

Hawaii Water Service Proposes First Rate Adjustment for Kapalua since 2021; Reflects Investments Made to Help Improve Reliability and Maintain Safe Utility Service

WAIKOLOA, Hawaii, Nov. 20, 2025 (GLOBE NEWSWIRE) -- California Water Service Group (NYSE: CWT) subsidiary Hawaii Water Service (Hawaii Water) has filed a request with the Hawaii Public Utilities Commission (PUC) to increase water and sewer rates in its Kapalua water and wastewater systems for the first time since acquiring the systems in 2021. The request seeks to increase revenues by \$2.2 million to recover increases in purchased water costs, higher operating expenses, and the cost of completed capital investments.

Hawaii Water's \$3.4 million in infrastructure investments have funded upgrades and maintenance of the local water and wastewater systems, which are designed to enhance quality, reliability, and sustainability. Some of the major capital improvements made in Hawaii Water's Kapalua service area include:

- Rehabilitation and upgrade of critical potable water storage facilities to expand water supply reliability.
- Replacement of aging valves to improve water system reliability and control.
- Replacement of emergency backup power generators to help maintain water pressure during power interruptions and improve fire protection.
- Significant improvements in a sewer pump station serving D.L. Fleming State Beach Park by replacing existing, aging pumps with new, surface-serviceable pumps and relocating controls above ground to improve response time, access, reliability, and efficiency.
- Replacement of lift station and sump pumps used in the wastewater treatment process to reduce the risk of future system leaks.

Additionally, the proposed increase covers additional operating expenses, such as about \$1.7 million annually to purchase potable and non-potable water; labor costs; and inflation. The utility proposes to pass purchased water costs directly to customers on a dollar-for-dollar basis.

"Since we acquired the Kapalua systems, we have been committed to providing our Kapalua customers safe, clean, reliable water and wastewater services at affordable rates, and the important, strategic upgrades we have made in the last four years are critical to fulfilling this commitment," said Marty Kropelnicki, Chairman and CEO. "We have simultaneously worked to control expenses to help keep service affordable, and be a responsible steward of the environment, which is even more vital in the face of Maui's worsening drought."

If approved as filed, new rates could become effective in the second half of 2026.

About California Water Service Group

California Water Service Group (NYSE: CWT) is the largest regulated water utility operating exclusively in the western United States. It provides high-quality, reliable water and/or wastewater services to more than 2.1 million people in California, Hawaii, New Mexico, Washington, and Texas through its regulated subsidiaries, California Water Service, Hawaii Water Service, New Mexico Water Service, and Washington Water Service, and its utility holding company, Texas Water Service.

Group's purpose is to enhance the quality of life for customers, communities, employees, and stockholders. To do so, it invests responsibly in water and wastewater infrastructure, sustainability initiatives, and community well-being. The company's nearly 1,300 employees live by a set of strong core values and share a commitment to protecting the planet, caring for people, and operating with the utmost integrity. The company has been named one of "America's Most Responsible Companies" and one of the "World's Most Trustworthy Companies" by *Newsweek*, a USA Top Workplace, and a Great Place to Work[®]. More information is available at www.calwatergroup.com.

This news release contains forward-looking statements within the meaning established by the Private Securities Litigation Reform Act of 1995 ("PSLRA"). The forward-looking statements are intended to qualify under provisions of the federal securities laws for "safe harbor" treatment established by the PSLRA. Forward-looking statements in this news release are based on currently available information, expectations, estimates, assumptions and projections, and our management's beliefs, assumptions, judgments and expectations about us, the water utility industry and general economic conditions. These statements are not statements of historical fact. When used in our documents, statements that are not historical in nature, including words like will, would, expects, intends, plans, believes, may, could, estimates, assumes, anticipates, projects, progress, predicts, hopes, targets, forecasts, should, seeks or variations of these words or similar expressions are intended to identify forward-looking statements. Examples of forward-looking statements in this news release include, but are not limited to, statements describing Hawaii Water's request to increase water and sewer rates and, if approved, the potential timing for such rates to become effective. Forward-looking statements are not guarantees of future performance. They are based on numerous assumptions that we believe are reasonable, but they are open to a wide range of uncertainties and business risks. Consequently, actual results or outcomes may vary materially from what is contained in a forward-looking statement. Factors that may cause actual results or outcomes to be different than those expected or anticipated include, but are not limited to those described under the section entitled "Risk Factors" and elsewhere in our most recent Annual Report on Form 10-K, our subsequent Quarterly Reports on Form 10-Q and our other Securities and Exchange Commission filings. In light of these risks, uncertainties and assumptions, investors are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date of this news release. We are not under any obligation, and we expressly disclaim any obligation to update or alter any forward-looking statements, whether as a result of new information, future events or otherwise.

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Source: California Water Service Group