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California Water Service Group Moving Forward to Install PFAS Treatment Despite CPUC Dismissal of Request to Track Capital Costs in Pre-Approved Memorandum Account

SAN JOSE, Calif., April 18, 2024 (GLOBE NEWSWIRE) -- California Water Service Group (Group) (NYSE: CWT) reaffirmed its commitment to investing an estimated \$215 million in PFAS treatment and to working as quickly as possible to complete planned projects, despite a decision today by the California Public Utilities Commission to dismiss California Water Service's (Cal Water's) application requesting authorization to modify a previously approved PFAS-expense memorandum account to include capital investments related to PFAS compliance for future recovery.

Formally tracking capital-related costs through a memorandum account is an important early step to aid construction and financial recovery of large-scale infrastructure projects, and Cal Water, Group's largest subsidiary, intends to reapply to track costs through the regulatory process.

"Above all, protecting our customers' health and safety is our highest priority," said Martin A. Kropelnicki, Group Chairman & CEO. "Although the CPUC rejected our application to include capital costs in our PFAS balancing account, we will proceed with our plans to construct treatment to meet the new federal water quality standard."

Group has long been preparing to comply with the new maximum contaminant levels (MCL) set by the U.S. Environmental Protection Agency earlier this month. Although utilities must begin monitoring for certain PFAS by 2027 and comply with the MCLs by 2029, Group has already tested most of its active water sources and believes it is well-positioned to treat any water sources needed across its service areas within the compliance timeframe.

Additionally, Group has filed lawsuits to hold PFAS manufacturers financially responsible for the costs of testing and treatment, and is pursuing grants where available, to reduce the financial impact on its customers.

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.

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.

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