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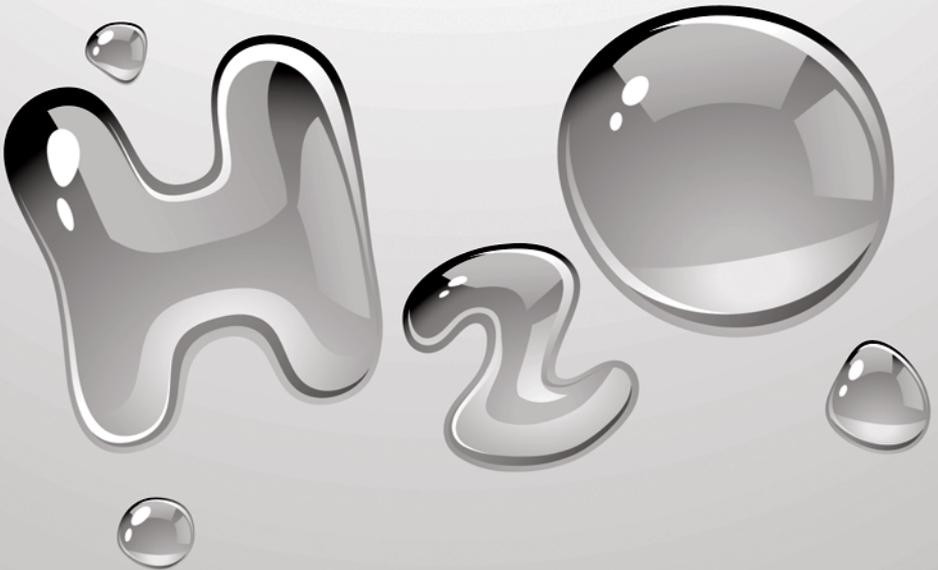
2010

Water Quality Report



American States
Water Company

An Ongoing Commitment to the Communities We Serve



PALMETTO STATE UTILITY SERVICES



American States
Water Company

Maintaining High Water Quality Standards and Excellent Customer Service

We are pleased to present the following Fort Jackson 2010 Water Quality Report, which contains information about testing completed in your water system through December 2009. We test for various constituents in the water to meet all regulations and provide you the highest quality water possible.

We are proud to say the quality of your water routinely meets or is better than all federal and state standards.

Palmetto State Utility Services diligently works to protect every drop from source to tap. We are constantly improving our water infrastructure to ensure our water supply and delivery systems are sufficient and reliable. We routinely perform maintenance so that our storage and treatment facilities, pipelines, wells, and other equipment are operating as efficiently as possible. Ongoing maintenance helps us maintain the quality of our water and minimize any disruptions in service.

Additionally, we maintain a strong customer service culture. Our around-the-clock call center has friendly voices of representatives to answer questions and address any water emergency situation day or night.

We also are committed to fostering ongoing communication with our customers so we can be partners in an effort to use water more efficiently. Everyone must play a role to preserve our limited water resources.

On behalf of all employees, thank you for providing us the opportunity to serve you. If you have any questions about this report, please call the Palmetto State Utility Services office at (803) 790-7288.

Sincerely,



Robert Sprowls
President and Chief Executive Officer
American States Water Company and its subsidiaries



David Wiman
Utility Manager
Palmetto State Utility Services

About the Company

American States Water Company is an investor-owned utility publicly traded on the New York Stock Exchange under the trading symbol AWR and is the parent company of American States Utility Services (ASUS). ASUS is one of the leaders in privatization of utilities on military installations across the nation. Through its subsidiary, Palmetto State Utility Services, Inc. (PSUS), the important responsibility of managing the water systems at Fort Jackson is accomplished.

AWR and its family of companies provide water to communities throughout the United States. For nearly 80 years, we've been installing and maintaining complex structures consisting of thousands of miles of pipelines, wells, pumping stations and reservoirs. With AWR companies, you can count on reliable water services, quality drinking water, and unsurpassed response to your questions.

