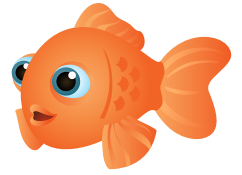


Water Conservation Report: Stockton District



Stockton District Water Conservation 2011

California Water Service Company (Cal Water) continues to expand current conservation programs and develop new programs throughout its 24 service areas in order to meet recently adopted state policies requiring reductions in per capita urban water use. This report provides a general overview of the Stockton District, urban water demand, and reduction targets calculated specifically for this district. In addition, a summary of 2011 conservation activities is included.

Stockton Service Area Description

Cal Water's Stockton District is located in San Joaquin County approximately 45 miles south of Sacramento and 62 miles east of San Francisco. The system serves portions of the City of Stockton and adjacent unincorporated San Joaquin County. The City of Stockton Water Department owns and operates water systems to the north, southwest, and southeast of Cal Water's Stockton District.

The Stockton District's population in 2011 was approximately 165,000. On average, the district receives about 14 inches of rainfall annually, most of which falls in the late autumn, winter, and early spring. The late spring, summer, and early autumn months are generally dry. Annual evapotranspiration in the district averages 53 inches, which means that most landscapes cannot survive on rainfall alone and must be irrigated.

California Water Service Company

Cal Water is an investor-owned water utility supplying water service to nearly 2 million Californians through 470,000 connections. Its 24 separate water systems serve 63 communities throughout California, from Chico in the north to the Palos Verdes Peninsula in the south. California Water Service Group, Cal Water's parent company, also serves communities in Washington, New Mexico, and Hawaii. Rates and operations for districts located in California are regulated by the California Public Utilities Commission (CPUC). Cal Water has provided water service to the Stockton community since 1926.

**Use water wisely.
It's essential.**



Rev. 5/12



Cal Water is committed to supporting our customers as part of our plan to provide a reliable water supply

2011 Water Demand

2011 per capita water demand in the Stockton District was 145 gallons per capita per day (gpcd). Per capita demand has trended down recently. Changes in demand can be attributed to a number of factors, including, but not limited to, economic conditions, public awareness, climate, and implementation of conservation programs.

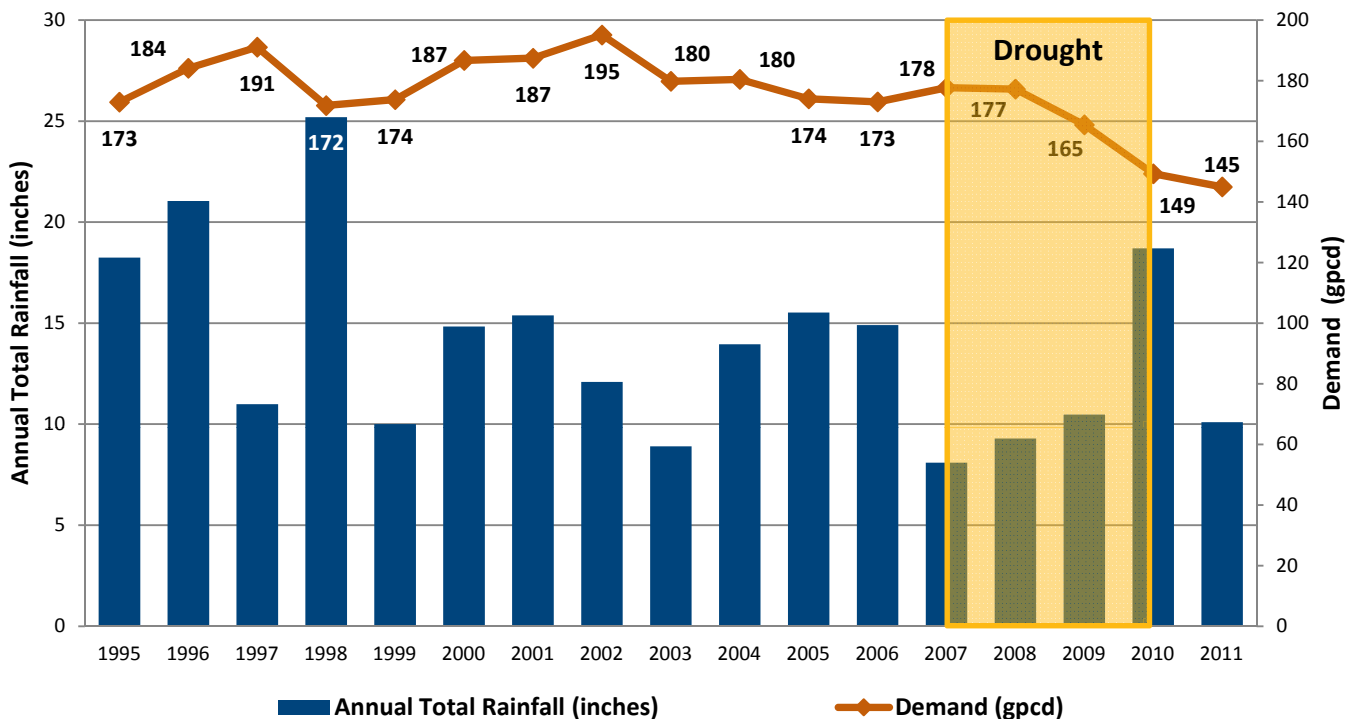
Statewide Urban Water Demand Reduction Policies

