

May 7, 2018

To Officials in Connecticut Water Service Towns:

At Connecticut Water we recognize the responsibility we have to provide for the public health and safety of our 104,000 water customers in 59 communities across the state and consider ourselves to be an integral part of those communities we serve.

We recently announced plans to merge with SJW Group, a highly respected water company with complementary expertise and a shared commitment to supporting employees, protecting the environment, investing in water systems and contributing to local economic development for the benefit of the customers and communities served. As a merger of equals, there will be a combined Board of Directors and leadership team with Connecticut based decision makers and employee teams available in our service communities across the state.

We are proud of our 215 dedicated employees who are available 24/7 to provide safe, clean drinking water and reliable service to our customers. Our teams' experience and commitment to service is reflected in our strong record in water quality and environmental compliance as well as in our consistently high levels of customer satisfaction with ratings of 93.4 % in the most recent customer survey conducted by an independent research firm.

The Company also has a proven track record in surveys conducted with state and local officials who rated us 91.4% overall in the 2017 survey including strong results in:

- ✓ maintaining water quality (97.2%);
- ✓ responding quickly to emergency (97.1%);
- ✓ having qualified capable employees (91.9%);
- ✓ being a good corporate citizen (90.5%); and
- ✓ providing reliable service (100%).

We stand behind these results and are committed to continue to deliver in these areas.

We are confident that this combination with SJW Group will allow us to maintain our tradition of quality and service for the benefit of the customers and communities we serve. Our trusted employees, who live and work in your community, will remain with the company serving our customers from our local offices with no merger related layoffs.

After we announced our proposed merger with the SJW Group, Eversource submitted an unsolicited proposal to acquire our company. Eversource launched an aggressive campaign to derail the merger, which was approved by our independent Board of Directors, and the many benefits it provides for our customers and communities. Under their plan, your water company would be taken over by Eversource, which is primarily an electric and gas company that lacks the history and focus on water service that our customers deserve.

Our Board, with the support of legal and financial advisors, carefully evaluated Eversource's proposal, and unanimously determined not to pursue it. The independent directors of our board affirmed that our merger with the SJW Group is the best path forward for our stakeholders including employees, customers and communities.

We have enclosed some materials on the merger with the SJW Group and Connecticut Water's record of delivering clean, safe drinking water and reliable service. We believe when you weigh those facts against your experiences and the record of Eversource, it will be clear that the merger of Connecticut Water with the SJW Group is the better choice for the customers and communities we serve.

We have submitted an application to the Public Utilities Regulatory Authority (PURA) for approval of the merger with the SJW Group. We will let you know of opportunities for public comment during the regulatory approval process and would welcome your participation at the appropriate time

We hope you value our trusted, experienced local teams of water professionals and the service we provide to our customers and communities, which will continue under the merger with the SJW Group. Please help ensure that continues and the many benefits of our merger are realized for all of the stakeholders.

We ask that you share this information with other town officials or individuals who may have questions. You can visit www.sjw-ctws.com for information on the merger and should feel free to contact me at mwestbrook@ctwater.com or Dan Meaney at dmeaney@ctwater.com (860-664-6016) if you have any questions or need additional information.

We hope that we can have your support and the support of those in your community on this important matter that will affect the future of water service in your community. Thank you.

Sincerely,



Maureen P. Westbrook
Vice President
Customer & Regulatory Affairs

Tap into the Benefit of the Merger of Connecticut Water with the SJW Group

See how Connecticut Water's record of service compares to Eversource Energy's.

*Based on the facts, it is clear that you can trust
Connecticut Water and the SJW Group with your drinking water and service.*

- **Connecticut Water and SJW Group deliver safe, reliable water service.** Water is what we do. Our company and our team of water professionals are focused 100% on water quality, service and reliability for our customers and communities. We have made investments in our systems and have a proven record of service and reliability. Our dedicated team of employees work around the clock as necessary to meet customers' expectations and provide continued reliable service.

A recent example is the March 7th storm, during which our water customers continued to receive service without interruption, despite the fact that 31 Connecticut Water Company facilities serving 14,000 of our customers were among the nearly *quarter of a million Eversource electric customers across the state without power for as many as five days.*

- **Our merger with SJW Group will keep the experienced local employee teams in place with no job cuts.** Water is a local business and that means local teams in the communities we serve. With the SJW Group merger, Connecticut Water customers can continue to count on the same people they know and trust, and employees can continue to count on a leadership team who values their hard work.

Our planned merger is focused on future growth opportunities and does not require cuts in jobs or services typical of an acquisition. No merger-related layoffs are planned.

- **Individuals' own experiences with Eversource give reason for pause.** There are recurring reports from customers and local officials of extensive power outages and poor communications during such events. Eversource is currently under investigation by the Public Utilities Regulatory Authority (PURA) regarding customer shutoffs, which are reported to have increased almost 100 percent from 2015 to 2017.
- **Eversource has a poor customer service record.** Eversource is currently under investigation by PURA regarding customer shutoffs, which affected 52,298 customers in 2017, an increase of almost 100 percent from 2015 to 2017. Data from independent surveys tell the story:
 - According to J.D. Power's 2017 customer satisfaction survey, Eversource ranked:
 - ↓ in the bottom quartile rankings for the East Region and
 - ↓ near the bottom nationally
 - According to Wired Group's 2017 survey, Eversource ranked:
 - ↓ in the bottom half in four of the five categories used to rate electric utilities around the country and
 - ↓ 97th out of 103 electric utilities in the category of customer satisfaction

For more information go to www.sjw-ctws.com

Forward-Looking Statements

This document contains forward-looking statements within the meaning of the Private 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.