You can find our companies in California, Arizona, Texas, Maryland, North Carolina, South Carolina and Virginia. Our trained personnel have thousands of years of combined experience and are certified to work the various aspects of water systems. Our water testing procedures allow us to meet or exceed the water quality regulations set in place by the US Environmental Protection Agency (USEPA) and the South Carolina Department of Health and Environmental Control (DHEC) to deliver quality, wholesome water to you – our customers.

Managing the daily operations for PSUS is David Wiman, Utility Manager. David is a seasoned professional in the water industry. He has worked in all phases of water treatment and distribution.

All the men and women at PSUS are committed to meeting the needs of Fort Jackson. The water system at Fort Jackson undergoes comprehensive infrastructure analysis to determine what areas need repair, replacement or new facilities.

We're here to give you peace of mind – water when you need it and unsurpassed service. For questions on your water service, please contact David Wiman at (803) 790-7288.

Safekeeping of Water Supplies and Facilities

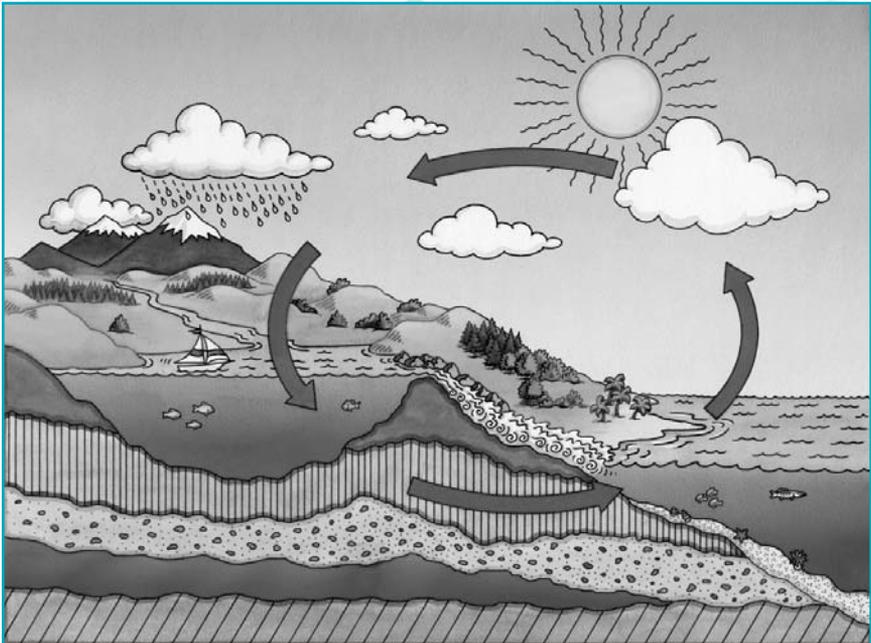
To reduce the risk of terrorism affecting local water supplies and distribution systems, Palmetto State Utility Services, Inc. is working with Force Protection to follow recommendations from the Federal Bureau of Investigation, the United States Environment Protection Agency and the American Water Works Association. While water systems have a low relative likelihood of experiencing terrorist acts, these agencies advise that water systems should guard against unplanned physical intrusion, review emergency response plans, and increase vigilance. Palmetto State Utility Services, Inc. has taken all these steps and is continuing to look for additional safety improvements.

If You Have Questions – Contact Us

For information about your water quality or to find out about upcoming opportunities to participate in public meetings, please contact David Wiman, Utility Manager, at (803) 790-7288.

For more information about health effects of the listed constituents in the enclosed tables, call the EPA hotline at 1-800-426-4791.

Este informe contiene información muy importante sobre su agua beber. Traduzcalo o hable con alguien que lo entienda bien.



Where Does Our Water Come From?

Fort Jackson purchases its drinking water from the City of Columbia (ID# 4010001). The city treats surface water from the Broad River and provides this water to Fort Jackson through their distribution system.

