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March 11, 2021

VIA E-MAIL

Office of Chief Counsel
Division of Corporation Finance
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549

Re: *California Water Service Group*
Stockholder Proposal of Utility Workers Union of America
Securities Exchange Act of 1934—Rule 14a-8

Ladies and Gentlemen:

In a letter dated January 25, 2021, we requested that the staff of the Division of Corporation Finance concur that our client, California Water Service Group (the "Company"), could exclude from its proxy statement and form of proxy for its 2021 Annual Meeting of Stockholders, a stockholder proposal (the "Proposal") and statements in support thereof received from Utility Workers Union of America.

Enclosed as Exhibit A is confirmation, received via email, from Mark Brooks of Utility Workers Union of America, dated March 10, 2021, withdrawing the Proposal. In reliance thereon, we hereby withdraw the January 25, 2021 no-action request relating to the Company's ability to exclude the Proposal pursuant to Rule 14a-8 under the Securities Exchange Act of 1934.

Please do not hesitate to call me at (415) 393-8297 or Michelle R. Mortensen, the Company's Vice President and Corporate Secretary, at (408) 367-8263 if you have any questions.

Sincerely,

Aaron K. Briggs

Enclosure

cc: Michelle R. Mortensen, California Water Service Group
Mark Brooks, Utility Workers Union of America

EXHIBIT A

From: Mark Brooks <markbrooks@uwua.net>
Sent: Wednesday, March 10, 2021 10:39 AM
To: Mortensen, Michelle <mmortensen@calwater.com>
Cc: James Slevin <james.slevin@uwua.net>
Subject: UWUA shareholder proposal

This is an EXTERNAL EMAIL. Stop and think before clicking a link or opening attachments.
Dear Ms. Mortenson:

I am writing on behalf of the Utility Workers Union of America to withdraw the shareholder proposal we previously submitted for inclusion in the Corporation's proxy statement for the 2021 annual meeting.

Please let me know if you have any questions or wish for any other confirmation of this.

Best regards,

Mark Brooks
Special Counsel to National President
Utility Workers Union of America

521 Central Avenue
Nashville, TN 37211

615.259.1186 (office)
615.419.2932 (mobile)
615.523.2350 (fax)

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UTILITY WORKERS UNION OF AMERICA

JAMES SLEVIN
PRESIDENT

MICHAEL COLEMAN
SECRETARY-TREASURER

PATRICK M. DILLON
EXECUTIVE VICE PRESIDENT

JOHN DUFFY
VICE PRESIDENT

Affiliated with A.F.L.-C.I.O

MARK BROOKS
SPECIAL COUNSEL
TO THE PRESIDENT
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February 1, 2021

Via Electronic Mail & U.S. Mail

U.S. Securities and Exchange Commission
Division of Corporation Finance
Office of Chief Counsel
100 F. Street, N.E.
Washington, DC 20549

Re: California Water Service Group
Shareholder Proposal by Utility Workers Union of America

Ladies and Gentlemen:

I am writing on behalf of Utility Workers Union of America ("UWUA") – the shareholder proponent in this matter – in response to the "no-action" request filed by California Water Service Group (the "Company") on January 25, 2021.

In its letter, the Company argues that our Proposal may be omitted pursuant to Rule 14a-8(i)(10) based on misleading claims that the Company has substantially implemented the UWUA Proposal. As summarized below, the Company's arguments are misplaced.

I. The Company has adopted no policies that substantially implement the policy advocated by the Proposal for periodic, binding votes by shareholders to approve performance-based equity compensation plans.

The UWUA Proposal quite plainly urges the Company's Board of Directors to adopt a binding policy that "all performance-based equity compensation plans maintained by the Company shall be submitted for approval by the shareholders at least once every five years." Contrary to the Company's arguments, neither the advisory "say-on-pay" shareholder vote required of all corporations subject to the Dodd-Frank Act, nor the listing standards of the New York Stock Exchange come close to the binding, periodic vote of approval by shareholders for any performance-based equity compensation plans that would be required by our Proposal.

The central flaw in the Company's argument is its failure to acknowledge that the UWUA Proposal, if implemented by the Company, would require a binding shareholder vote on any performance-based equity compensation plan maintained by the Company for top executives at least once every five years – as previously required by Internal Revenue Code Section 162(m).

The Company pretends not to understand that the policy urged by our Proposal would require binding votes by shareholders for any such plans; however, this is belied by the Proposal itself, which plainly states that "all performance-based equity compensation plans maintained by the Company *shall be submitted for approval by the shareholders at least once every five years*" (emphasis supplied). The discussion of the requirements of former Section 162(m) included in the supporting statement also underscores that the policy urged by our Proposal would require binding, periodic shareholder votes to approve these plans.

The Company then relies on its mischaracterization of the Proposal to bolster erroneous claims that the supposed "central objective" of our Proposal is merely to provide a vehicle to gauge shareholder support for its executive compensation policies, and moreover that the Company's compliance with the advisory say-on-pay shareholder vote and its obligations under the NYSE listing standards have "substantially complied" with our Proposal.

To the contrary, the "central objective" of our Proposal – as plainly stated in the Proposal itself – is to urge a policy requiring the Company to seek shareholder approval for any performance-based equity compensation plans maintained for top executives, and to do so by means of binding shareholder votes on such plans.

Moreover, the policy we propose would require a binding vote without fail at least once every five years, in contrast to the NYSE listing standards, which would only require shareholder approval if – and only if – the Company adopts a new equity-compensation plan or makes material revisions to its existing plan.

Since the Company has adopted no policies which could compare favorably with the guidelines of our Proposal, the Company's claims that it can omit our Proposal from its proxy statement as having been substantially implemented are clearly misplaced and should be rejected.

A. The advisory "say-on-pay" vote required under Dodd-Frank cannot "substantially implement" a shareholder proposal which calls for binding shareholder votes to approve performance-based equity compensation plans.

The Company's argument that it may omit our Proposal under Rule 14a-8(i)(10) merely because it has complied with the advisory say-on-pay vote required by the Dodd-Frank Act is contrary to the text of the Rule, no-action determinations by Staff, and indeed the explicit provisions of Dodd-Frank itself.

Thus, Section 951(c) of Dodd-Frank makes explicitly clear that the requirement for advisory say-on-pay votes may not be construed to restrict shareholder proposals relating to other executive compensation matters:

> (c) RULE OF CONSTRUCTION – The shareholder vote referred to in subsections (a) and (b) shall not be binding on the issuer or the board of directors of an issuer, and *may not be construed . . .*
>
> > *(4) to restrict or limit the ability of shareholders to make proposals for inclusion in proxy materials related to executive compensation.*

15 U.S.C. § 78n-1(c)(4) (emphasis supplied).

The Commission's release when it implemented its Dodd-Frank regulations also clearly recognized this to be the case. See Exchange Release No. 34-63124 (Oct. 18, 2010) ("Section 14A(c)(4) provides that the shareholder advisory votes required by Sections 14A(a) and (b) may not be construed 'to restrict or limit the ability of shareholders to make proposals for inclusion in proxy materials related to executive compensation'").

Moreover, the language of Rule 14a-8(i)(10) seems clearly to recognizes this principle, since the note to the rule emphasizes that issuers may rely on paragraph (i)(10) to omit a shareholder proposal based on a say-on-pay vote under Dodd-Frank only where the proposal calls for an *advisory* shareholder vote on executive compensation consistent with the statute.

