD DELIVERED
BY OUR HUMAN RESOURCES
DEPARTMENT TO THE SECOND
HARVEST FOOD BANK



RECORD ACHIEVEMENTS

“It doesn’t matter if you are a musician, a business leader, a president, or a student. We all have a responsibility to give back.”

— Shakira

Striking a Chord in Our Communities

Contributing to the well-being of our communities means working in concert with community leaders, regulators, and charitable organizations to prepare for emergencies, protect our environment, and help the most vulnerable among us. In 2017, we debuted Emergency Operation Center training exercises for first responders in the California communities of Oroville, Chico, Guerneville, and Lucerne, and we provided additional emergency response training to employees in every one of our service areas.

Our commitment to the environment and sustainability was reflected in the completion of two key projects: our fish passage project in Woodside, California, and our new customer and operations center in San Mateo, California—

a Leadership in Energy and Environmental Design (LEED)-certified building that also makes an attractive addition to the neighborhood.

Another record: Our stockholder-funded charitable contributions reached an all-time high, as we supported local organizations that provide shelter, food, and other services to those in need. Employees throughout the company also stepped up, collecting food, toys, school supplies, warm coats, and even blood to help their neighbors.

The bottom line: When our communities need us, we are there. Take, for example, the time when tens of thousands of our customers were evacuated because of the California Department of Water Resources’ Oroville Dam spillway failure. Our CEO traveled to evacuation centers armed with boxes and boxes of chocolates to pass out on Valentine’s Day, and our community affairs team arranged for families to attend free movie showings at a local theater. Small gestures, to be sure, but ones that show how big our heart is for our communities.

03



**LAYING DOWN
THE BEST TRACKS
WITH OUR
INFRASTRUCTURE
INVESTMENT**

NOTABLE NOTES



\$259.2 million



INVESTED IN OUR
WATER SYSTEMS



16



EMERGENCY GENERATORS
INSTALLED



21



TREATMENT PLANTS
CONSTRUCTED IN A SINGLE
YEAR TO MEET THE NEW
WATER QUALITY STANDARD
FOR TCP



RECORD ACHIEVEMENTS

Laying Down the Best Tracks with Our Infrastructure Investment

Communities without access to clean, safe water cannot thrive. And just as a Grammy-winning band needs a variety of well-tuned instruments to make beautiful music, we need a variety of well-maintained wells, pumps, pipes, and treatment facilities to make beautiful water.

In 2017, we invested a record \$259.2 million in water system infrastructure in order to continue providing customers with the reliability and quality they expect and deserve. We replaced 128,700 feet of water pipeline, completed three additional large-diameter pipeline projects, and constructed five water storage tanks, five wells, and ten pump stations to increase supply and improve our delivery system.

We also invested significant effort to meet the new limit of five parts per trillion for 1,2,3-trichloropropane (TCP) set by the California State Water Resources Control Board in July 2017. With only five months to the initial compliance deadline of January 2018, getting all of the treatment in place required nothing short of a virtuoso performance. And we completed all of this construction despite 2017 bringing us all of the rain we wished for in 2015 and 2016. Finally, we continued design, outreach, and initial work for the Palos Verdes Peninsula Water Reliability Project, which will be the largest capital investment in company history.



"The modern recording studio, with its well-trained engineers, 24-track machines, and shiny new consoles, encourages the artist to get involved with sound."

— John Landau

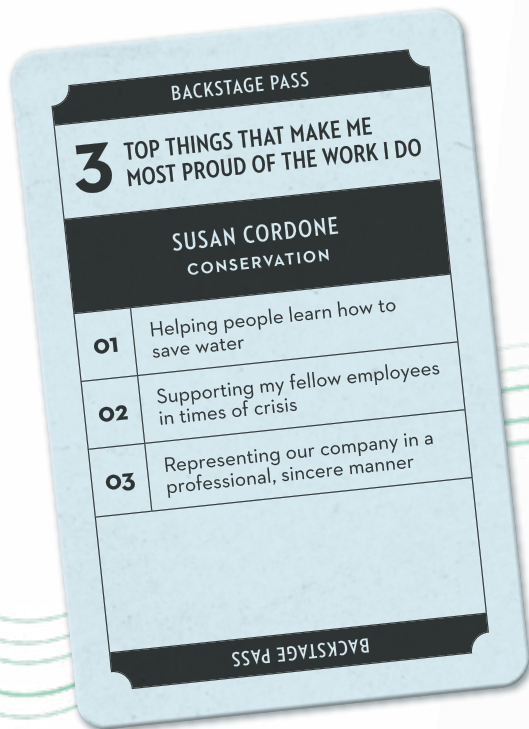
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GREATEST HITS IN FINANCIAL PERFORMANCE