The whole installation of Fort Jackson is divided into two separate areas, the Cantonment Area and the training areas. The Cantonment Area receives its water from the City of Columbia, particularly from the Broad River. It comes on post already treated, so Fort Jackson does its part to maintain that level of treatment.

The training areas are served by nine different wells. The water is hauled via water trucks marked potable water and transferred into the black containers at the various training areas.

ALL drinking water may contain contaminants

When drinking water meets federal standards, there may not be any health based benefits to purchasing bottled water or point of use devices. Drinking water, including bottled water, may reasonably be expected to contain at least small amounts of some contaminants. The presence of contaminants does not necessarily mean water may be a health risk. More information about contaminants and potential health effects can be obtained by calling the EPA's Safe Drinking Water Hotline (1-800-426-4791).

In order to ensure that tap water is safe to drink, EPA prescribes regulations which limit the amount of certain contaminants in water provided by public water systems. FDA regulations establish limits for contaminants in bottled water which must provide the same protection for public health.

Fort Jackson and the South Carolina Department of Health and Environmental Control (DHEC) routinely monitor your drinking water for contaminants according to Federal and State requirements. EPA and DHEC administer and enforce the rules and regulations pertaining to drinking water quality.

The sources of drinking water (both tap water and bottled water) include rivers, lakes, streams, ponds, reservoirs, springs, and wells. As water travels over the surface of the land or through the ground, it dissolves naturally occurring minerals and, in some cases, radioactive material, and can pick up substances resulting from the presence of animal or human activity.

Contaminants in Drinking Water Sources May Include:

- Microbial contaminants, such as viruses and bacteria, which may come from sewage treatment plants, septic systems, agricultural livestock operations and wildlife.
- Inorganic contaminants, such as salts and metals, which can be naturally-occurring or result from urban storm water runoff, industrial or domestic wastewater discharges, oil and gas production, mining and farming.
- Pesticides and herbicides, which may come from a variety of sources such as agriculture, urban storm water runoff and residential uses.
- Organic chemical contaminants, including synthetic and volatile organic chemicals, which are by-products of industrial processes and petroleum production, and can also

come from gas stations, urban storm water runoff and septic systems.

- Radioactive contaminants, which can be naturally occurring or be the result of oil and gas production and mining activities.

For People with Sensitive Immune Systems...

EPA and DHEC have determined that Fort Jackson's drinking water is safe for consumption. Some people may be more vulnerable to constituents in the water than the general population. Immunocompromised people, such as those with cancer undergoing chemotherapy, persons who have had organ transplants, people with HIV/AIDS or other immune system disorders, some elderly persons and infants can be particularly at risk of infections. These people should seek advice about drinking water from their healthcare providers.

The EPA and the Centers for Disease Control guidelines on appropriate means to lessen the risk of infection by *Cryptosporidium* and other microbial contaminants are available from the EPA's safe drinking water hotline at 1-800-426-4791.

Testing has revealed no signs of *Cryptosporidium* in either Fort Jackson's or the City of Columbia's drinking water.

A collection of stylized, light blue water droplets and bubbles of various sizes and shapes, scattered across the page. Some are large and rounded, while others are smaller and more teardrop-shaped. They have a glossy, reflective appearance with highlights and shadows, giving them a three-dimensional look.

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Palmetto State Utility Services - Source Water Quality