Staff no-action determinations have also generally rejected claims by issuers that shareholder proposals calling for shareholder votes on executive compensation matters may be omitted under paragraph (i)(10), based merely on advisory say-on-pay votes.

In *Navistar International Corp.* (avail. Jan. 4, 2011) (on reconsideration), for example, the proposal urged the board of directors to adopt a policy that would require shareholder approval for any future severance agreements with senior executives that provided benefits over a certain amount. Staff rejected the company's argument that it could omit the proposal under Rule 14a-8(i)(10) based on the company's proposed say-on-pay policy, since the advisory shareholder votes under the corporate policy could not meet the substance of the shareholder proposal.

Similarly, in *Winn-Dixie Stores, Inc.* (avail. Sept. 16, 2010), Staff rejected the issuer's no-action request based on paragraph (i)(10), since the company's policies provided only for a say-on-pay vote once every two years, whereas the shareholder proposal called for a vote every year. Staff concluded – based merely on the difference between an annual versus a biennial vote – that Winn-Dixie's policies did not compare favorably to the policy requested by the proposal, and that the proposal therefore had not been substantially implemented and could not be omitted.

The stark differences between the UWUA Proposal and the Company's mere compliance with its obligation to conduct an advisory vote on its broad executive compensation policies are far more substantial than the policies at issue in *Winn-Dixie*. The UWUA proposal urges the board of directors to adopt a policy requiring a binding shareholder vote to approve a specific, critical element of the Company's executive compensation scheme – namely any performance-based equity compensation plans for executives – and requiring moreover that this shareholder vote must be conducted at least once every five years. The mere fact that the Company conducts an advisory say-on-pay vote on its overall executive compensation policies could hardly be considered to "substantially comply" with the UWUA Proposal.

Moreover, even to the extent that the policy advocated by the UWUA's Proposal could indeed serve as a useful tool to gauge shareholder support for performance-based equity compensation plans for executives, the say-on-pay vote by comparison falls far short of the mark. Unlike our Proposal, which would require binding shareholder votes whether to approve performance-based equity plans specifically, the advisory say-on-pay vote merely asks shareholders to vote up or down on the entirety of the Company's executive compensation policies.

Thus, the advisory say-on-pay vote broadly covers base salaries and cash bonuses; pension and other retirement plans; non-equity incentive plans; time-based equity compensation; severance and deferred compensation plans; and other elements of the Company's executive pay policies that do not necessarily involve performance-based equity pay. A mere "yes or no" advisory vote on the Company's entire executive compensation scheme therefore tells directors and investors virtually nothing about shareholders' views specifically on performance-based equity compensation plans.

Finally, the Company's claim that it occasionally engages some of its shareholders on the results of its say-on-pay vote adds nothing to the analysis. The Company's annual say-on-pay vote remains advisory only; it does not seek binding shareholder approval for anything; it is not focused on any specific element of the Company's executive compensation policies; and the Company's purported track record of "engagement" does not require management to do anything within any specific timeframe – *if ever* – let alone within the minimum five-year timeframe that would be required for shareholder approval of performance-based equity plans under our Proposal.

In short, management's claim that it sometimes engages with a minority of its shareholders – the Company asserts for example that one year it engaged only with its "largest shareholders" representing some 42% of shares – is no substitute for a policy that would require the Company to grant every shareholder an opportunity to cast a binding vote whether to approve performance-based equity compensation plans for executives, and to have this opportunity at least once every five years.

B. The Company's compliance with NYSE listing standards does not substantially comply with the UWUA Proposal.

Similarly, the Company's argument that its compliance with New York Stock Exchange listing standards substantially complies with the UWUA Proposal is not credible. By its explicit

terms, Section 303A.08 of the NYSE Listed Company Manual (as cited by the Company) would apply only to the Company's adoption of a new equity-compensation plan, or to any "material revisions" made to an existing plan.

In contrast, the UWUA Proposal if adopted would require the Company to submit all existing performance-based equity compensation plans to a vote for approval by shareholders a minimum of at least once every five years – whether the Company had adopted any "material revisions" to these plans or not.

The fallacy of the Company's argument is revealed by its own track record. The last time the Company conducted a shareholder vote on its performance-based equity pay plan was more than six years ago in 2014 – notwithstanding the NYSE listing standards. If the policy urged by our Proposal had been in effect during that time, the Company would have been required to submit the plan for approval by its shareholders by no later than the annual meeting conducted in 2019.

Thus, unless the Company is claiming that it is operating in violation of the NYSE listing standards, mere compliance with the Listed Company Manual cannot be considered "substantial compliance" with the UWUA Proposal. Indeed, nothing in NYSE listing standards would require the Company to *ever* conduct another shareholder vote on its performance-based equity compensation plan, so long as the Company never adopts any "material revision" to the plan.

This would not be permissible, however, if Company's board of directors adopted the UWUA's Proposal as policy, as urged by the Proposal.

II. Conclusion

For these reasons, the Company has failed to meet its burden of establishing that the Proposal may be omitted as having been "substantially implemented" under Rule 14a-8(i)(10). We therefore urge the Staff to reject the Company's request for a no-action determination.

Thank you for your attention in this matter, and please let me know if I can provide additional information concerning the UWUA's position.

Sincerely,

Mark Brooks

cc: Aaron K. Briggs, Gibson, Dunn & Crutcher LLP
James Slevin, UWUA National President

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January 25, 2021

VIA E-MAIL
Office of Chief Counsel
Division of Corporation Finance
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549

Re: *California Water Service Group*
Stockholder Proposal of Utility Workers Union of America
Securities Exchange Act of 1934—Rule 14a-8

Ladies and Gentlemen:

This letter is to inform you that our client, California Water Service Group (the "Company"), intends to omit from its proxy statement and form of proxy for its 2021 Annual Meeting of Stockholders (collectively, the "2021 Proxy Materials") a stockholder proposal (the "Proposal") and statements in support thereof (the "Supporting Statement") received from Utility Workers Union of America (the "Proponent").

Pursuant to Rule 14a-8(j), we have:

- filed this letter with the Securities and Exchange Commission (the "Commission") no later than eighty (80) calendar days before the Company intends to file its definitive 2021 Proxy Materials with the Commission; and

- concurrently sent a copy of this correspondence to the Proponent.

Rule 14a-8(k) and Staff Legal Bulletin No. 14D (Nov. 7, 2008) ("SLB 14D") provide that stockholder proponents are required to send companies a copy of any correspondence that the proponents elect to submit to the Commission or the staff of the Division of Corporation Finance (the "Staff"). Accordingly, we are taking this opportunity to inform the Proponent that if it elects to submit additional correspondence to the Commission or the Staff with respect to this Proposal, a copy of that correspondence should be furnished concurrently to the undersigned on behalf of the Company pursuant to Rule 14a-8(k) and SLB 14D.

*** FISMA & OMB Memorandum M-07-16

THE PROPOSAL

The Proposal states:

> **RESOLVED:** The shareholders of California Water Service Group (the "Company") urge the Board of Directors and its Organization and Compensation Committee to adopt a policy that, effective as of the annual meeting to be held in 2022, all performance-based equity compensation plans maintained by the Company shall be submitted for approval by the shareholders at least once every five years. This policy would apply to the Company's Amended and Restated Equity Incentive Plan (the "Equity Incentive Plan" or "EIP") and any other plan that offers performance-based equity compensation to senior executive officers.
>
> For purposes of this proposal, "performance-based equity compensation" refers to restricted stock awards, restricted stock unit awards, incentive stock options, stock appreciation rights, restricted stock purchase awards, and similar forms of equity compensation based on performance. "Senior executive officers" refers to the Company's Chief Executive Officer, Chief Financial Officer, and the three other highest-paid executives of the Company. This policy should be implemented so as not to violate any existing contractual obligations or the terms of any compensation or benefit plan currently in effect.

