

Water-Efficiency Programs

California Water Service Company • Chico District
November 4, 2008

California Water Service Group

- California-owned, headquartered in San Jose
- Serves 2 million people through 460,000 customer connections in California, Washington, New Mexico, and Hawaii
- Largest American-based, investor-owned water utility in western United States
- Traded on NYSE under symbol “CWT”

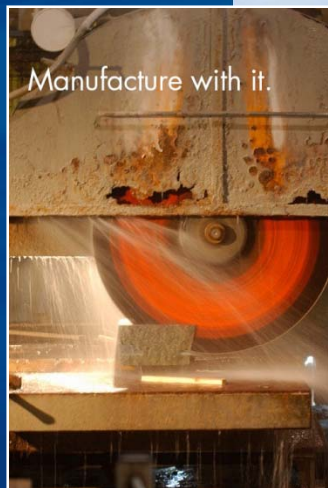


California Water Service Company

- 24 unique service areas serve all types of communities
- Each district has its own Operations and Customer Centers
- Employees are part of communities they serve



California Water Service Company

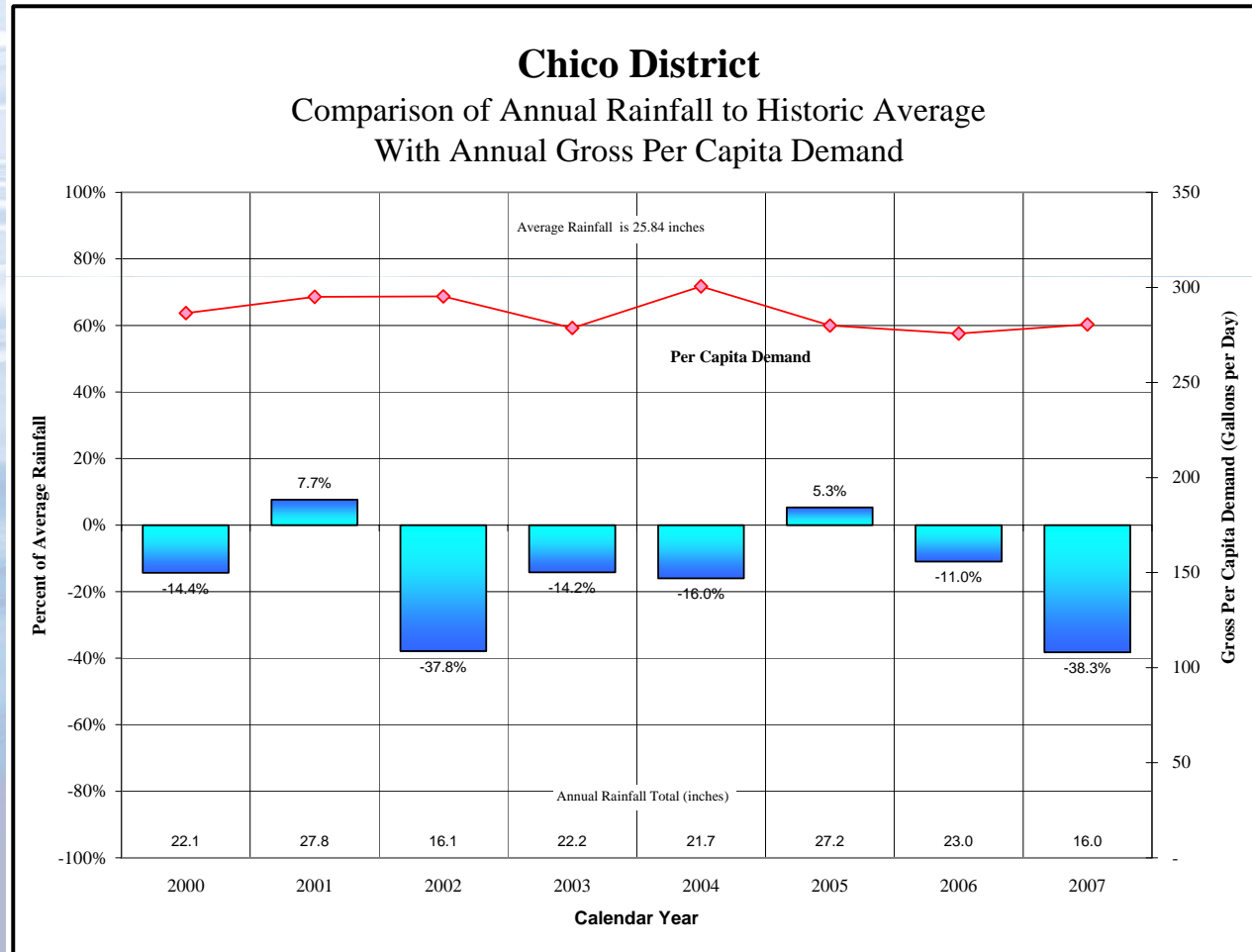
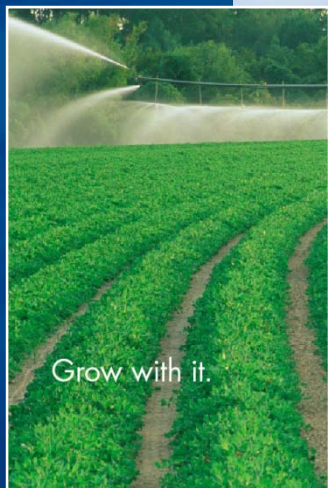