Primary Standards - Health Based (units)	PRIMARY MCL	MCLG	Range of Detection	Level Found	MCL Violation?	Year Sampled	Typical Source of Constituent
Turbidity - Lake Plant							
Highest single measurement of the Treated Surface Water (NTU)	TT = 1.0		n/a	0.1	No	2009	Naturally occurring in the environment
Lowest Percent of all Monthly Readings less than 0.3 NTU (%)	TT = 95		n/a	100%	No	2009	Naturally occurring in the environment
Turbidity - Canal Plant							
Highest single measurement of the Treated Surface Water (NTU)	TT = 1.0		n/a	1.69	Yes	2009	Naturally occurring in the environment
Lowest Percent of all Monthly Readings less than 0.3 NTU (%)	TT = 95		n/a	98.92%	No	2009	Naturally occurring in the environment
Inorganic Constituents							
Chlorite (Lake Plant) (mg/L)	1	0.8	0.200 - 0.537	0.537	No	2009	Byproduct of drinking water chlorination
Chlorite (Canal Plant) (mg/L)	1	0.8	0.307 - 0.810	0.810	No	2009	Byproduct of drinking water chlorination
Fluoride (mg/L)	4.0	4	0.79 - 0.90	0.85	No	2009	Naturally occurring in the environment by erosion of natural deposits and added at the treatment plant as an aid in preventing tooth decay.
Nitrate/Nitrite (as Nitrogen) (mg/L)	10	10	0.060 - 0.43	0.25	No	2009	Runoff from fertilizer use, leaching from septic tanks, sewage, erosion of natural deposits.

UCMR2 monitoring was conducted in 2009. No detections were noted. If you would like to receive a list of the contaminants monitored, please contact Stephanie Hodnette at (803) 733- 8203.

Palmetto State Utility Services - Distribution Water Quality

Microbiological Constituents (units)	PRIMARY MCL	MCLG	Range	Level Found	MCL Violation?		Typical Source of Constituent
Total Coliforms	1 positive monthly sample	0	n/a	1	No	2009	Naturally present in the environment
Fecal Coliform or E. coli	A routine sample and a repeat sample are total coliform positive, and one is also fecal coliform or E. coli positive	0	n/a	1	No	2009	Naturally present in the environment
Disinfection Byproducts Precursors (units)	PRIMARY MCL (MRDL)	MCLG (MRDLG)	Range of Detection	Highest 4-Quarterly Average	MCL Violation?		Typical Source of Constituent
Residual Chlorine [as Cl ₂] (mg/L)	(4)	(4)	ND - 4.0	2.02 (Highest Quarterly Average)	No	2009	Water additive used to control microbes
Chlorine dioxide (Lake Plant) (ug/L)	(800)	(800)	3 - 244	244	No	2009	Water additive used to control microbes
Chlorine dioxide (Canal Plant) (ug/L)	(800)	(800)	0 - 210	210	No	2009	Water additive used to control microbes
HAA5 [Total of five Haloacetic Acids] (ug/L)	60	0	3.2 - 37.5	36.4	No	2009	Byproduct of drinking water chlorination formed when chlorine reacts with organic matter
THMs [Total of four Trihalomethanes] (ug/L)	80	0	20.9 - 39.4	36.0	No	2009	Byproduct of drinking water chlorination formed when chlorine reacts with organic matter
Disinfectant & Disinfection Byproducts (units)	PRIMARY MCL (MRDL)	MCLG (MRDLG)	Range	Level Found	MCL Violation?		Typical Source of Constituent
Total Organic Carbon [TOC] - Lake Plant	TT		39.60% - 46.30% Removal	43.46% Removal (36.67% Removal Required)	No	2009	Naturally occurring in the environment
Total Organic Carbon [TOC] -Canal Plant	TT		40.10% - 58.50% Removal	45.85% Removal (36.67% Removal Required)	No	2009	Naturally occurring in the environment
Inorganic Constituents (units)	ACTION LEVEL	MCLG	Range of Detection	90th % Level	MCL Violation?		Typical Source of Constituent
Copper (mg/L)	1.3	0	None of the 49 sites sampled exceeded the Action Level	0.1	No	2008	Corrosion of household plumbing systems and naturally occurring in the environment.
Lead (ug/L)	15	0	One of the 49 sites sampled exceeded the Action Level	0	No	2008	Corrosion of household plumbing systems and naturally occurring in the environment.

Sampling Results

Our drinking water meets or exceeds all Federal (EPA) drinking water requirements. This report is a summary of the quality of the water we provide our customers. The analysis was made using data from the most recent U.S. Environmental Protection Agency (EPA) required tests and is presented in the included pages. We hope this information helps you become more knowledgeable about what's in your drinking water.