A copy of the Proposal, as well as related correspondence with the Proponent, is attached to this letter as Exhibit A.

BASIS FOR EXCLUSION

We hereby respectfully request that the Staff concur in our view that the Proposal properly may be excluded from the 2021 Proxy Materials pursuant to Rule 14a-8(i)(10) because the Company's existing practices—(1) holding advisory stockholder votes to approve the compensation of the Company's named executive officers (the "Say-on-Pay Vote") on an annual basis, as endorsed by the Company's stockholders at the Company's 2011 Annual Meeting of Stockholders (the "2011 Annual Meeting") and 2017 Annual Meeting of Stockholders (the "2017 Annual Meeting"), (2) engaging with stockholders following the Say-on-Pay Vote to better understand their views on performance-based equity compensation and other matters, and (3) complying with applicable New York Stock Exchange (the "NYSE") rules requiring stockholder approval of equity compensation plans and material modifications thereto—taken together substantially implement the Proposal.

ANALYSIS

The Proposal May Be Excluded Under Rule 14a-8(i)(10) As Substantially Implemented.

A. Background.

Rule 14a-8(i)(10) permits the exclusion of a stockholder proposal "[i]f the company has already substantially implemented the proposal." The Commission stated in 1976 that the predecessor to Rule 14a-8(i)(10) was "designed to avoid the possibility of shareholders having to consider matters which already have been favorably acted upon by the management." *See* Exchange Act Release No. 12598 (July 7, 1976). Originally, the Staff narrowly interpreted this predecessor rule and granted no-action relief only when stockholder proposals were "'fully' effected" by the company. *See* Exchange Act Release No. 19135 (Oct. 14, 1982). By 1983, the Commission recognized that the "previous formalistic application of [the Rule] defeated its purpose" because proponents were successfully convincing the Staff to deny no-action relief by submitting stockholder proposals that differed from existing company policy by only a few words. Exchange Act Release No. 20091, § II.E.6. (Aug. 16, 1983) (the "1983 Release"). Therefore, in 1983, the Commission adopted a revised interpretation to the rule to permit the omission of stockholder proposals that had been "substantially implemented." 1983 Release.

Under this standard, when a company can demonstrate that it already has taken actions to address the underlying concerns and essential objectives of a stockholder proposal, the Staff has concurred that the stockholder proposal has been "substantially implemented" and may be excluded as moot. The Staff has noted that "a determination that the company has substantially implemented the proposal depends upon whether [the company's] particular policies, practices and procedures compare favorably with the guidelines of the proposal." *Texaco, Inc. (Recon.)* (avail. Mar. 28, 1991).

In applying this standard, a company need not implement a stockholder proposal in the manner that a stockholder may prefer. *See* Exchange Act Release No. 40018 (May 21, 1998) at n.30 and accompanying text. Differences between a company's actions and a stockholder proposal are permitted as long as the company's actions satisfactorily address the stockholder proposal's essential objectives. For example, the Staff has concurred that companies, when substantially implementing a stockholder proposal that touches upon executive compensation matters, can address aspects of implementation that may differ from the manner in which the stockholder proponent would implement the proposal. For example, in *Rite Aid Corp.* (avail. Apr. 14, 2020), the Staff concurred that the company had substantially implemented a stockholder proposal requesting amendments to the company's clawback policy, even though the company had not addressed one aspect of the proposal

(relating to the location and timing of public disclosure regarding application of the policy) in the manner specifically requested in the proposal. Similarly, in *Visa Inc.* (avail. Oct. 11, 2019), the Staff concurred that the company had substantially implemented a proposal recommending that the compensation committee reform the company's executive compensation philosophy to include social factors to enhance the company's social responsibility, even though the factors considered by the company did not include the one specifically recommended in the proposal. Likewise, in *Nike, Inc.* (*Recon.*) (avail. July 16, 2019), the Staff ultimately concurred that the company had substantially implemented a proposal seeking a director skills matrix that discloses "[e]ach nominee's skills, ideological perspectives, and experience presented in a chart or matrix form" where the company committed to providing such a matrix in its proxy materials, even though the company stated it would not be disclosing the "ideological perspectives" of the nominees. *See also Wal-Mart Stores, Inc.* (avail. Mar. 25, 2015) (concurring with the exclusion of a proposal that requested the company include at least one metric related to the company's employee engagement in determining senior executives' incentive compensation, where the company already included a diversity and inclusion metric in its compensation determinations). Therefore, if a company has satisfactorily addressed a proposal's "essential objective," the proposal will be deemed "substantially implemented" and may be excluded as moot. *See, e.g.*, *Exelon Corp.* (avail. Feb. 26, 2010); *Anheuser-Busch Companies, Inc.* (avail. Jan. 17, 2007); *ConAgra Foods, Inc.* (avail. July 3, 2006); *Johnson & Johnson* (avail. Feb. 17, 2006); *The Talbots Inc.* (avail. Apr. 5, 2002); *Masco Corp.* (avail. Mar. 29, 1999); and *The Gap, Inc.* (avail. Mar. 8, 1996).

B. The Company's Existing Practices Substantially Implement The Proposal.

The Proposal requests a stockholder vote every five years on Company plans that provide for "performance-based equity compensation," which the Proposal defines as "restricted stock awards, restricted stock unit awards, incentive stock options, stock appreciation rights, restricted stock purchase awards, and similar forms of equity compensation based on performance." As the Supporting Statement explains, "[b]y submitting any such plans that provide awards to senior executives to a vote of the [stock]holders, the Board of Directors and its Compensation Committee could gauge the extent to which [stock]holders approve of these plans." However, as discussed below, the Company already (1) has a policy of providing for annual Say-on-Pay Votes, which cover the Company's practices with respect to performance-based equity compensation, (2) engages with stockholders following the Say-on-Pay Vote to better understand their views on performance-based equity compensation and other matters, and (3) is subject to NYSE requirements to submit equity compensation plans (and material amendments of such plans) to a stockholder vote.

The Board has adopted a policy of holding annual Say-on-Pay Votes. At the 2011 Annual Meeting and again at the 2017 Annual Meeting, the Board asked the Company's stockholders to cast a vote on how often the Company should seek an advisory vote to approve the compensation of its named executive officers.[1] In each case, the Board recommended, and the Company's stockholders endorsed, that the Say-on-Pay Vote be held on an annual basis, and the Board adopted a policy of holding annual Say-on-Pay Votes.[2] Since its 2011 Annual Meeting of Stockholders, when it was first required to hold a Say-on-Pay Vote, the Company has held a Say-on-Pay Vote every year.

The Say-on-Pay Vote covers the Company's practices with respect to performance-based equity compensation. The Company discusses its executive compensation program, philosophy, and decisions, including with respect to performance-based equity compensation, in detail in each of its annual proxy statements. For example, starting on page 57 of its 2020 Proxy Statement, under the heading "2019 Long-term Performance and Time-based Equity Compensation," the Company discusses:

- the purpose of its long-term equity incentive compensation,
- considerations for granting such compensation,
- grant levels for all of the Company's officers,
- types of equity awards used,
- specific performance goals and targets established for performance-based awards,
- the rationale for selecting such goals,
- the methodology for calculating such goals,
- an analysis of the level of achievement with respect to previously granted performance awards, and
- changes in its performance-based equity compensation program for the following year.