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 transaction are not satisfied, including the risk that required approvals from the shareholders of the Company or the stockholders of SJW Group for the transaction are not obtained; (2) the risk that the regulatory approvals required for the transaction are not obtained, or that in order to obtain such regulatory approvals, conditions are imposed that adversely affect the anticipated benefits from the proposed transaction or cause the parties to abandon the proposed transaction; (3) the risk that the anticipated tax treatment of the transaction is not obtained; (4) the effect of water, utility, environmental and other governmental policies and regulations; (5) litigation relating to the transaction; (6) uncertainties as to the timing of the consummation of the transaction and the ability of each party to consummate the transaction; (7) risks that the proposed transaction disrupts the current plans and operations of SJW Group or the Company; (8) the ability of SJW Group and the Company to retain and hire key personnel; (9) competitive responses to the proposed transaction; (10) unexpected costs, charges or expenses resulting from the transaction; (11) potential adverse reactions or changes to business relationships resulting from the announcement or completion of the transaction; (12) the combined companies’ ability to achieve the growth prospects and synergies expected from the transaction, as well as delays, challenges and expenses associated with integrating the combined companies’ existing businesses; and (13) legislative and economic developments. These risks, as well as other risks associated with the proposed transaction, are more fully discussed in the joint proxy statement/prospectus that is included in the Registration Statement on Form S-4 filed by SJW Group with the SEC on April 25, 2018 in connection with the proposed transaction.

In addition, actual results are subject to other risks and uncertainties that relate more broadly to the Company’s overall business and financial condition, including those more fully described in the Company’s filings with the SEC including its annual report on Form 10-K for the fiscal year ended December 31, 2017 and SJW Group’s overall business, including those more fully described in SJW Group’s filings with the SEC including its annual report on Form 10-K for the fiscal year ended December 31, 2017. Forward looking statements are not guarantees of performance, and speak only as of the date made, and neither the Company or its management nor SJW Group or its management undertakes any obligation to update or revise any forward-looking statements.

Additional Information and Where to Find It

In connection with the proposed transaction between the Company and SJW Group, SJW Group filed with the SEC a Registration Statement on Form S-4 that includes a joint proxy statement of the Company and SJW Group that also constitutes a prospectus of SJW Group. The Company and SJW Group may also file other documents with the SEC regarding the proposed transaction. This document is not a substitute for the joint proxy statement/prospectus, Form S-4 or any other document which the Company or SJW Group has filed or may file with the SEC. **INVESTORS AND SECURITY HOLDERS OF THE COMPANY AND SJW GROUP ARE URGED TO READ THE REGISTRATION STATEMENT, THE JOINT PROXY STATEMENT/PROSPECTUS AND ALL OTHER RELEVANT DOCUMENTS THAT ARE FILED OR WILL BE FILED WITH THE SEC, AS WELL AS ANY AMENDMENTS OR SUPPLEMENTS TO THESE DOCUMENTS, CAREFULLY AND IN THEIR ENTIRETY BECAUSE THEY CONTAIN OR WILL CONTAIN IMPORTANT INFORMATION ABOUT THE PROPOSED TRANSACTION AND RELATED MATTERS.** Investors and security holders may obtain free copies of the Form S-4 and the joint proxy statement/prospectus and other documents filed with the SEC by the Company and SJW Group through the website maintained by the SEC at www.sec.gov. Copies of documents filed with the SEC by the Company will be made available free of charge on the Company’s investor relations website at <https://ir.ctwater.com>. Copies of documents filed with the SEC by SJW Group will be made available free of charge on SJW Group’s investor relations website at https://sjwgroup.com/investor_relations.

No Offer or Solicitation

This communication is for informational purposes only and is not intended to and does not constitute an offer to sell, or the solicitation of an offer to subscribe for or buy, or a solicitation of any vote or approval in any jurisdiction, nor shall there be any sale, issuance or transfer of securities in any jurisdiction in which such offer, sale or solicitation would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. No offer of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the Securities Act of 1933, as amended, and otherwise in accordance with applicable law.

Participants in the Solicitation

The Company, SJW Group and certain of their respective directors and officers, and other members of management and employees, may be deemed to be participants in the solicitation of proxies from the holders of the Company and SJW Group securities in respect of the proposed transaction. Information regarding the Company’s directors and officers is available in the Company’s annual report on Form 10-K for the fiscal year ended December 31, 2017 and its proxy statement for its 2018 annual meeting dated April 6, 2018, which are filed with the SEC. Information regarding the SJW Group’s directors and officers is available in SJW Group’s annual report on Form 10-K for the fiscal year ended December 31, 2017 and its proxy statement for its 2018 annual meeting dated March 6, 2018, which are filed with the SEC. Investors may obtain additional information regarding the interest of such participants by reading the Form S-4 and the joint proxy statement/prospectus and other documents filed with the SEC by the Company and SJW Group. These documents will be available free of charge from the sources indicated above.