



ORANGE COUNTY WATER DISTRICT

75 Years of Serving Orange County's
Groundwater Needs

NEWS RELEASE

FOR IMMEDIATE RELEASE

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FITCH RATINGS UPGRADES ORANGE COUNTY WATER DISTRICT TO AAA *OCWD Only Water District West of Mississippi River with Fitch AAA Rating*

FOUNTAIN VALLEY, Calif. (April 8, 2008) — Fitch Ratings announced last week that the Orange County Water District (OCWD) was upgraded to the “AAA” rating based on the District's long-term credit quality.

The rating earns OCWD the distinction of being the only water district west of the Mississippi River to have the coveted AAA rating. The rating also means OCWD is one of the best financially rated water agencies in the state of California. The rating reflects great confidence in OCWD's general and fiscal management and its leadership in the water industry. Maintaining a high rating saves OCWD and local water rate payers millions of dollars by allowing OCWD to borrow money more easily and at lower rates.

The upgrade to “AAA” reflects OCWD’s continued and improved very strong financial performance and completion of major planned capital projects. Other positive credit considerations include the District’s service it provides to stakeholders and its solid and growing customer base. Unlike most water retailers or wholesalers, the OCWD’s primary role is management of the Orange County groundwater basin, which is a primary drinking water source for more than 20 cities and water agencies, serving more than 2.3 million Orange County residents.

“The triple A Fitch rating reflects great confidence in OCWD's general and fiscal management and its leadership in the water industry,” said Stephen R. Sheldon, board president of OCWD. “It also reflects OCWD's competitive wholesale water rates, particularly in comparison to alternative water supply options; good debt service coverage; and OCWD's ability to address Southern California's long-term water supply problems with new water projects like the Groundwater Replenishment System.” In addition to Fitch, OCWD has ratings of AA+ from Standard & Poor’s and an Aa2 from Moody’s.

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**OCWD RATED “AAA” BY FITCH
ADD 1-1-1**

OCWD is committed to enhancing Orange County’s groundwater quality and reliability in an environmentally friendly and economical manner. The following cities utilize the groundwater basin managed by OCWD: Anaheim, Buena Park, Costa Mesa, Cypress, Fountain Valley, Fullerton, Garden Grove, Huntington Beach, Irvine, La Palma, Los Alamitos, Newport Beach, Orange, Placentia, Santa Ana, Seal Beach, Stanton, Tustin, Villa Park, Westminster and Yorba Linda.