Statewide policies and agreements impacting water use reduction demands include recent decisions by the CPUC directing Class A water utilities to reduce per capita urban water demand; state legislation, Senate Bill x7-7 (California Water Code section 10608.16-10608.44), mandating that urban water suppliers reduce per capita demand 20% by 2020; and the Memorandum of Understanding Regarding Urban Water Conservation in California, administered by the California Urban Water Conservation Council (CUWCC).

Senate Bill x7-7 (SB x7-7) requires each urban retail water supplier to develop and meet interim and 2020 urban water use reduction targets, in accordance with specific requirements, in order to be eligible for state grants and loans. The calculated 2015 and 2020 targets for Cal Water's Stockton District are 174 gpcd and 165 gpcd, respectively.

The Stockton District's relatively low per capita water use, along with additional conservation programs, is expected to result in compliance with reduction requirements. Additional water savings are anticipated to come from plumbing fixture efficiency codes and past conservation program investments. Two recent California laws, Assembly Bill 715 (Chapter 499 – Statutes of 2007) and Senate Bill 407 (Chapter 587 – Statutes of 2009), are also expected to accelerate the replacement of low-efficiency plumbing fixtures – primarily toilets – with higher-efficiency alternatives.

Water Demand and Local Rainfall



Our customers' conservation efforts water supply for today and tomorrow.

2011 Water Conservation

2011 water conservation activities were broad in scope and implemented with the goal of meeting 2020 urban water use reduction requirements. The 2011 Stockton District Conservation Program Summary on the next page provides information on implemented programs, activity levels, annual water savings, and lifetime water savings achieved by these programs.