In addition, on page 64 of its 2020 Proxy Statement, the Company provides additional details regarding the specific awards granted to its named executive officers (which, based on the Proposal's definition of "senior executive," is the group of officers that the Proposal is

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[1] *See* The Company's 2011 Proxy Statement at 33, *available at* https://www.sec.gov/Archives/edgar/data/1035201/000095012311036038/f58214dedef14a.htm#F58214110; The Company's 2017 Proxy Statement at 53, *available at* https://www.sec.gov/Archives/edgar/data/1035201/000104746917002555/a2231520zdef14a.htm#dm42201_proposal_no._3__#150;_advisory__pro04277.

[2] *See, e.g.*, The Company's 2020 Proxy Statement at 70, *available at* https://www.sec.gov/Archives/edgar/data/1035201/000104746920002330/a2241225zdef14a.htm.

focused on). Each of these points related to "performance-based equity compensation" were subject to stockholder approval and considered by the Company's stockholders in connection with the Say-on-Pay Vote at the Company's 2020 Annual Meeting of Stockholders (the "2020 Annual Meeting"). Specifically, the Board asked the Company's stockholders to vote on the following resolution (which stockholders approved with over 90% of votes cast in favor):

> RESOLVED, that the stockholders of California Water Service Group approve, on an advisory basis, the compensation paid to California Water Service Group's named executive officers, *as disclosed in this Proxy Statement pursuant to the [Commission]'s compensation disclosure rules, including the Compensation Discussion and Analysis, the compensation tables and related narrative discussion*. (Emphasis added).

Although Say-on-Pay Votes are advisory and non-binding, as described in the 2020 Proxy Statement, the Board and its Organization and Compensation Committee, which is responsible for designing and administering the Company's executive compensation programs, value stockholder opinions and "will consider the outcome of the vote when making future compensation decisions for named executive officers."[3] The Company regularly engages with its stockholders following the Say-on-Pay Vote to better understand their views on performance-based equity compensation and other matters and to inform changes to its practices as appropriate. In recent years, stockholders have been particularly focused on the Company's performance-based equity compensation. For example, page 46 of the 2020 Proxy Statement, under the heading "2019 Say-on-Pay Vote and Stockholder Outreach," describes the Company's outreach to stockholders in recent years, specific feedback it received on performance-based equity compensation, and changes to performance-based equity compensation practices that the Company made in response. Similarly, as disclosed in the 2019 Proxy Statement, under the heading "2018 Say-on-Pay Vote and Stockholder Outreach," the Company's investor outreach yielded feedback that stockholders "would generally prefer to see less overlap in the performance metrics used in [the Company's] short-term and long-term incentive compensation programs."[4] After taking this feedback into account, as well as conducting an extensive review of the compensation plans within the Company's proxy peer group, the Company made a number of changes to the performance criteria used for its 2019 incentive compensation programs. As demonstrated by the Company's recent historical practice, the Company's Say-on-Pay Votes

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[3] *See id*. at 70.

[4] *See* The Company's 2019 Proxy Statement at 27, *available at* https://www.sec.gov/Archives/edgar/data/1035201/000104746919002326/a2238388zdef14a.htm.

and investor outreach program already provide a mechanism for gauging the extent to which stockholders approve of its performance-based equity compensation practices. In addition, there is nothing in the Proposal or Supporting Statement to suggest that the vote requested by the Proposal must be binding so long as the vote provides an avenue for stockholder feedback.

Separately, because the Company's common stock is listed on the NYSE, the Company is required to provide its stockholders the opportunity to vote on all equity-compensation plans and material revisions thereto. Section 303A.08 of the NYSE Listed Company Manual[5] provides that "all equity-compensation plans, and any material revisions to the terms of such plans, be subject to shareholder approval . . . ." As a result, the Company's adoption of any new equity compensation plans in which performance-based equity awards could be granted, or significant amendments to the Company's existing plan (the Amended and Restated Equity Incentive Plan), including, but not limited to, an amendment to extend the term of the plan, increase the number of shares authorized for issuance under the plan, or expand the types of awards available under the plan, would require stockholder approval.[6] For example, in compliance with such requirements, in 2014 the Company submitted for stockholder vote an amendment to extend the term of the Amended and Restated Equity Incentive Plan beyond 2015.[7]

Although the Supporting Statement makes reference to a U.S. Tax Code provision and related regulations that, before the enactment of the Tax Cuts and Jobs Act in 2017, previously required a stockholder vote every five years on performance-based compensation goals for deductibility purposes (the "162(m) Vote"), the Company believes that its existing practices provide a superior mechanism for gauging stockholder approval of its performance-based equity compensation practices. The 162(m) Vote historically was a routine, administrative vote that, as demonstrated by its consistently high approval levels, generally was viewed by investors as a ministerial vote to enable a company to maintain tax-efficient compensation practices rather than a genuine avenue for expressing concern or providing feedback.[8] For example, according to Glass Lewis, in 2017 162(m) Votes

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[5] *Available at* https://nyse.wolterskluwer.cloud/listed-company-manual.

[6] *See* Frequently asked questions on Equity Compensation Plans, *available at* https://www nyse.com/publicdocs/nyse/regulation/nyse/equitycompfaqs.pdf.

[7] *See* The Company's 2014 Proxy Statement at 50, *available at* https://www.sec.gov/Archives/edgar/data/1035201/000104746914003551/a2219308zdef14a.htm.

[8] *See, e.g.*, https://www.glasslewis.com/amending-162m-tax-reform-implications-u-s-executive-compensation/ ("[t]he increased profile of say-on-pay and growing prevalence of engagement programs has

averaged support of over 97%.[9] In contrast, Say-on-Pay Votes regularly receive significant levels of dissent or fail to receive majority support. For example, the Company's 2018 Say-on-Pay Vote received support from approximately 75% of the votes cast, resulting in the Company reaching out to its largest stockholders (representing over 42% of the Company's outstanding shares) to understand their views and incorporate their feedback into the Company's compensation practices (including practices regarding performance-based equity compensation).[10]

As explained by the Supporting Statement, the essential objective of the Proposal is for the Company to "submit[] performance-based equity compensation plans to the [stock]holders periodically for their approval," such that the Company may "gauge the extent to which [stock]holders approve of these plans." The Company's current practices of holding annual Say-on-Pay Votes, which encompass the Company's "performance-based equity compensation" practices, engaging with stockholders following such votes to better understand their views and incorporate feedback as appropriate, and complying with NYSE stockholder approval requirements for equity compensation plans, already provide the Company with a mechanism to gauge stockholder approval of and sentiment towards its performance-based equity compensation plans and practices and, therefore, satisfy the essential objective of the Proposal. When a company has already acted favorably on an issue addressed in a stockholder proposal, Rule 14a-8(i)(10) does not require the company and its stockholders to consider the issue. In this regard, it is well established that if a company has satisfactorily addressed a proposal's "essential objective," the proposal will be deemed "substantially implemented" and, therefore, may be excluded as moot. *See, e.g.*, *Exelon Corp.* (avail. Feb. 26, 2010); *Anheuser-Busch Companies, Inc.* (avail. Jan. 17, 2007); *ConAgra Foods, Inc.* (avail. July 3, 2006); *Johnson & Johnson* (avail. Feb. 17, 2006); *The Talbots Inc.* (avail. Apr. 5, 2002); *Masco Corp.* (avail. Mar. 29, 1999); and *The Gap, Inc.* (avail. Mar. 8, 1996).

