CALIFORNIA WATER SERVICE COMPANY
1720 NORTH FIRST STREET • SAN JOSE, CA 95112-4598
(408) 367-8200

December 10, 2014

Ms. Laura Peters
Water Energy Grant Program
California Department of Water Resources
PO Box 942836
Sacramento, CA 94236-0001

RE: Water-Energy Grant Program, Applicant Eligibility

Dear Ms. Peters:

California Water Service Company (Cal Water) serves more than 473,000 customers through 28 customer and operations centers throughout California. Cal Water is a "water corporation" and a "public utility" as defined in California Public Utilities Code section 216.

Cal Water was formed and is authorized to operate under the California Corporations Code and the Public Utilities Code. It has the legal authority to enter into grant agreements with the State of California pursuant to the Public Utilities Commission Rulemaking 04-09-002 regarding grants and loans to investor-owned water and sewer utilities.

Cal Water is not required to hold an election to enter into grant agreements. Grant agreements are not subject to approval by any outside agencies.

Sincerely,

Lynne McGhee
Corporate Secretary/
Associate Corporate Counsel