



110 W. Taylor Street
San Jose, CA 95110-2131

May 31, 2019

Rami Kahlon
Director- Water Division
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, CA 94102

Dear Mr. Kahlon,

I am writing to inform you that the sum of all unregulated affiliates' revenue during the calendar years 2017 and 2018 were less than or equal to 5% of the total revenue of the utility and all of its affiliates. Accordingly, pursuant to Decision 11-10-034, Appendix A, Rule VIII, Section VIII.E, San Jose Water Company is not required to prepare an independent audit of affiliate transactions.

If you have any questions feel free to contact me at (408) 279-7933 or via email at john.tang@sjwater.com.

Very truly yours,

A handwritten signature in blue ink, appearing to read 'John Tang', written in a cursive style.

John Tang
Vice President
Regulatory Affairs

cc: Palle Jensen, SJWC
Richard Rauschmeier, CPUC Public Advocates Office