We are aware of *Winn-Dixie Stores, Inc.* (avail. Sept. 16, 2010), in which the proposal requested holding Say-on-Pay Votes annually. The company argued it had substantially implemented the proposal by holding Say-on-Pay Votes biennially. The Staff denied no-action relief noting that the company "provide[d] only for biennial, and not annual, advisory votes on executive compensation." There, the proposal was specifically

---

yielded additional dialogue between companies and their owners, which should continue even without the quinquennial 162(m) votes").

[9] *See id.*

[10] *See* The Company's 2019 Proxy Statement at 27.

focused on increasing the frequency of the company's Say-on-Pay Vote. Here, however, the Proposal is instead focused on providing an avenue for stockholders to provide feedback on the Company's performance-based equity compensation. Even if the Proposal is viewed as focusing on a timeframe for the votes, the Company already holds a Say-on-Pay Vote annually, which is more frequent than the five-year time period specified in the Proposal, and holds votes on its equity compensation plans in accordance with NYSE rules. We are also aware of *Navistar International Corp. (Recon.)* (avail. Jan. 4, 2011), in which the proposal requested a policy to require stockholder approval of certain future severance agreements. The company argued that it had substantially implemented the proposal through its Say-on-Pay Vote. The Staff denied no-action relief following the proponent's argument that the subject matter of the stockholder vote requested by the proposal related to future compensation arrangements and not existing arrangements, and the company's Say-on-Pay Votes only covered the latter. Here, however, the subject matter of the stockholder vote requested by the Proposal ("performance-based equity compensation") is covered by and subsumed within the Company's annual Say-on-Pay Vote (in addition to equity plan votes held in accordance with NYSE rules). As discussed above, the Company's Say-on-Pay Vote has historically been used by stockholders as a vehicle to express feedback, and encourage dialogue with the Company, on, among other things, performance-based equity compensation.

As a result, the Proposal has been substantially implemented because, as described above, the Company's current practices of holding annual Say-on-Pay Votes, which cover the Company's "performance-based equity compensation" practices, engaging with stockholders following such votes to better understand their views and incorporate feedback as appropriate, and complying with NYSE stockholder approval requirements for equity compensation plans, already provide the Company with a mechanism to gauge stockholder approval of and sentiment towards its performance-based equity compensation plans and practices and therefore satisfies the essential objective of the Proposal. Accordingly, and not inconsistent with Staff precedent, the Proposal may properly be excluded under Rule 14a-8(i)(10).

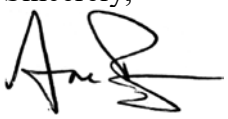
* * *

CONCLUSION

Based upon the foregoing analysis, the Company intends to exclude the Proposal from its 2021 Proxy Materials, and we respectfully request that the Staff concur that the Proposal may be excluded under Rule 14a-8(i)(10).

We would be happy to provide you with any additional information and answer any questions that you may have regarding this subject. Correspondence regarding this letter should be sent to shareholderproposals@gibsondunn.com. If we can be of any further assistance in this matter, please do not hesitate to call me at (415) 393-8297, or Michelle R. Mortensen, Vice President, Corporate Secretary, at (408) 367-8263.

Sincerely,



Aaron K. Briggs

Enclosures

cc: Michelle R. Mortensen, California Water Service Group
Mark Brooks, Utility Workers Union of America

EXHIBIT A

From: Mark Brooks <markbrooks@uwua.net>
Date: December 15, 2020 at 2:21:08 PM PST
To: "Mortensen, Michelle" <mmortensen@calwater.com>
Cc: James Slevin <james.slevin@uwua.net>
Subject: shareholder proposal

This is an EXTERNAL EMAIL. Stop and think before clicking a link or opening attachments.

December 15, 2020

Michelle R. Mortensen
Corporate Secretary
California Water Service Group
1720 North First Street
San Jose, CA 95112-4508

Re: Shareholder Proposal

Dear Ms. Mortensen:

I am writing on behalf of Utility Workers Union of America (the "UWUA") to submit the enclosed shareholder proposal for inclusion in California Water Service Group's proxy statement for the 2021 annual meeting of shareholders. We submit this proposal pursuant to SEC Rule 14a-8.

The UWUA owns more than $2,000 in market value of the Company's securities entitled to vote at the annual meeting, and has held these shares continuously for more than one year prior to this date of submission. The UWUA intends to hold these shares at least through the date of the Company's next annual meeting. Either the undersigned or a designated representative will present the proposal for consideration at the annual meeting of shareholders.

We will promptly submit a written statement from the record owner establishing the UWUA's ownership of these shares.

Although the recent amendments to Rule 14a-8 will apply only to shareholder proposals submitted for annual or special meetings held on or after January 1, 2022, please note that the UWUA is available to meet with the Company via teleconference at any mutually-agreeable time to discuss our proposal. We would also be pleased to withdraw this proposal should the Board of Directors adopt our resolution as corporate policy.

Thank you for your attention to this matter, and please let me know if you require additional information.

Sincerely,

Mark Brooks
Special Counsel to the President

Utility Workers Union of America

521 Central Avenue
Nashville, TN 37211

615.259.1186 (tel)
615.523.2350 (fax)

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Michelle Mortensen
Corporate Secretary
CALIFORNIA WATER SERVICE
+1 (408) 3678263

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calwater.com

UTILITY WORKERS UNION OF AMERICA

JAMES SLEVIN
PRESIDENT

MICHAEL COLEMAN
SECRETARY-TREASURER

PATRICK M. DILLON
EXECUTIVE VICE PRESIDENT

JOHN DUFFY
VICE PRESIDENT

Affiliated with A.F.L.-C.I.O

MARK BROOKS
SPECIAL COUNSEL
TO THE PRESIDENT
521 CENTRAL AVENUE
NASHVILLE, TN 37211
615-259-1186
markbrooks@uwua.net

Via Electronic Mail at *mmortensen@calwater.com*

December 15, 2020

Michelle R. Mortensen
Corporate Secretary
California Water Service Group
1720 North First Street
San Jose, CA 95112-4508

Re: Shareholder Proposal

Dear Ms. Mortensen:

I am writing on behalf of Utility Workers Union of America (the "UWUA") to submit the enclosed shareholder proposal for inclusion in California Water Service Group's proxy statement for the 2021 annual meeting of shareholders. We submit this proposal pursuant to SEC Rule 14a-8.

The UWUA owns more than $2,000 in market value of the Company's securities entitled to vote at the annual meeting, and has held these shares continuously for more than one year prior to this date of submission. The UWUA intends to hold these shares at least through the date of the Company's next annual meeting. Either the undersigned or a designated representative will present the proposal for consideration at the annual meeting of shareholders.

We will promptly submit a written statement from the record owner establishing the UWUA's ownership of these shares.

Although the recent amendments to Rule 14a-8 will apply only to shareholder proposals submitted for annual or special meetings held on or after January 1, 2022, please note that the UWUA is available to meet with the Company via teleconference at any mutually-agreeable time to discuss our proposal. We would also be pleased to withdraw this proposal should the Board of Directors adopt our resolution as corporate policy.