Although all the substances listed here are under the Maximum Contaminant Level (MCL), we feel it is important that you know exactly what was detected and how much of the substance is present in the water. Compliance (unless otherwise noted) is based on the average level of concentration being below the MCL. The State allows us to monitor for some contaminants less than once per year because the concentrations do not change frequently. Some of our data, though representative, are more than a year old. Additionally, there was one Treatment Technique violation for turbidity during 2009. Please see the section labeled Turbidity Violation, below, for more information.

Turbidity Violation

On April 1, 2009, the Canal Water Treatment Facility experienced a brief filtered water turbidity exceedance due to deviations in chemical fee. We took corrective actions to include necessary treatment plant flow adjustments, increased monitoring frequency, and prompt notification. The filtered water turbidity quickly fell below the standard of 1.0 NTU and has remained compliant since April 1, 2009.

Lead

In accordance with DHEC regulation R.61.58.11 (H), lead and copper samples are taken every three years. If present, elevated levels of lead can cause serious health problems, especially for pregnant women and young children. Lead in drinking water is primarily from materials and components associated with service line and home plumbing. The City of Columbia is responsible for providing high quality drinking water, but cannot control the variety of materials used in plumbing components. When your water has been sitting for several hours, you can minimize the potential for lead exposure by flushing your tap for 30 seconds to 2 minutes before using water for drinking or cooking. If you are concerned about lead in your water, you may wish to have your water tested. Information on lead in drinking water, testing methods, and steps you can take to minimize exposure is available from the Safe Drinking Water hotline or at <http://www.epa.gov/safewater/lead>.

Measurements

Water is sampled and tested throughout the year.

Contaminants are measured in:

- **parts per million** (ppm) or milligrams per liter (mg/L),
- **parts per billion** (ppb) or micrograms per liter (mg/L),
- **parts per trillion** (ppt) or nanograms per liter (ng/L),

Grains per gallon (grains/gal) – A measurement of water hardness often used for sizing household water softeners. One grain per gallon is equal to 17.1 mg/L of hardness.

Nephelometric Turbidity Units (NTU) – A measurement of the clarity of water. Turbidity in excess of 5 NTU is noticeable to the average person.

Picocuries per liter (pCi/L) – A measurement of radioactivity in water.

If this is difficult to imagine, think about these comparisons:

Parts per million:

3 drops in 42 gallons
1 second in 12 days
1 inch in 16 miles



Parts per billion:

1 drop in 14,000 gallons
1 second in 32 years
1 inch in 16,000 miles



Parts per trillion:

1 second in 32,000 years
1 inch in 16 million miles
10 drops in enough water to fill the Rose Bowl



Definitions

Maximum Contaminant Level (MCL)

The highest level of a contaminant that is allowed in drinking water. MCLs are set as close to the maximum contaminant level goals as is economically and technologically feasible. Secondary MCLs are set to protect the odor, taste and appearance of drinking water.

Maximum Contaminant Level Goal (MCLG)

The level of contaminant in drinking water below which there is no known or expected risk to health. Maximum contaminant level goals are set by EPA. MCLGs allow for a margin of safety.

Maximum Residual Disinfectant Level (MRDL)

The level of a disinfectant added for water treatment that may not be exceeded at the consumer's tap. There is convincing evidence that addition of a disinfectant is necessary for control of microbial contaminants.

Maximum Residual Disinfectant Level Goal (MRDLG)

The level of a disinfectant added for water treatment below which there is no known or expected health risk. MRDLGs are set by EPA. MRDLGs do not reflect the benefits of the use of disinfectants to control microbial contamination.