Chico District

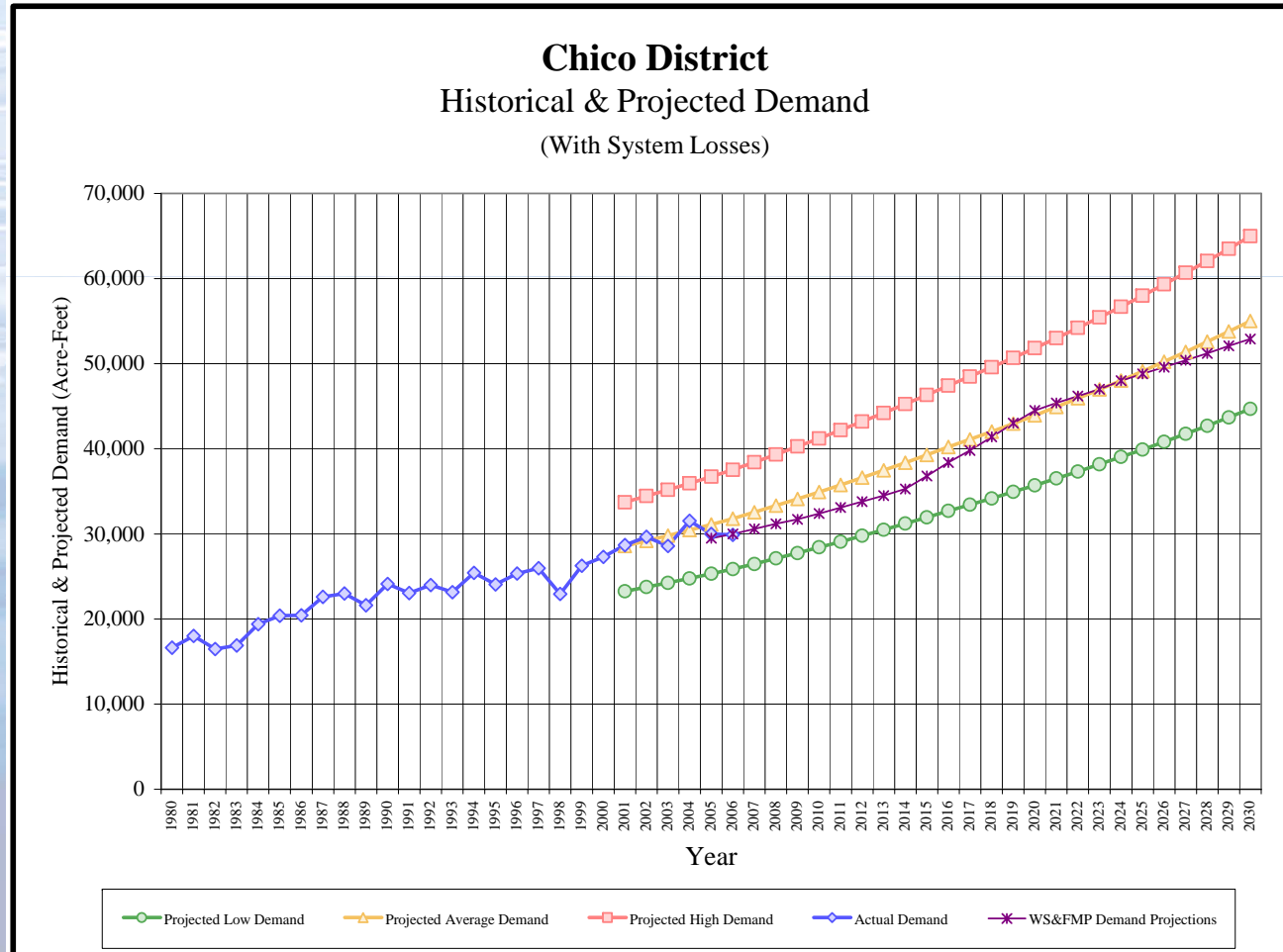
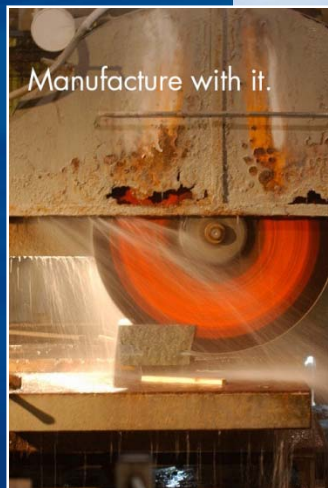
- Formed in 1926 with the purchase of Chico Water Supply Company, Chico-Vecino Water Company, and the C.C. White Water Company
- 26,000 service connections
- System includes:
 - 352 miles of pipeline
 - 68 wells
 - 3,443 fire hydrants
 - 2.4 million gallons of storage