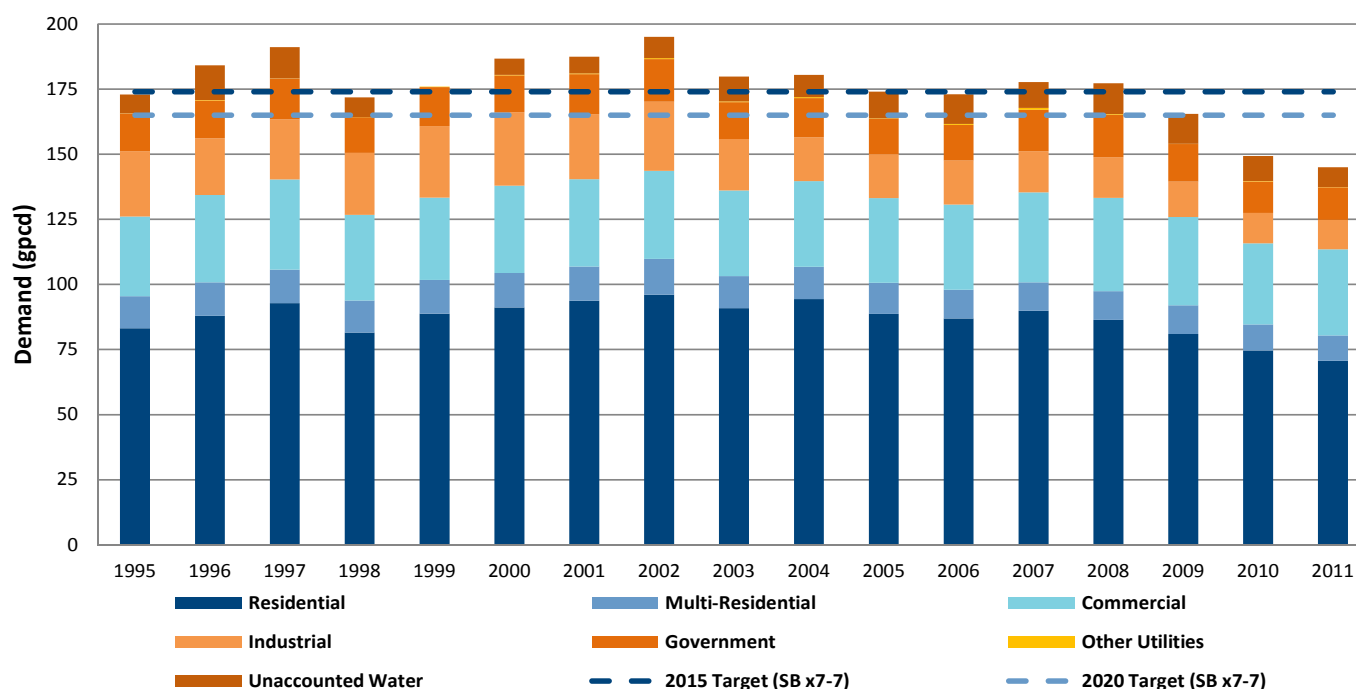
Partnerships and Coordination

Cal Water draws on the expertise and energy of many agencies and works cooperatively with others to increase the effectiveness of our conservation programs. Cal Water is an active member of the CUWCC and Alliance for Water Efficiency, and is an Environmental Protection Agency WaterSense Program Partner. In addition, Cal Water coordinates with wholesalers and other retailers on local projects when possible.

Future Plans and Updates

In an effort to meet statewide requirements for urban water use reduction, Cal Water developed Conservation Master Plans for each of its service areas. These plans are designed to provide a framework for meeting statewide requirements and to chart a course for Cal Water's conservation programs for the period 2011-2015. Cal Water will regularly review these plans and make adjustments as appropriate. Key monitoring and updating activities include program tracking, research study participation, and coordination with local planning and enforcement departments.

GPCD by Customer Type and State Legislated Targets



2011 Stockton District Conservation Program Summary

	Activity Level	Activity Savings Lifespan (years)	Estimated Annual Water Savings (gallons)	Estimated Lifetime Water Savings (gallons)
Single-Family Residential High-Efficiency Toilet Rebate Program	32	25	222,016	2,954,872
Commercial High-Efficiency Toilet Rebate Program	770	25	4,737,810	52,127,343
Single-Family Residential High-Efficiency Clothes Washer Rebate Program	49	12	158,250	1,255,822
Single-Family Residential Bathroom Fixture Replacement Program	356	25	3,121,408	43,625,522
Multi-Family Residential Bathroom Fixture Replacement Program	455	25	5,360,810	54,285,942
Single-Family Residential Water Use Survey Program	112	5	1,316,336	5,390,528
Single-Family Residential High-Efficiency Sprinkler Nozzle Program	1,401	10	1,459,842	14,598,420
Commercial High-Efficiency Sprinkler Nozzle Program	100	10	104,200	1,042,000
Residential Conservation Kit Program	780	5	3,432,000	12,933,159
Water Wise School Education Program	751	5	3,304,400	12,452,311
Single-Family Residential Smart Controller Rebate Program	1	10	8,829	88,290
Large Landscape Water Use Reports	61	1	2,159,182	2,159,182
Large Landscape Survey Program	3	5	273,699	1,368,495
Total			25,658,782	204,281,887