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# California Water Service Group Utilities Prepared to Comply with New PFAS Regulations

SAN JOSE, Calif., April 10, 2024 (GLOBE NEWSWIRE)—Following the U.S. Environmental Protection Agency's (EPA) adoption of a new National Primary Drinking Water Regulation for certain per- and polyfluoroalkyl substances (PFAS) today (new PFAS regulation), California Water Service Group (Group) (NYSE: CWT) confirmed that it believes its subsidiaries are well positioned to treat potentially impacted water sources and to meet the EPA's five-year compliance timeline.

Under the new PFAS regulation, EPA established maximum contaminant levels (MCL) of 4 parts per trillion (ppt) for both PFOA and PFOS; MCLs of 10 ppt for PFHxS, PFNA, and GenX; and a combined Hazard Index of 1.0 for PFBS, PFHxS, PFNA, and GenX. Generally, PFAS are manmade compounds that are found in a number of everyday products; these compounds are soluble in water and can travel long distances. Under the new PFAS regulation, water utilities with impacted water systems across the country are required to monitor for these PFAS by 2027 and to comply with the MCLs and Hazard Index by 2029.

Group's utilities California Water Service (Cal Water), Hawaii Water Service (Hawaii Water), New Mexico Water Service (New Mexico Water), and Washington Water Service (Washington Water) have a rigorous, coordinated water quality assurance program, and the utilities have protocols in place to test and monitor the water they deliver to customers. In California and Washington, Group's utilities have been complying with previously issued PFAS guidelines issued by State regulators.

Cal Water, Hawaii Water, and New Mexico Water have tested all of their active water sources for a number of PFAS, including the six addressed in the new regulation. Washington Water Service (Washington Water) has tested all of its Group A water system sources, which are water sources subject to the new PFAS regulation. The company began monitoring all of its sources for these PFAS before it was required to do so under the new PFAS regulation, because it believed it was the right thing to do.

"Protecting our customers' health and safety is our highest priority, and we have long supported EPA's establishment of national drinking water standards for the most common PFAS," said Martin A. Kropelnicki, Group Chairman & CEO. "While we did not put the PFAS in the water, we are committed to treating it in accordance with all applicable regulations. Our team has already evaluated the impact of the EPA's proposed regulations so that we could be better prepared to comply with the final set, and we are moving forward to bring any affected sources into compliance with the new MCLs and Hazard Index."

Beyond the new PFAS regulation, Group believes that a comprehensive regulatory approach is needed to properly address PFAS entering water supplies in the United States, including measures such as point-of-use restrictions on PFAS manufacturers, legislation that prohibits the sale and use of certain PFAS-containing products, certification for accurate PFAS testing

methods, and establishment of a publicly available database to monitor PFAS sources entering water supplies. Additionally, Group filed lawsuits to hold PFAS manufacturers financially responsible for the costs of monitoring and treating water for PFAS and is pursuing grant funding, where available, to help reduce the financial impact of treatment on its utilities' customers.

The full name of PFOA is perfluorooctanoic acid, of PFOS is perfluorooctane sulfonic acid, of PFHxS is perfluorohexanesulfonic acid, of PFNA is perfluorononanoic acid, of GenX is hexafluoropropylene oxide dimer acid and its ammonium salt, and of PFBS is perfluorobutane sulfonate.

## **About California Water Service Group**

California Water Service Group (NYSE: CWT) is the largest regulated water utility 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 1,200+ 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 the "World's Most Trustworthy Companies" by *Newsweek* and a Great Place to Work®. More information is available at [www.calwatergroup.com](http://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 document, 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, commits 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 Group's and its subsidiaries' ability to treat potentially impacted water sources and to comply with the New PFAS Regulations. Forward-looking statements are not guarantees of future performance. They are based on numerous assumptions that we believe are reasonable but are subject to uncertainty and risks. Actual results may vary materially from what is contained in a forward-looking statement. Factors that may cause actual results to be different than those expected or anticipated include, but are not limited to: governmental and regulatory commissions' decisions; consequences of eminent domain actions relating to our water systems; changes in regulatory commissions' policies and procedures; the outcome and timeliness of regulatory commissions' actions concerning rate relief and other actions; changes in water quality standards; changes in environmental compliance and water quality requirements;*

*electric power interruptions; the impact of opposition to rate increases; our ability to recover costs; availability of water supplies; issues with the implementation, maintenance or security of our information technology systems; civil disturbances or terrorist threats or acts; the adequacy of our efforts to mitigate physical and cyber security risks and threats; the ability of our enterprise risk management processes to identify or address risks adequately; changes in customer water use patterns and the effects of conservation; the impact of weather, climate change, natural disasters, and actual or threatened public health emergencies; the impact of market conditions and volatility on unrealized gains or losses on our operating results; risks associated with expanding our business and operations geographically; and other risks and unforeseen events described in our SEC 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. When considering forward-looking statements, you should keep in mind the cautionary statements included in this paragraph, as well as in our Annual 10-K, Quarterly 10-Q's, and other reports filed from time-to-time with the Securities and Exchange Commission (SEC). 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.*