Greatest Hits in Financial Performance

*"No one can whistle a symphony.
It takes an orchestra to play it."*

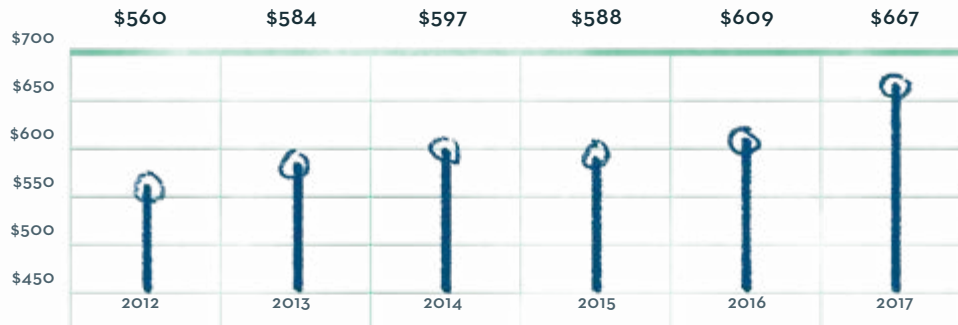
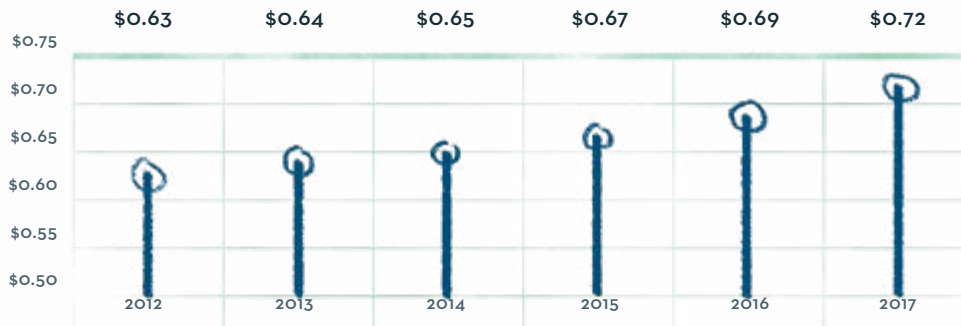
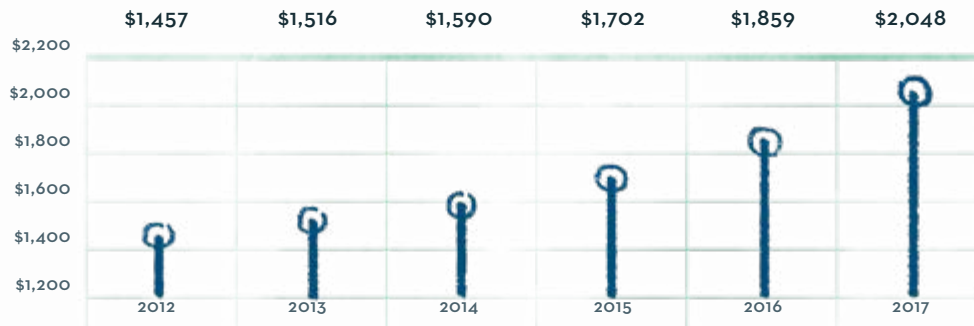
— Halford E. Luccock



At the symphony, the program usually recognizes Patrons of the Arts, who provide the financial support needed to keep the music coming. Our stockholders are like our very own Patrons of the Arts, contributing the capital required to keep the water flowing. With all of the other costs of providing water being passed through to customers on a dollar-for-dollar basis, our stockholder return comes from the capital invested in water system infrastructure.

Because of the way we are regulated by our state utilities commissions, customers and stockholders alike benefit when we invest in our water systems, effectively manage our expenses, and minimize business risks. When it comes down to it, our customers' and stockholders' priorities are in sync, and when we perform well, we earn rave reviews from both.



TOTAL OPERATING REVENUE (\$ in thousands)**ANNUAL DIVIDEND (\$ per share)****NET UTILITY PLANT (\$ in millions)**



05

**WE'RE WITH
THE BAND**

"I just really love playing with this band. It's just such a ridiculously good band...There's a sense of pride in it... Every time we go out there, we want to be really great."

— Tom Petty

We're with the Band

We put on such a good show because our employees know that they are an important part of the band, regardless of the part they play. Whether behind the scenes or center stage, they work together to provide excellent service and make our communities a better place.

