



INDEPENDENT ACCOUNTANT'S REPORT

To the Board of Directors
Suburban Water Systems
Covina, California

We have examined Suburban Water Systems' (the "Company") compliance with the California Public Utilities Commission's Rules for Water and Sewer Utilities Regarding Affiliate Transactions and the use of Regulated Assets for Non-Tariffed Utility Services during the time period beginning January 1, 2013 and ending December 31, 2014. Management is responsible for the Company's compliance with those requirements. Our responsibility is to express an opinion on the Company's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the Company's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Company's compliance with specified requirements.

In our opinion the Company complied, in all material respects, with the aforementioned requirements.

This report is intended solely for the information and use of the Board of Directors of the Company and the California Public Utilities Commission and is not intended to be and should not be used by anyone other than these specified parties.

Armanino LLP

Armanino^{LLP}
San Francisco, California

September 1, 2015