SouthWest
Water Company

728 Volare Drive
Birmingham, AL 35244
Phone 205.987.8352
Fax 205.987.8337
www.swwc.com

February 19, 2016

The Honorable Nikiya "Nikki" Hall
Chairman
Public Service Commission of South Carolina
101 Executive Center Drive, Suite 110
Columbia, South Carolina 29210

Dear Chairman Hall:

I am pleased to inform you that on February 8, 2016, SouthWest Water Company entered into a contract to acquire all of the membership interests of KIU Holdings LLC, the parent company of Kiawah Island Utility, Inc.

SouthWest Water Company is an American owned company that owns and operates water and wastewater utilities serving approximately 500,000 people in California, Oklahoma, Texas, and Alabama. The company is headquartered in Covina, California, where it traces its roots to 1891, and has 340 employees. We look forward to supporting Kiawah Island Utility, Inc.'s excellent operations with our management and engineering expertise and capital resources. The transfer of ownership will not disrupt the fine day-to-day operations and management of Becky Dennis and her good team.

We hope to provide the Commission with more information about SouthWest Water Company and its entry into South Carolina in an allowable *ex parte* briefing when the acquisition is concluded.

Sincerely,

Craig Sorensen
Managing Director

c: The Honorable C. Dukes Scott