Thank you for your attention to this matter, and please let me know if you require additional information.

Sincerely,

Mark Brooks

Mark Brooks

cc: James Slevin, UWUA National President

RESOLVED: The shareholders of California Water Service Group (the "Company") urge the Board of Directors and its Organization and Compensation Committee to adopt a policy that, effective as of the annual meeting to be held in 2022, all performance-based equity compensation plans maintained by the Company shall be submitted for approval by the shareholders at least once every five years. This policy would apply to the Company's Amended and Restated Equity Incentive Plan (the "Equity Incentive Plan" or "EIP") and any other plan that offers performance-based equity compensation to senior executive officers.

For purposes of this proposal, "performance-based equity compensation" refers to restricted stock awards, restricted stock unit awards, incentive stock options, stock appreciation rights, restricted stock purchase awards, and similar forms of equity compensation based on performance. "Senior executive officers" refers to the Company's Chief Executive Officer, Chief Financial Officer, and the three other highest-paid executives of the Company. This policy should be implemented so as not to violate any existing contractual obligations or the terms of any compensation or benefit plan currently in effect.

SUPPORTING STATEMENT: Until adoption of the Tax Cuts and Jobs Act of 2017, Internal Revenue Code Section 162(m) generally provided that publicly-traded corporations could deduct performance-based compensation for top executives that exceeded the Code's $1 million deductibility limit for executive pay, but only if the corporation submitted the material terms of its performance-based pay plans for shareholder approval at least every five years. Under former Section 162(m), corporations such as California Water periodically submitted their performance-based plans for shareholder approval in order to preserve this deductibility.

The 2017 tax act, however, repealed the exception for performance-based compensation from the deductibility limit for tax years commencing after December 31, 2017. As a result, in most cases there is no longer any tax benefit for corporations to submit their performance-based compensation plans for shareholder approval.

Indeed, California Water has already taken advantage of this change in the tax law by not submitting its Equity Incentive Plan for shareholder approval following adoption of the 2017 act. The last year the Company submitted the EIP for approval by shareholders was more than six years ago in 2014.

We believe, however, that the Company and shareholders would benefit from resuming the practice of submitting performance-based equity compensation plans to the shareholders periodically for their approval. By submitting any such plans that provide awards to senior executives to a vote of the shareholders, the Board of Directors and its Compensation Committee could gauge the extent to which shareholders approve of these plans.

Under our proposal, if the Company's owners – its shareholders – support the Company's performance-based equity compensation plans, they will vote to approve them. If not, they will vote against. What could be more fair?

We therefore urge shareholders to vote FOR our proposal.

From: Mark Brooks <markbrooks@uwua.net>
Date: December 16, 2020 at 2:46:33 PM PST
To: "Mortensen, Michelle" <mmortensen@calwater.com>
Subject: UWUA shareholder proposal

This is an EXTERNAL EMAIL. Stop and think before clicking a link or opening attachments.

Michelle R. Mortensen
Corporate Secretary
California Water Service Group
1720 North First Street
San Jose, CA 95112-4508

Re: Shareholder Proposal

Dear Ms. Mortensen:

I am attaching for your attention a written statement from the record holder verifying that UWUA has continuously owned 260 shares of California Water Service Group stock for at least one year prior to this date of submission. The UWUA intends to continue to hold these shares at least through the date of the Company's next annual meeting.

I am also enclosing again for your convenience a copy of our shareholder proposal. We submit this proposal pursuant to SEC Rule 14a-8. Either the undersigned or a designated representative will present the proposal for consideration at the annual meeting of shareholders.

We would be pleased to discuss our proposal at your convenience, and of course we would also be pleased to withdraw the proposal should the Board of Directors adopt our resolution as corporate policy.

Please let me know if you require additional information.

Sincerely,

Mark Brooks
Special Counsel to the President
Utility Workers Union of America

521 Central Avenue
Nashville, TN 37211

615.259.1186 (tel)
615.523.2350 (fax)

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Michelle Mortensen
Corporate Secretary
CALIFORNIA WATER SERVICE
+1 (408) 3678263

Quality. Service. Value.
calwater.com

30 North LaSalle Street
Chicago, Illinois 60602
312/822-3000

AMALGAMATED
Bank of Chicago

December 16, 2020

Michelle R. Mortensen
Corporate Secretary
California Water Service Group
1720 North First Street
San Jose, CA 95112-4508

Re: UWUA Shareholder Proposal

Dear Ms. Mortensen:

This is to verify that as of the date referenced above, 260 shares of stock of California Water Service Group are registered in street name to Amalgamated Bank of Chicago and held for the account of Utility Workers Union of America ("UWUA"). The UWUA has been the beneficial owner of these shares of California Water stock and has continuously owned these shares for at least one year prior to this date of submission.

Please let me know if you would like additional information.

Sincerely,

Anissa Rodriguez

Anissa Rodriguez
Trust Administrator

RESOLVED: The shareholders of California Water Service Group (the "Company") urge the Board of Directors and its Organization and Compensation Committee to adopt a policy that, effective as of the annual meeting to be held in 2022, all performance-based equity compensation plans maintained by the Company shall be submitted for approval by the shareholders at least once every five years. This policy would apply to the Company's Amended and Restated Equity Incentive Plan (the "Equity Incentive Plan" or "EIP") and any other plan that offers performance-based equity compensation to senior executive officers.

For purposes of this proposal, "performance-based equity compensation" refers to restricted stock awards, restricted stock unit awards, incentive stock options, stock appreciation rights, restricted stock purchase awards, and similar forms of equity compensation based on performance. "Senior executive officers" refers to the Company's Chief Executive Officer, Chief Financial Officer, and the three other highest-paid executives of the Company. This policy should be implemented so as not to violate any existing contractual obligations or the terms of any compensation or benefit plan currently in effect.

SUPPORTING STATEMENT: Until adoption of the Tax Cuts and Jobs Act of 2017, Internal Revenue Code Section 162(m) generally provided that publicly-traded corporations could deduct performance-based compensation for top executives that exceeded the Code's $1 million deductibility limit for executive pay, but only if the corporation submitted the material terms of its performance-based pay plans for shareholder approval at least every five years. Under former Section 162(m), corporations such as California Water periodically submitted their performance-based plans for shareholder approval in order to preserve this deductibility.

The 2017 tax act, however, repealed the exception for performance-based compensation from the deductibility limit for tax years commencing after December 31, 2017. As a result, in most cases there is no longer any tax benefit for corporations to submit their performance-based compensation plans for shareholder approval.

Indeed, California Water has already taken advantage of this change in the tax law by not submitting its Equity Incentive Plan for shareholder approval following adoption of the 2017 act. The last year the Company submitted the EIP for approval by shareholders was more than six years ago in 2014.

We believe, however, that the Company and shareholders would benefit from resuming the practice of submitting performance-based equity compensation plans to the shareholders periodically for their approval. By submitting any such plans that provide awards to senior executives to a vote of the shareholders, the Board of Directors and its Compensation Committee could gauge the extent to which shareholders approve of these plans.

Under our proposal, if the Company's owners – its shareholders – support the Company's performance-based equity compensation plans, they will vote to approve them. If not, they will vote against. What could be more fair?

We therefore urge shareholders to vote FOR our proposal.