In 2017, we made great strides to improve workplace safety by partnering with our unions, implementing best-in-class policies and procedures, and building a culture of safety. We also continued to promote professional development and provide employees with competitive salaries and benefits, encouraging elite utility professionals to spend their careers with us and establishing ourselves as an employer of choice in the industry.

We also implemented an enhanced Continuous Improvement program—we call it Continuous Improvement 2.0—a streamlined process that enables employees to make improvements to our business processes more quickly. It is our devotion to the band that has earned us the designation of Great Place to Work® and a Top 95 Workplace in the San Francisco Bay Area.



BACKSTAGE PASS

3 TOP THINGS THAT MAKE ME MOST PROUD OF THE WORK I DO

CHANTAL OROSCO
CUSTOMER SERVICE & OPERATIONS, NM

01	Hearing that customers approve of the job we do
02	Working for a company with integrity
03	Playing a role in the company's success

BACKSTAGE PASS

NOTABLE NOTES



17,560 
HOURS OF EMPLOYEE TRAINING PROVIDED



14%
REDUCTION IN WORKPLACE INJURIES



45
CRITICAL INCIDENT RESPONSE MANAGEMENT TEAM EMPLOYEES TRAINED TO SUPPORT FELLOW EMPLOYEES



RECORD ACHIEVEMENTS



06

FAN CLUB AND GOLD RECORDS

“

Doug is at my house right now trying to restore water to my place. My daughter is home alone, and he offered to bring by bottled water until the problem is resolved. I felt that he was helpful, kind, and going above his job description for this one. Not to mention, he is out there alone in this heat digging away.”

– WASHINGTON WATER CUSTOMER



“

Thank you to the team that came out in the middle of the night. I got up around 1:30 a.m. to get a glass of water, but almost nothing was coming out. I knew something was wrong. A few minutes later, I heard some jackhammers, and I knew something was being done. By around 2:30 a.m., water was back. Great job! I bet most of the people affected did not even notice the work you guys do and the service you provide.”

– CAL WATER BEAR GULCH DISTRICT CUSTOMER

“

Thank you for the incredible, quick service. I sent in a web form around 9:30 p.m. expecting to get service the following day. Within less than 30 minutes, Alex arrived to help solve the issue. Super-friendly, amazingly fast service. Now we have water again for the morning. Thank you, Alex!!”

– CAL WATER BAYSHORE DISTRICT CUSTOMER

“

I would like to recognize the Rio Communities Water District for the quality of water. I am also impressed with the friendly, courteous service that the meter reader, Mary, provides.”

– NEW MEXICO WATER CUSTOMER

“

[Joey’s] approach was impeccable, and his desire to assist and to come back to find the problem [a water leak] while his job was reading meters impressed me to no end. Joey is a very fine example of what an employee should be. He represented Cal Water with class and so much professionalism that I just had to send in my congratulations.”

– CAL WATER LIVERMORE DISTRICT CUSTOMER



WATER MANAGEMENT INNOVATION AWARD



LARRY C. LARSON SAFETY AWARD



GREAT PLACE TO WORK® CERTIFICATION



SAN FRANCISCO BAY AREA TOP 95 WORKPLACE



SUPPLIER DIVERSITY CHAMPION OF THE YEAR



2017 DISTINGUISHED SUPPLIER DIVERSITY AWARD



WATER EFFICIENCY & CONSERVATION AWARD



HERMES CREATIVE AWARD FOR CUSTOMER COMMUNICATIONS

Or

2017—MUSIC TO OUR EARS

Dear Stockholder:

We couldn't be more pleased with our performance in 2017, filled as it was with the record achievements detailed in this report. What strikes us as we review the year is the fact that we hit all the right notes—not only with our stockholders, but with our customers, communities, and employees, too. We continue to believe that our success relies on our ability to make fans of all of these constituents.

Nobody likes a broken record, so we won't repeat the information provided on the previous pages. We would note, however, that when awards are passed out, our Record of the Year should definitely be "Building and Improving Water Infrastructure." Our investment of \$259.2 million in our water systems is critical, because it enables us to provide our customers and communities with a reliable supply of high-quality water and our stockholders with a return on their investment.

It's important to note that the capital budget for our largest subsidiary, California Water Service, was set for 2016 through 2018 in our last rate decision, so we expect our level of capital investment to be somewhat lower in 2018 than the all-time highs reached in 2016 and 2017. We are now working on our proposal for water system improvement projects for the 2018 triennial California rate filing; we also continue efforts to educate the public on the criticality of water infrastructure investment to build support for our capital plan.

