



CALIFORNIA WATER SERVICE

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February 9, 2016

The Honorable Dianne Feinstein
United States Senate
331 Hart Senate Office Building
Washington, D.C. 20510

SUBJECT: SUPPORT FOR DROUGHT RELIEF ACT

Dear Senator Feinstein:

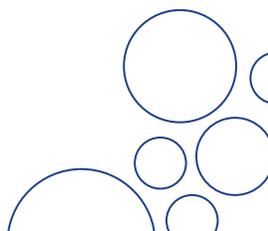
Thank you for your continued efforts to pursue a drought relief act that will provide critical funding for many water projects across the Western United States. We provide this letter as support for your California Drought Relief Bill.

California Water Service (Cal Water) is the largest water utility regulated by the California Public Utilities Commission. Cal Water provides service to approximately 2 million Californians, from Chico in the north to the Palos Verdes Peninsula in the south. Cal Water is the largest subsidiary of California Water Service Group, which is the largest investor-owned water utility in Western United States, with additional subsidiaries in Hawaii, New Mexico, and Washington.

We strongly support your efforts to streamline the Title XVI Water Reclamation and Reuse Program. Many projects have obtained feasibility study approval from the Bureau of Reclamation, but the inability to secure a project authorization has shut off the construction funding pathway.

Hawaii Water Service, a California Water Service Group subsidiary, is currently planning an expansion of its Waikoloa Beach Resort Wastewater Reclamation Facility, which will go to design in 2016 and possible construction in 2017. The Waikoloa Beach Resort Wastewater Reclamation Facility utilizes Membrane Bio-Reactor Filtration to produce high quality recycled water. The project will increase the capacity of our facility from 1.0 to 2.0 million gallons per day, and is estimated to cost \$12,000,000.

Your legislation provides a much needed fix by eliminating the project authorization obstacle and authorizing additional funds to the program. This, plus the additional funding for the WaterSMART program, will allow new water recycling projects to seek needed funding to move their project into construction and develop these drought-tolerant supplies.





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As the American West continues to experience record-breaking drought conditions, increased demand for water, and strain on existing surface and groundwater supplies, alternative water supplies like those in your drought relief act provide a long-term sustainable solution that is essential to Western States' economies. Thank you for your leadership in drafting legislation that will allow water utilities to partner with federal and state agencies for funding assistance to develop sustainable water supplies for the Western States and the nation.

Sincerely,

A handwritten signature in black ink, appearing to read "Shannon Dean", with a long horizontal flourish extending to the right.

Shannon Dean

Vice President Corporate Communications and Community Affairs

cc: John Watts, Legislative Director

