



SJW GROUP ANNOUNCES THE CALIFORNIA PUBLIC UTILITIES COMMISSION'S DECISION ON SAN JOSE WATER'S GENERAL RATE CASE

SAN JOSE, Calif.--(BUSINESS WIRE)—San Jose Water, a wholly owned subsidiary of SJW Group, (NYSE:SJW) announced that earlier today the California Public Utilities Commission (“CPUC”) issued its decision on San Jose Water’s general rate case for the years 2019 through 2021.

The decision authorizes San Jose Water to invest \$320 million in infrastructure improvements and continues the trend established by the nearly \$1 billion invested in the water system over the past decade. Those investments will be supported, in part, by a rate increase of 4.55% in 2019. Rates and revenues for 2020 and 2021 will subsequently be determined based on the forecasted change in the consumer price index from the preceding year. The 2019 rate increase becomes effective Jan. 1, 2019.

“San Jose Water is committed to replacing a minimum of 24 miles of water pipes every year to ensure the safety and reliability of our water system,” stated Andrew Gere, President and Chief Operating Officer for San Jose Water. “Beyond that we are making investments in the resiliency of our tanks, pumps, reservoirs and dams, to ensure they are seismically sound. We are also making investments in new technologies that improve our abilities in the areas of early leak detection, water conservation, and customer service to better serve customers and protect the environment.”

The decision allows San Jose Water to recover up to 40% of its revenue through the service charge and reduces the amount of fixed cost that otherwise would have to be recovered through the volumetric water quantity charge. This supports rate stabilization and reduces rate uncertainty for customers if usage declines below CPUC projections.

The decision allows San Jose Water to collect about \$27 million in balances from existing balancing and memorandum accounts, including the remaining balances resulting from drought-related water conservation revenue shortfall and conservation surcharge accounts. This balance will be collected via surcharges that will be spread over the next three years.

About SJW Group

SJW Group is a publicly traded holding company headquartered in San Jose, California. SJW Group is the parent company of San Jose Water, SJWTX, Inc. and SJW Land Company. Together, San Jose Water and SJWTX, Inc. provide water service to more than one million people in San Jose, California and nearby communities and in Canyon Lake, Texas and the nearby communities. SJW Land Company owns and operates commercial real estate investments.

Forward-Looking Statements

This press release may contain certain forward-looking statements including, but not limited to, statements relating to SJW Group's plans, strategies, objectives, expectations and intentions, which are made pursuant to the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995. These forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of SJW Group to be

materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Factors that may cause actual results, performance or achievements to materially differ are described in SJW Group's most recent reports on Form 10-K, Form 10-Q and Form 8-K filed with the Securities and Exchange Commission. SJW Group undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

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