A significant success that wasn't highlighted on previous pages was our 2017 succession planning and recruitment. Several of our key players took a bow, with district and general managers in eight of our 25 operating areas celebrating retirements. Replacing this kind of talent is no small feat, particularly considering the fact that they had a combined 290 years of experience. But our succession planning and recruitment efforts were extremely effective, and we filled the positions with highly qualified, diverse replacements who have hit the ground running.

As this report goes to print, we are focusing significant effort on regulatory matters. First, there is a Proposed Decision pending on our Cost of Capital filing in California that fails to balance the interests of customers and stockholders. If adopted, it would hinder our ability to make critical and necessary improvements to our water systems. Second, our regulatory commissions are considering how we will implement the new federal tax law. Our main focus now is participating in the regulatory process to advocate for fair and reasonable decisions in both of these matters, because they could have a significant impact on our earnings and cash flows, and ultimately lead to higher rates for customers.

Looking ahead, in order to continue to successfully execute our strategy, we will need to:

- Balance the rising costs of providing water and improving water infrastructure with the importance of having affordable rates.
- Make a compelling case to the California Public Utilities Commission in our 2018 rate filing to ensure that future water rates accurately reflect the costs of providing service.
- Ensure that our customers and communities understand the many benefits of being served by our company.
- Be ready and able to meet long-term regulations on the horizon in California that are intended to “Make Conservation a Way of Life.”
- Continue to participate in developing the regulations and policies that affect our business.

We have an excellent strategy, and working as one team, we can overcome any challenges the future holds and continue fulfilling our purpose: to enhance the quality of life for our customers, communities, employees, and stockholders.

Before we play the final note, we would like to congratulate Bonnie G. Hill, who retired from our Board of Directors in May of 2017. She brought so much expertise, insight, and value to the Group; we thank her for her many contributions and wish her the best in retirement. We would also like to welcome retired three-star U.S. Navy Vice Admiral Carol M. Pottenger, who joined the Board in September. And finally, it is with heartfelt sorrow that we share the 2017 passing of former Chairman Robert W. Foy. Bob, the consummate gentleman and professional, left an indelible mark on all who knew him. He is dearly missed.

With that, we wish you the best in 2018 and thank you for your continued investment in California Water Service Group.



MARTIN A. KROPELNICKI

PRESIDENT AND CHIEF EXECUTIVE OFFICER



PETER C. NELSON

CHAIRMAN OF THE BOARD

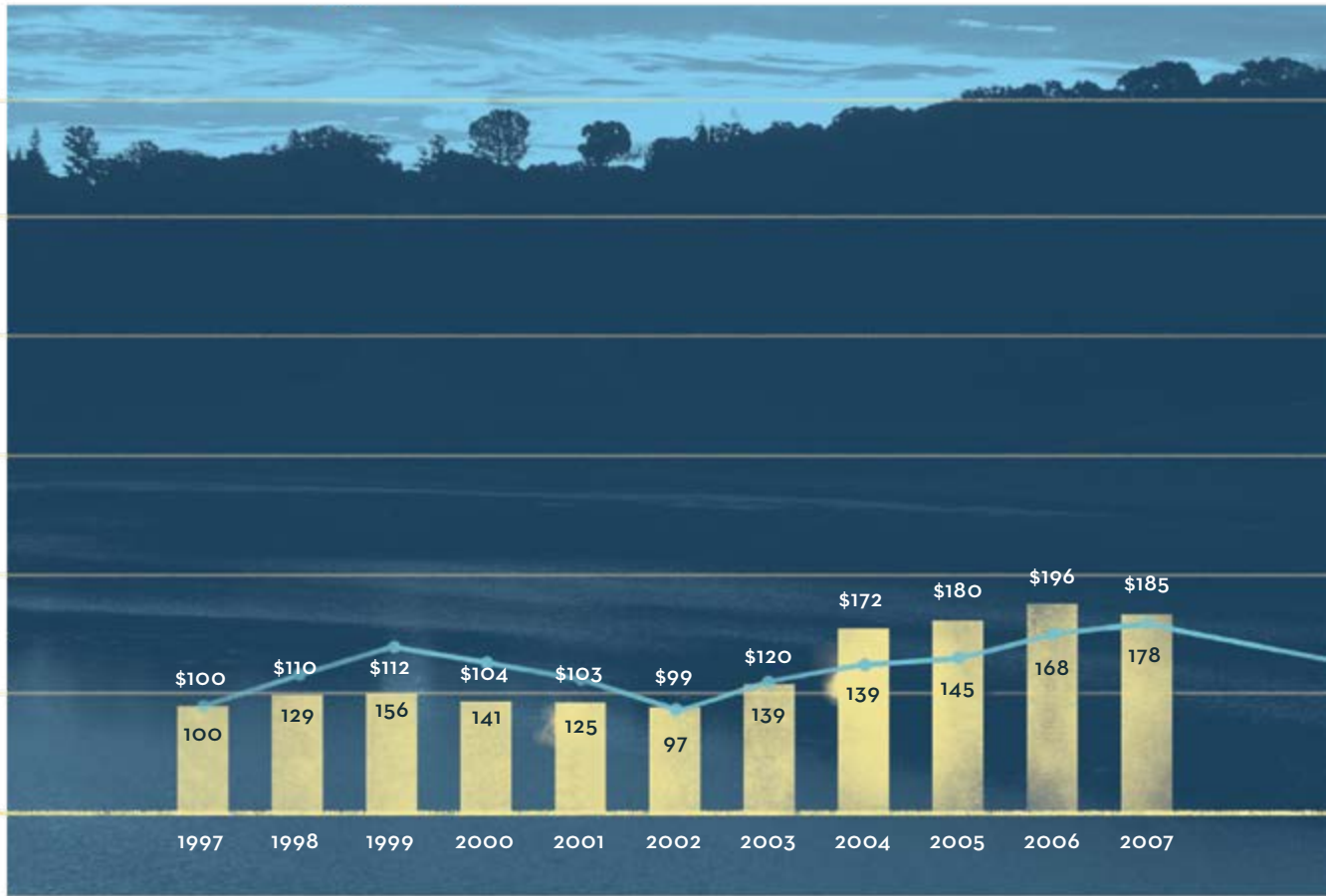
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FINANCIAL REVIEW



