

March 3, 2017



# California Water Service Prepared to Treat Potentially Impacted Water Sources as State Issues Draft Regulation for 1,2,3-Trichloropropane (TCP)

SAN JOSE, CA -- (Marketwired) -- 03/03/17 -- (NYSE: CWT) -- Following today's release of a draft maximum contaminant level (MCL) of 5 parts per trillion (ppt) for 1,2,3-Trichloropropane (TCP) by the State Water Resources Control Board (State Board), California Water Service (Cal Water) explained how it is preparing to meet the new water quality standard when compliance monitoring begins in 2018.

As TCP is currently unregulated at both the federal and state levels, water utilities are not required to monitor for it at this time. Cal Water, however, has been actively monitoring its groundwater supplies and evaluating potential treatment methods in anticipation of an eventual regulation, according to Cal Water President and CEO Martin A. Kropelnicki.

Cal Water has determined that TCP in its service areas will be most efficiently and effectively removed using granular-activated carbon (GAC) technology. The company plans to install GAC vessels where necessary to meet the new regulation.

"Protecting our customers' health and safety is our highest priority, and we have been proactive in researching our options and preparing so that we can more quickly and efficiently meet whatever MCL is ultimately set by the public health experts," Kropelnicki said. "This is part of our commitment to our customers, communities, and stockholders to provide excellent quality, service, and value."

The State Board's Division of Drinking Water (DDW) issued the draft standard after studying TCP for regulation for a number of years. After a 45-day public comment period, DDW will either modify the draft standard and recirculate it for additional comment or continue the adoption process. The MCL is expected to be finalized in the summer of 2017.

TCP is a manmade organic chemical that has been detected in some of the groundwater supplies in the company's Bakersfield, Visalia, Selma, Stockton, South San Francisco, and Chico service areas. The source of the TCP contaminating Cal Water wells is believed to be soil fumigants that were used extensively in California from the 1940s through the 1980s.

Cal Water is currently a plaintiff in litigation against the manufacturers of the TCP-containing soil fumigants seeking to recover the costs for treating the contamination.

California Water Service serves about 2 million people through 480,300 service connections in California. The company, which has provided water service in the state since 1926, was ranked "Highest in Customer Satisfaction Among Water Utilities in the West" in 2016 by J.D. Power in its inaugural Water Utility Residential Customer Satisfaction Study. Additional

information may be obtained online at [www.calwater.com](http://www.calwater.com).