From: Twu, Victor <VTwu@gibsondunn.com>
Sent: Monday, December 28, 2020 5:59 PM
To: Mark Brooks <markbrooks@uwua.net>
Cc: Briggs, Aaron K. <ABriggs@gibsondunn.com>
Subject: California Water Service Group (UWUA) Deficiency Notice

Mr. Brooks –

On behalf of our client, California Water Service Group, attached please find the deficiency notice regarding the proposal you submitted to the Company. A paper copy of this notice is also being delivered to you via UPS.

Best,
Victor

Victor Twu

GIBSON DUNN

Gibson, Dunn & Crutcher LLP
3161 Michelson Drive, Irvine, CA 92612-4412
Tel +1 949.451.3870 • Fax +1 949.475.4787
VTwu@gibsondunn.com • www.gibsondunn.com

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GIBSON DUNN

Gibson, Dunn & Crutcher LLP

555 Mission Street
San Francisco, CA 94105-0921
Tel 415.393.8200
www.gibsondunn.com

Aaron K. Briggs
Direct: +1 415.393.8297
Fax: +1 415.229.3516
ABriggs@gibsondunn.com

December 28, 2020

VIA OVERNIGHT MAIL AND EMAIL

Mark Brooks
Utility Workers Union of America
521 Central Avenue
Nashville, TN 37211
markbrooks@uwua.net

Dear Mr. Brooks:

I am writing on behalf of California Water Service Group (the "Company"), which received on December 15, 2020, the stockholder proposal you submitted on behalf of the Utility Workers Union of America (the "Proponent") regarding stockholder approval of equity plans pursuant to Securities and Exchange Commission ("SEC") Rule 14a-8 for inclusion in the proxy statement for the Company's 2021 Annual Meeting of Stockholders (the "Proposal").

The Proposal contains certain procedural deficiencies, which SEC regulations require us to bring to your attention. Rule 14a-8(b) under the Securities Exchange Act of 1934, as amended, provides that stockholder proponents must submit sufficient proof of their continuous ownership of at least $2,000 in market value, or 1%, of a company's shares entitled to vote on the proposal for at least one year as of the date the stockholder proposal was submitted. The Company's stock records do not indicate that the Proponent is the record owner of sufficient shares to satisfy this requirement. In addition, to date we have not received adequate proof that the Proponent has satisfied Rule 14a-8's ownership requirements as of the date that the Proposal was submitted to the Company. The December 16, 2020 letter from Amalgamated Bank of Chicago that you provided is insufficient because it verifies ownership between December 16, 2019 and December 16, 2020 rather than for the one-year period preceding and including December 15, 2020, the date the Proposal was submitted to the Company.

To remedy this defect, the Proponent must obtain a new proof of ownership letter verifying the Proponent's continuous ownership of the required number or amount of Company shares for the one-year period preceding and including December 15, 2020, the date the Proposal was submitted to the Company. As explained in Rule 14a-8(b) and in SEC staff guidance, sufficient proof must be in the form of:

(1) a written statement from the "record" holder of the Proponent's shares (usually a broker or a bank) verifying that the Proponent continuously held the required number or amount of Company shares for the one-year period preceding and including December 15, 2020; or

(2) if the Proponent has filed with the SEC a Schedule 13D, Schedule 13G, Form 3, Form 4, or Form 5, or amendments to those documents or updated forms, reflecting the Proponent's ownership of the required number or amount of Company shares as of or before the date on which the one-year eligibility period begins, a copy of the schedule and/or form, and any subsequent amendments reporting a change in the ownership level and a written statement that the Proponent continuously held the required number or amount of Company shares for the one-year period.

If the Proponent intends to demonstrate ownership by submitting a written statement from the "record" holder of the Proponent's shares as set forth in (1) above, please note that most large U.S. brokers and banks deposit their customers' securities with, and hold those securities through, the Depository Trust Company ("DTC"), a registered clearing agency that acts as a securities depository (DTC is also known through the account name of Cede & Co.). Under SEC Staff Legal Bulletin No. 14F, only DTC participants are viewed as record holders of securities that are deposited at DTC. You can confirm whether the Proponent's broker or bank is a DTC participant by asking the Proponent's broker or bank or by checking DTC's participant list, which is available at http://www.dtcc.com/~/media/Files/Downloads/client-center/DTC/alpha.ashx. In these situations, stockholders need to obtain proof of ownership from the DTC participant through which the securities are held, as follows:

(1) If the Proponent's broker or bank is a DTC participant, then the Proponent needs to submit a written statement from the Proponent's broker or bank verifying that the Proponent continuously held the required number or amount of Company shares for the one-year period preceding and including December 15, 2020.

(2) If the Proponent's broker or bank is not a DTC participant, then the Proponent needs to submit proof of ownership from the DTC participant through which the shares are held verifying that the Proponent continuously held the required number or amount of Company shares for the one-year period preceding and including December 15, 2020. You should be able to find out the identity of the DTC participant by asking the Proponent's broker or bank. If the Proponent's broker is an introducing broker, you may also be able to learn the identity and telephone number of the DTC participant through the Proponent's account statements, because the clearing broker identified on the account statements will

> generally be a DTC participant. If the DTC participant that holds the Proponent's shares is not able to confirm the Proponent's individual holdings but is able to confirm the holdings of the Proponent's broker or bank, then the Proponent needs to satisfy the proof of ownership requirements by obtaining and submitting two proof of ownership statements verifying that, for the one-year period preceding and including December 15, 2020, the required number or amount of Company shares were continuously held: (i) one from the Proponent's broker or bank confirming the Proponent's ownership, and (ii) the other from the DTC participant confirming the broker or bank's ownership.

The SEC's rules require that any response to this letter be postmarked or transmitted electronically no later than 14 calendar days from the date you receive this letter. Please address any response to me at Gibson, Dunn & Crutcher LLP, 555 Mission Street, San Francisco CA 94105-0921. Alternatively, you may transmit any response by email to me at ABriggs@gibsondunn.com.

If you have any questions with respect to the foregoing, please contact me at (415) 393-8297. For your reference, I enclose a copy of Rule 14a-8 and Staff Legal Bulletin No. 14F.

Sincerely,

Aaron K. Briggs

Enclosures

From: Mark Brooks <markbrooks@uwua.net>
Sent: Tuesday, December 29, 2020 10:09 AM
To: Briggs, Aaron K. <ABriggs@gibsondunn.com>
Subject: RE: California Water Service Group (UWUA) Deficiency Notice

[External Email]
Dear Mr. Riggs.

With all due respect, your letter of December 28, 2020 overlooks the fact that the operative date of submission of our shareholder proposal is December 16, 2020, which you can confirm from the attached. The UWUA submitted the proposal to the Company by email on that date, along with a letter from the record owner confirming that UWUA has continuously owned these shares for at least one year as of that date of submission. Your email acknowledging receipt of the 12/16/2020 letter from Amalgamated Bank in effect also confirms that California Water received our shareholder proposal via email on December 16.

By design, that email included all of the necessary elements of submission of a shareholder proposal. The fact that we ***also*** overnight mailed the proposal the previous day (as a courtesy) is irrelevant.

Please note also that the record owner – Amalgamated Bank of Chicago – is a DTC participant (account # 2567), which you can confirm through the link you kindly included in your letter.

As it happens, UWUA has been the beneficial owner of these shares continuously since 1996; however the information we have already submitted meets the requirements of Rule 14a-8 to establish our continuous ownership of the requisite number of shares for at least one year as of the date of submission on December 16, 2020.

Please let me know if you require any additional information.