CWT 20-Year Total Return on Investment

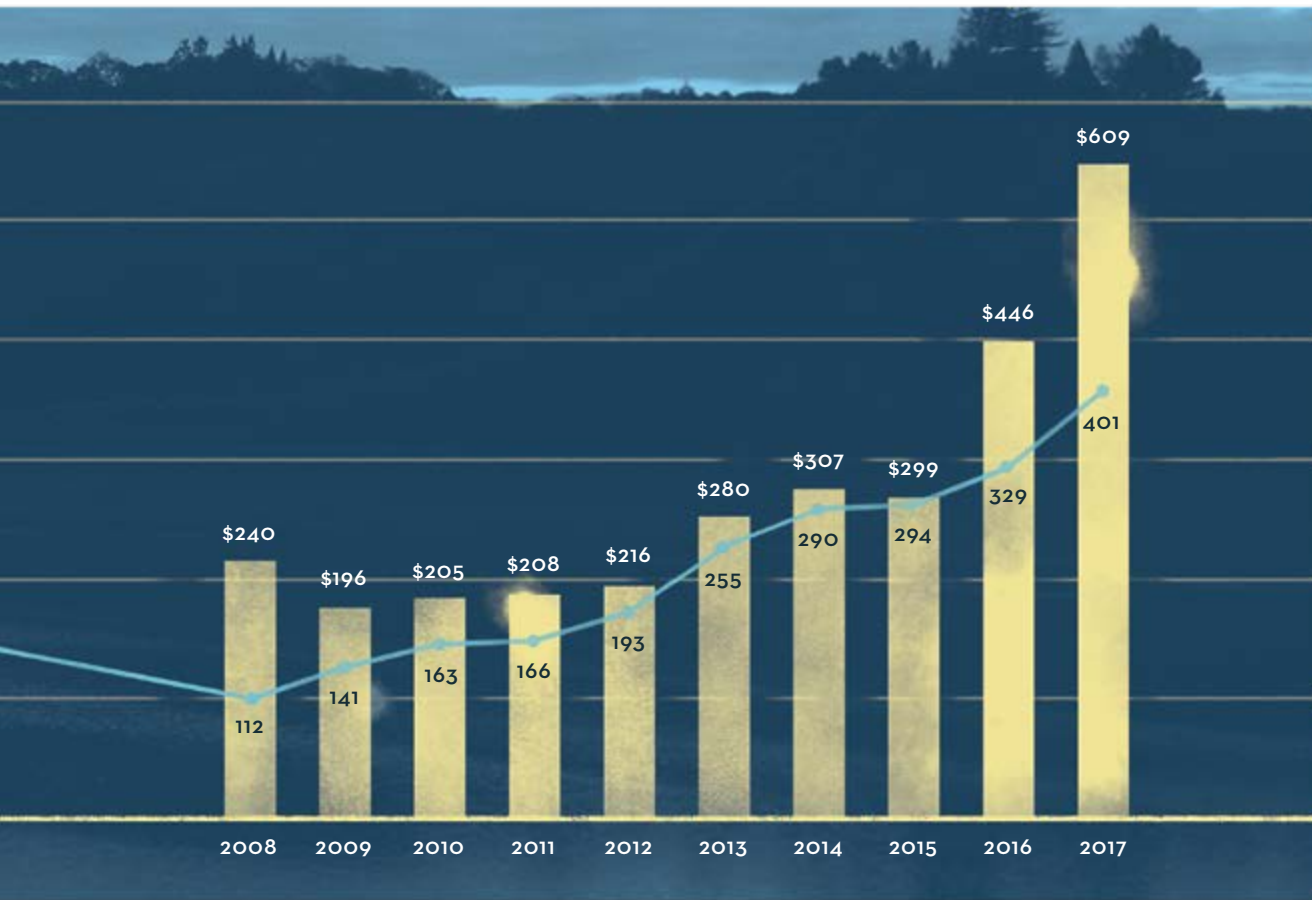
(On \$100 stock purchase on December 31, 1997, with dividends reinvested)