Comparison of Annual Rainfall and Gross Per Capita Demand



Chico Historical and Projected Demand



Conservation Rate Design

- Requested conservation rate design October 2006
- Received approval February 2008
- Implemented July 2008
- Also known as “tiered rates” and “increasing block rates”
- Residential
 - Retains or reduces service charge
 - Increasing block rates
- Non-Residential
 - De-emphasizing service charge



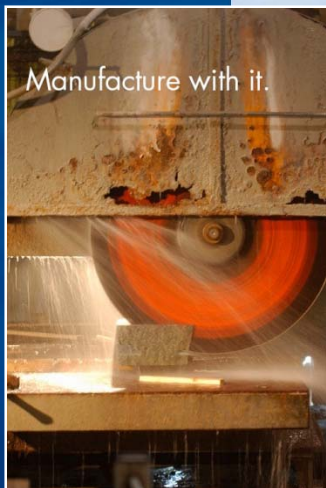
Conservation Rate Design

- Cost neutral for average customer
- Lower total bills for customers who use less water
- Summer incentive provided when water use is most controllable
- Significant incentives for those with high-than-average uses



Chico Flat-to-Meter Conversion Program

- Mandated by Assembly Bill 2572 (Chapter 884, Statutes of 2004)
- Must be completed by 2025
- 11,000 total conversions
- Plans to convert 1,200 meters per year
- Will provide information material to customers
- Promotes wise water use and helps to ensure long-term water supply



California Urban Water Conservation Council (CUWCC)

- Cal Water is a signatory to “Memorandum of Understanding Regarding Urban Water Conservation in California”
- Implementation monitoring provided by CUWCC
- 14 BMPs adopted by CUWCC
- BMP reports required every other year



Clean with it.



Chico BMP Customer Program Implementation

- BMP-02 Plumbing Retrofits
- BMP-06 Residential Washing Machine Rebates
- BMP-07 Public Information
- BMP-08 School Education
- BMP-09 Pressurized Water Broom Rebates
- BMP-09 CII High-Efficiency Urinal Rebates
- BMP-09 CII High-Efficiency Toilet Rebates
- BMP-14 Residential High-Efficiency Toilet Rebates



Plumbing Retrofits

- High-Efficiency Showerhead (2.0 gpm or less)
- Kitchen Faucet Aerator (2.2 gpm or less)
- Bathroom Faucet Aerator (1.5 gpm or less)
- Hose Nozzle
- Toilet Leak Detection Kits
- Can be order via Cal Water website or requested from Chico Customer Center at no charge



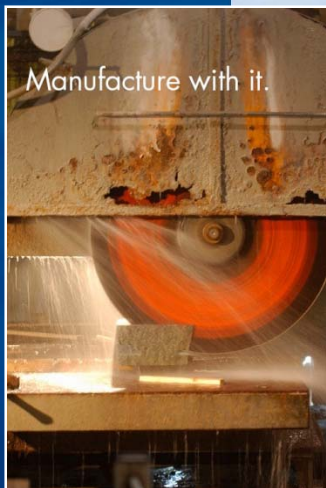
Residential High-Efficiency Washing Machine Rebates

- Compared to traditional models
 - Use 35-50% less water
 - Use 50% less energy
- Eligibility based on combination of modified energy factor and water factor
- Up to \$150 rebate



Public Information and School Education

- Water Awareness Month activities (May)
- Classroom presentations
- Disney Environmentality Challenge
- Speaker's bureau
- Bill inserts
- Bill messages
- Conservation page on web site
- Print, radio, and television advertising



Pressurized Water Broom Rebates

- Uses significantly less water than hose and nozzle
- Dries in minutes reducing liabilities
- Cleans and removes dirt and food spills from concrete, asphalt, or any other composite surface
- Up to \$50 rebate



Clean with it.



CII High-Efficiency Urinal Rebates

- Flush at 0.5 gpf or less
- Estimated water savings of 20,000 gallons per year
- 20-year life
- Up to \$300 rebate



High-Efficiency Toilet Rebates

- Flush at 20% or below the 1.6 gpf U.S. maximum
- Maximum of 1.28 gpf
- 7 gpd estimated water savings when replacing ULFT toilet
- 38 gpd estimated water savings when replacing non-ULFT toilet
- Up to \$100 rebate (Residential)
- Up to \$200 rebate (Commercial)



Questions?



Most of all, value it.