Sincerely,

Mark Brooks
Special Counsel to National President
Utility Workers Union of America

521 Central Avenue
Nashville, TN 37211

615.259.1186 (office)
***
615.523.2350 (fax)

From: Briggs, Aaron K.
Sent: Tuesday, December 29, 2020 5:18 PM
To: Mark Brooks <markbrooks@uwua.net>
Cc: Twu, Victor <VTwu@gibsondunn.com>
Subject: FW: shareholder proposal

Mr. Brooks,

In response to your email from earlier today (attached for reference), please note that California Water Service Group received UWUA's proposal via email on December 15, 2020, as evidenced by your email below, not December 16. This is consistent with your attached cover letter, which confirms that it was sent via email and is also dated December 15, 2020. Thus, we believe the proposal was in fact submitted on December 15, and as a result, UWUA will need to provide an updated proof of ownership per the deficiency notice we sent you and in accordance with Rule 14a-8.

Thank you.

Aaron Briggs

GIBSON DUNN

Gibson, Dunn & Crutcher LLP
555 Mission Street, San Francisco, CA 94105-0921
Tel +1 415.393.8297 • Mobile +1 213.393.9314
ABriggs@gibsondunn.com • bio • www.gibsondunn.com

From: Mark Brooks <markbrooks@uwua.net>
Sent: Tuesday, December 29, 2020 5:44 PM
To: Briggs, Aaron K. <ABriggs@gibsondunn.com>
Cc: Twu, Victor <VTwu@gibsondunn.com>
Subject: RE: shareholder proposal
Importance: High

[External Email]
Mr. Briggs:

You are mistaken and confusing two sets of different emails and letters – one from 12/15 and the operative one from 12/16. Please review this attached email to Ms. Mortensen again (attached here once again) and you will see that it is clearly dated 12/16/2020; it includes our shareholder proposal (again), plus the 12/16 letter from Amalgamated Bank of Chicago. There was no separate cover letter sent with the 12/16 email, since the email itself sufficed to show that we commit to continuing to hold the shares through the date of the annual meeting and that we will present the proposal at the meeting.

Once you have carefully reviewed the 12/16 email, please confirm the foregoing, which is frankly indisputable.

Best regards,

Mark Brooks
Special Counsel to the President
Utility Workers Union of America

521 Central Avenue
Nashville, TN 37211

615.259.1186 (tel)
615.523.2350 (fax)

From: Briggs, Aaron K.
Sent: Wednesday, December 30, 2020 9:39 PM
To: 'Mark Brooks' <markbrooks@uwua.net>
Cc: Twu, Victor <VTwu@gibsondunn.com>
Subject: RE: shareholder proposal

Mr. Brooks,

We have already carefully reviewed the materials. Please refer to my earlier letter and email.

Thank you.

Aaron Briggs

GIBSON DUNN

Gibson, Dunn & Crutcher LLP
555 Mission Street, San Francisco, CA 94105-0921
Tel +1 415.393.8297 • Mobile +1 213.393.9314
ABriggs@gibsondunn.com • bio • www.gibsondunn.com

From: Mark Brooks <markbrooks@uwua.net>
Sent: Wednesday, January 6, 2021 2:21 PM
To: Briggs, Aaron K. <ABriggs@gibsondunn.com>
Cc: Twu, Victor <VTwu@gibsondunn.com>
Subject: California Water Service Group

[External Email]
Mr. Briggs:

Please see attached.

Mark Brooks
Special Counsel to the President
Utility Workers Union of America

521 Central Avenue
Nashville, TN 37211

615.259.1186 (tel)
615.523.2350 (fax)

UTILITY WORKERS UNION OF AMERICA

JAMES SLEVIN
PRESIDENT

MICHAEL COLEMAN
SECRETARY-TREASURER

PATRICK M. DILLON
EXECUTIVE VICE PRESIDENT

JOHN DUFFY
VICE PRESIDENT

Affiliated with A.F.L.-C.I.O

MARK BROOKS
SPECIAL COUNSEL
TO THE PRESIDENT
521 CENTRAL AVENUE
NASHVILLE, TN 37211
615-259-1186
markbrooks@uwua.net

January 6, 2021

Via U.S. Overnight Mail & Email

Aaron K. Briggs
Gibson, Dunn & Crutcher LLP
555 Mission Street
San Francisco, CA 94105-0921

Re: California Water Service Group

Dear Mr. Briggs:

Please find enclosed letters from Morgan Stanley Smith Barney LLC and Amalgamated Bank of Chicago – the registered owners of UWUA's shares in California Water Service Group (CWT) – verifying UWUA's continuous ownership of more than $2,000 in market value of securities of CWT from May 29, 2009 through January 6, 2021.

The UWUA intends to hold these shares at least through the date of the Company's next annual meeting. Either the undersigned or a designated representative will present the UWUA's shareholder proposal for consideration at the 2021 annual meeting of shareholders.

Please advise me immediately if you or your client require any additional information.

Sincerely,

Mark Brooks

Mark Brooks

Wealth Management
855 Franklin Ave
Garden City, NY 11530
tel 516 248 8600
toll free 800 645 8600

Morgan Stanley

01/05/2021

Michelle R. Mortensen
Corporate Secretary
California Water Service Group
1720 North First Street
San Jose, CA 95112-4508

Re: Utility Workers Union of America (UWUA)

To Whom It May Concern:

Please be advised that Utility Workers Union of America (UWUA) maintained the following brokerage account *** (formerly ***) at Morgan Stanley Smith Barney LLC ("Morgan Stanley") which contained a long position in California Water Service Group (CWT) of 130 shares from the close of business on 5/29/2009 until 260 shares (Due to prior 2:1 Stock split) of CWT were transferred out on 12/19/2019 via DTC to Amalgamated Bank of Chicago.

A/C Number	A/C Title
***	Utility Workers Union of America (UWUA)

Please be advised that the above-referenced brokerage account at Morgan Stanley Smith Barney LLC currently contains no assets and was closed on 1/14/2020.

We are presenting the information contained herein pursuant to our Client's request. It is valid as of the date of issuance. Morgan Stanley does not warrant or guarantee that such identified securities, assets or monies will remain in the Client's account. The Client have the power to withdraw assets from this account at any time and no security interest or collateral rights are being granted to any party other than Morgan Stanley.

Thank you for your time and consideration in this matter.

Sincerely,

Daniel E. Farrell, Assistant Vice President
Complex Risk Officer

30 North LaSalle Street
Chicago, Illinois 60602
312/822-3000

AMALGAMATED
Bank of Chicago

01/06/2021

Michelle R. Mortensen
Corporate Secretary
California Water Service Group
1720 North First Street
San Jose, CA 95112-4508

Re: UWUA Shareholder Proposal

Dear Ms. Mortensen:

This is to verify that as of the date referenced above, 260 shares of stock of California Water Service Group are registered in street name to Amalgamated Bank of Chicago (DTC #2567) and held for the account of Utility Workers Union of America ("UWUA").

Amalgamated Bank of Chicago has been the registered owner of these shares since they were transferred from Morgan Stanley Smith Barney LLC (DTC #0015) for the account of UWUA to Amalgamated Bank of Chicago on December 19, 2019. The UWUA has been the beneficial owner and has continuously held these shares of California Water stock since the date of transfer until the current date noted above.

Please let me know if you would like additional information.

Sincerely,

Anissa Rodriguez

Anissa Rodriguez
Trust Administrator
arodriguez@aboc.com
312-822-3110