Primary Drinking Water Standard (PDWS)

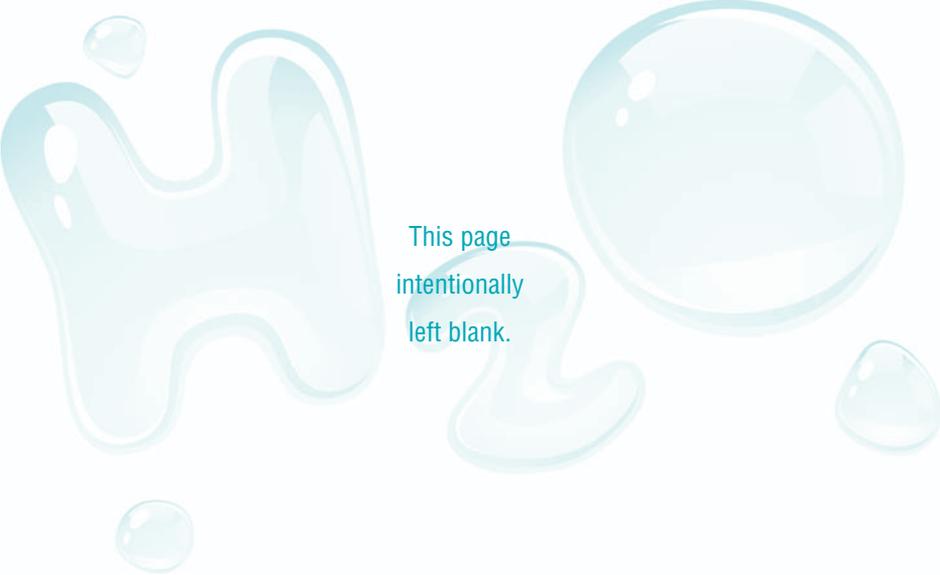
MCLs for contaminants that affect health, along with their monitoring and reporting requirements, and water treatment requirements.

Action Level (AL)

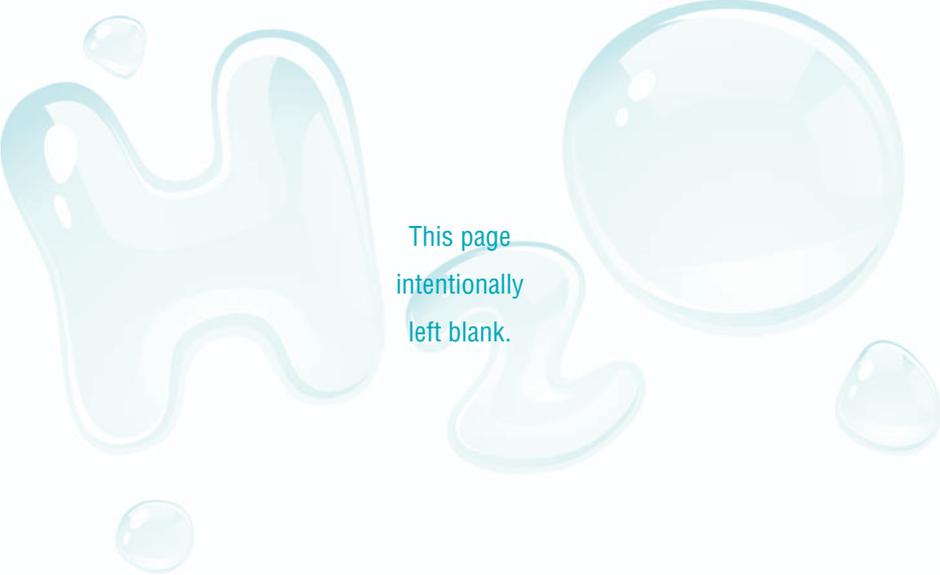
The concentration of a contaminant which, if exceeded, triggers treatment or other requirements which a water system must follow.

Treatment Technique (TT)

A required process intended to reduce the level of a contaminant in drinking water.

A decorative illustration featuring several water droplets and bubbles of various sizes and shapes, rendered in a light blue, semi-transparent style. The droplets are scattered around the central text, with one large, prominent bubble on the right side. The overall aesthetic is clean and fresh, consistent with a water utility brand.

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