LEGEND: CWT S&P 500

CWT 20-Year Total Return on Investment

(On \$100 stock purchase on December 31, 1997, with dividends reinvested)



LEGEND: ■ CWT ■ S&P 500

Service Area Maps

WASHINGTON

Operations/Customer Centers

- Olympia (S.W. Regional Office)
- Gig Harbor (N.W. Regional Office and Customer Center)
- Sequim
- Issaquah
- Orcas Island (Field Offices)

Serving more than 425 neighborhoods and small communities in the counties of Clallam, Jefferson, Kitsap, Mason, Pierce, King, San Juan, and Thurston

REGULATED CUSTOMER CONNECTIONS

2017	16,800
-------------	--------

2016	16,700
-------------	--------

HAWAII

Operations/Customer Centers

- Ka'anapali (Maui)
- Waikoloa (Hawaii)

Serving the communities of Ka'anapali, Pukalani, Waikoloa, North Kona Coast, and Kohala Coast on the islands of Maui and Hawaii

REGULATED CUSTOMER CONNECTIONS

2017	4,500
-------------	-------

2016	4,400
-------------	-------

CALIFORNIA

Districts

- Bakersfield
- Bay Area Region
 - Bayshore
 - Redwood Valley
- Bear Gulch
- Chico
- Commerce
- Dixon
- Dominguez
- East Los Angeles
- Hawthorne
- Hermosa-Redondo
- Kern River Valley
- Livermore
- Los Altos
- Los Angeles County Region
 - Antelope Valley
 - Palos Verdes
- Marysville
- Monterey Region
 - King City
 - Salinas
- Oroville
- Selma
- Stockton
- Visalia
- Westlake
- Willows

CUSTOMER CONNECTIONS*

2017	484,900
2016	482,400

*Including Hawthorne and Commerce operation and maintenance agreements

NEW MEXICO

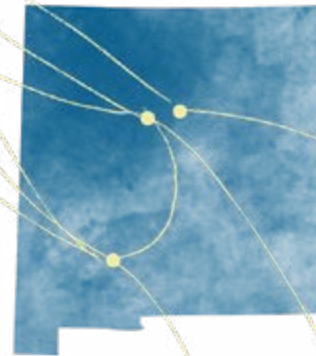
Operations/Customer Centers

- Elephant Butte
- Rio Communities
- Cedar Crest

Serving the communities of Meadow Lake, Cypress Gardens, Rio Communities, Rio Del Oro, Elephant Butte, Sandia Knolls, and Cedar Crest in the counties of Sierra, Valencia, and Bernalillo

REGULATED CUSTOMER CONNECTIONS

2017	8,100
2016	8,000



California Districts & Communities: Number of Customer Accounts

	2016	2017
Bakersfield	71,100	71,600
Bay Area Region South San Francisco, Colma, Broadmoor, San Mateo, San Carlos, Lucerne, Duncans Mills, Guerneville, Dillon Beach, Noel Heights, and portions of Santa Rosa	55,500	55,700
Bear Gulch Atherton, Woodside, Portola Valley, and a portion of Menlo Park	18,900	18,900
Chico Hamilton City	29,400	29,700
Dixon	2,900	2,900
Dominguez Carson and portions of Compton, Harbor City, Long Beach, Los Angeles County, and Torrance	34,100	34,100
East Los Angeles Portions of Montebello, Commerce, Monterey Park, and Vernon	26,800	26,800
Hawthorne and Commerce (Operation and maintenance agreements)	7,600	7,600
Hermosa-Redondo Hermosa Beach, Redondo Beach, and a portion of Torrance	26,900	26,900
Kern River Valley Bodfish, Kernville, Lakeland, Mountain Shadows, Onyx, Squirrel Valley, South Lake, and Wofford Heights	3,900	4,000

