**SJW Group Announces That Its Texas Subsidiary Has Filed an Application To Acquire the**

**Clear Water Estates Water System in Canyon Lake, Texas**

The application has been filed with the Public Utilities Commission of Texas and is the first under the new Fair Market Value provision

**SAN JOSE, Calif. — Oct. 13, 2020** — SJW Group (NYSE: SJW) today announced that its Texas subsidiary, SJWTX Inc., which does business as Canyon Lake Water Service Company, is planning to acquire the Clear Water Estates Water System in Canyon Lake, Texas. The companies have filed an application with the Public Utilities Commission of Texas (“PUCT”) for approval of the transaction. This will be the first application to the PUCT to request treatment under Texas’s new Fair Market Value legislation.

Eric W. Thornburg, chairman, president and CEO of SJW Group, stated, “We are eager to have the customers of Clear Water Estates Water System join Canyon Lake Water Service Company. This transaction, if approved by the PUCT, will grow our company and allow for future growth. Customers will benefit by being served by a strong regional company that also has access to national scale and resources to deliver exceptional service and water quality.”

Thomas Hodge, president of SJWTX, stated, “The Clear Water Estates Water System has water resources above and beyond what is needed to meet the water needs of its current customers that can be used for future Clear Water Estates Water System growth and the surrounding Canyon Lake Community.” Comal County, Texas, is the second-fastest-growing county in the nation according to 2019 data from the U.S. Census Bureau.

Under Texas’s new Fair Market Value legislation, a process has been laid out by the PUCT to determine the fair market value of an acquired utility’s rate base, which would be used for future rate-making purposes.

This would be a “tuck-in” acquisition, with the Clear Water Estates Water System bordering the Canyon Lake Water Service Company’s water system to the north and south. The Clear Water Estates Water System is less than 40 years old. It has no employees and is already being operated under contract by Canyon Lake Water Service Company. The transaction will not affect the rates or service for customers of Canyon Lake Water Service Company or Clear Water Estates.

The PUCT’s decision on the application is expected in the first quarter of 2021. If approved by the PUCT, this would become the 13th acquisition by SJWTX since 2006. Over the past 14 years, the company has nearly tripled in size from 6,500 to 19,000 connections and now serves approximately 57,000 people.

**About SJWTX dba Canyon Lake Water Service Company**

SJWTX, a subsidiary of SJW Group, is a public water utility providing service to approximately 57,000 people through approximately 19,000 service connections in a service area comprising about 246 square miles in Comal, Blanco, Hays and Travis counties; it is located between Austin and San Antonio.

**About Clear Water Estates Water System LLC**

Clear Water Estates Water System LLC is a public water utility providing water to approximately 660 people through 230 service connections in a service area comprising about 400 acres in Canyon Lake, Texas, in Comal County.

**About SJW Group**

SJW Group is the second-largest investor-owned pure play water and wastewater utility based on estimated rate base in the United States, providing lifesaving and high-quality water service to nearly 1.5 million people. SJW Group’s locally led and operated water utilities — San Jose Water Company in California, Connecticut Water Company in Connecticut, Maine Water Company in Maine and SJWTX Inc. (dba Canyon Lake Water Service Company) in Texas — possess the financial strength, operational expertise and technological innovation to deliver outstanding service to customers, safeguard the environment and provide opportunities to employees. SJW Group remains focused on investing in its operations, remaining actively engaged in its local communities and delivering continued sustainable value to its shareholders. For more information about SJW Group, please visit [www.sjwgroup.com](http://www.sjwgroup.com).

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**Forward-Looking Statements**

This release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, as amended. Some of these forward-looking statements can be identified by the use of forward-looking words such as "believes," "expects," "may," "will," "should," "seeks," "approximately," "intends," "plans," "estimates," "projects," "strategy," or "anticipates," or the negative of those words or other comparable terminology. These forward looking statements are only predictions and are subject to risks, uncertainties and assumptions that are difficult to predict.

The accuracy of such statements is subject to a number of risks, uncertainties and assumptions including, but not limited to, the following factors: (1) the risk that the conditions to the closing of the proposed transaction between SJWTX, Inc. and Clear Water Estates Water System, LLC may not be satisfied or waived, (2) the risk that the regulatory approval required for the proposed transaction is not obtained, or that in order to obtain such regulatory approval, conditions are imposed that adversely affect the anticipated benefits from the proposed transaction and cause SJWTX, Inc. to abandon the proposed transaction, (3) the effect of water, utility, environmental and other governmental policies and regulations, including actions concerning rates, authorized return on equity, authorized capital structures, capital expenditures and other decisions; (4) changes in demand for water and other services; (5) the impact of the Coronavirus ("COVID-19") pandemic on our business operation and financial results; (6) unanticipated weather conditions and changes in seasonality; (7) climate change and the effects thereof; (8) our ability to successfully evaluate investments in new business and growth initiatives; (9) catastrophic events such as fires, earthquakes, explosions, floods, ice storms, tornadoes, hurricanes, terrorist acts, physical attacks, cyber-attacks, or other similar occurrences; (10) changes in general economic, political, business and financial market conditions; (11) the ability to obtain financing on favorable terms, which can be affected by various factors, including credit ratings, changes in interest rates, compliance with regulatory requirements, compliance with the terms and conditions of our outstanding indebtedness, and general stock and debt market conditions; and (12) legislative and general market and economic developments.

In addition, actual results are subject to other risks and uncertainties that relate more broadly to our overall business, including those more fully described in our filings with the SEC, including our most recent reports on Form 10-K, Form 10-Q and Form 8-K. Forward-looking statements are not guarantees of performance, and speak only as of the date made, and we undertake no obligation to update or revise any forward-looking statements except as required by law.