California Districts & Communities: Number of Customer Accounts

	2016	2017
Los Angeles County Region Palos Verdes Estates, Rancho Palos Verdes, Rolling Hills, Rolling Hills Estates, Fremont Valley, Lake Hughes, Lancaster, and Leona Valley	25,600	25,600
Livermore	18,600	18,800
Los Altos Portions of Cupertino, Los Altos Hills, Mountain View, and Sunnyvale	18,900	19,000
Marysville	3,800	3,800
Monterey Region Salinas and King City	31,100	31,300
Oroville	3,600	3,600
Selma	6,400	6,400
Stockton	43,800	44,000
Visalia	44,000	44,700
Westlake Westlake Village and a portion of Thousand Oaks	7,100	7,100
Willows	2,400	2,400

Financial Highlights

YEAR ENDED DECEMBER 31	2012	2013	2014	2015	2016	2017
Market price at year end	\$18.35	\$23.07	\$24.61	\$23.27	\$33.90	\$45.35
Book value per share	\$11.30	\$12.54	\$13.11	\$13.41	\$13.75	\$14.44
Earnings per share (diluted)	\$1.17	\$1.02	\$1.19	\$0.94	\$1.01	\$1.40
Dividend per share	\$0.630	\$0.640	\$0.650	\$0.670	\$0.690	\$0.720
Revenue*	\$559,966	\$584,103	\$597,499	\$588,368	\$609,370	\$666,890
Net Income*	\$48,828	\$47,254	\$56,738	\$45,017	\$48,675	\$67,181

*Dollars in thousands

Eight-Year Financial Review

(Dollars in thousands, except common shares and other data)

	2017	2016	2015	2014
SUMMARY OF OPERATIONS				
Operating revenue	\$666,890	\$ 609,370	\$588,368	\$597,499
Operating expenses	\$572,267	\$533,176	\$517,215	\$515,652
Interest expense, other income and expenses, net	\$27,442	\$27,519	\$26,136	\$25,109
Net income	\$67,181	\$48,675	\$45,017	\$56,738
COMMON SHARE DATA				
Earnings per share (diluted)	\$1.40	\$1.01	\$0.94	\$1.19
Dividend declared	\$0.720	\$0.690	\$0.670	\$0.650
Dividend payout ratio	51%	68%	71%	55%
Book value	\$14.44	\$13.75	\$13.41	\$13.11
Market price at year end	\$45.35	\$33.90	\$23.27	\$24.61
Common shares outstanding at year end (in thousands)	48,012	47,965	47,875	47,806
Return on average common stockholders' equity	9.9%	7.5%	7.1%	9.3%
Long-term debt interest coverage	4.28	3.45	3.67	4.29
BALANCE SHEET DATA				
Net utility plant	\$2,047,965	\$1,859,277	\$1,701,768	\$1,590,431
Total assets	\$2,740,375	\$2,411,745	\$2,241,253	\$2,182,711
Long-term debt, including current portion	\$531,713	\$557,953	\$514,045	\$421,200
Capitalization ratios:				
Common stockholders' equity	56.6%	54.2%	55.5%	59.80%
Long-term debt	43.4%	45.8%	44.5%	40.20%
OTHER DATA				
Water production (million gallons)	104,986	99,096	98,899	118,282
Customers at year end, including Hawthorne and Commerce	514,300	511,500	509,000	506,100
New customers added	2,800	2,500	2,900	3,200
Revenue per customer	\$1,297	\$1,191	\$1,156	\$1,181
Utility plant per customer	\$5,775	\$5,312	\$4,925	\$4,628
Employees at year end	1,176	1,163	1,155	1,105

Eight-Year Financial Review

(Dollars in thousands, except common shares and other data)

	2017	2013	2012	2011
SUMMARY OF OPERATIONS				
Operating revenue	\$666,890	\$584,103	\$559,966	\$501,814
Operating expenses	\$572,267	\$510,098	\$486,123	\$434,647
Interest expense, other income and expenses, net	\$27,442	\$26,751	\$25,015	\$29,455
Net income	\$67,181	\$47,254	\$48,828	\$37,712
COMMON SHARE DATA				
Earnings per share (diluted)	\$1.40	\$1.02	\$1.17	\$0.90
Dividend declared	\$0.720	\$0.640	\$0.630	\$0.615
Dividend payout ratio	51%	63%	54%	68%
Book value	\$14.44	\$12.54	\$11.30	\$10.76
Market price at year end	\$45.35	\$23.07	\$18.35	\$18.26
Common shares outstanding at year end (in thousands)	48,012	47,741	41,908	41,817
Return on average common stockholders' equity	9.9%	8.8%	10.6%	8.5%
Long-term debt interest coverage	4.28	3.42	3.45	3.11
BALANCE SHEET DATA				
Net utility plant	\$2,047,965	\$1,515,831	\$1,457,056	\$1,381,119
Total assets	\$2,740,375	\$1,954,741	\$1,990,333	\$1,848,517
Long-term debt, including current portion	\$531,713	\$428,936	\$475,659	\$482,094
Capitalization ratios:				
Common stockholders' equity	56.6%	58.30%	49.90%	48.30%
Long-term debt	43.4%	41.70%	50.10%	51.70%
OTHER DATA				
Water production (million gallons)	104,986	126,363	125,892	120,353
Customers at year end, including Hawthorne and Commerce	514,300	502,900	500,700	499,500
New customers added	2,800	2,200	1,200	1,600
Revenue per customer	\$1,297	\$1,161	\$1,118	\$1,105
Utility plant per customer	\$5,775	\$4,401	\$4,187	\$3,925
Employees at year end	1,176	1,125	1,132	1,132



09

BOARD OF DIRECTORS

Board of Directors



Gregory E. Aliff

Former Vice Chairman and Senior Partner of U.S. Energy & Resources, Deloitte LLP; director since 2015; member of the following committees: Audit and Finance/Risk Management



Terry P. Bayer

Former Chief Operating Officer, Molina Healthcare, Inc.; director since 2014; member of the following committees: Organization/Compensation and Nominating/Corporate Governance



Edwin A. Guiles

Former Chairman/CEO of San Diego Gas & Electric Company and Southern California Gas Company, Sempra Energy Utilities; director since 2008; member of the following committees: Organization/Compensation, Finance/Risk Management, and Audit



Richard P. Magnuson

Lead Director and Private Venture Capital Investor; director since 1996; member of the following committees: Audit, Finance/Risk Management, and Nominating/Corporate Governance

Peter C. Nelson

Chairman of the Board; director since 1996



Board of Directors



Martin A. Kropelnicki

President and Chief Executive Officer; director since 2013



Carol M. Pottenger

Principal and owner of CMP Global, LLC, and retired U.S. Navy Vice Admiral; director since 2017



Lester A. Snow

Former Director of the California Department of Water Resources; director since 2011; member of the following committees: Organization/Compensation and Finance/Risk Management



Thomas M. Krummel, M.D.

Professor and Chair Emeritus, Surgery Department, Stanford University School of Medicine; director since 2010; member of the following committees: Nominating/Corporate Governance and Organization/Compensation



George A. Vera

Former Vice President and Chief Financial Officer, the David and Lucile Packard Foundation; director since 1998; member of the following committees: Audit, Finance/Risk Management, and Nominating/Corporate Governance

Corporate Officers



Shannon C. Dean

*Vice President,
Corporate Communications
and Community Affairs*



David B. Healey

Vice President, Controller



Martin A. Kropelnicki

*President and
Chief Executive Officer*



Michelle R. Mortensen

Corporate Secretary



Elissa Y. Ouyang

*Chief Procurement and
Lead Continuous Improvement Officer*



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*Chief Safety and
Emergency Preparedness Officer*

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Robert J. Kuta

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Michael B. Luu

Vice President, Customer Service and Chief Information Officer



Lynne P. McGhee

Vice President, General Counsel



Thomas F. Smegal, III

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Paul G. Townsley

Vice President, Rates and Regulatory Matters



Timothy D. Treloar

Vice President, Water Quality and Chief Utility Operations Officer



Ronald D. Webb

Vice President, Human Resources

Corporate Information

Computershare Investor Services

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Suite 1600
Louisville, KY 40202

To Transfer Stock

A change of ownership of shares (such as when stock is sold or gifted or when owners are deleted from or added to stock certificates) requires a transfer of stock. To transfer stock, the owner must complete the assignment on the back of the certificate and sign it exactly as his or her name appears on the front. This signature must be guaranteed by an eligible guarantor institution (banks, stockbrokers, savings and loan associations, and credit unions with membership in approved signature medallion programs) pursuant to SEC Rule 17Ad-15. A notary's acknowledgement is not acceptable. This certificate should then be sent to Computershare Investor Services (Computershare) by registered or certified mail with complete transfer instructions. Alternatively, the Direct Registration System can be utilized, which allows electronic share transactions between your broker or dealer and Computershare.

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