

May 19, 2017



# Cal Water President & CEO Returns to House Energy and Commerce Subcommittee on Environment, Testifies on Solutions for Nation's Drinking Water Infrastructure Challenges

SAN JOSE, CA -- (Marketwired) -- 05/19/17 -- Martin A. Kropelnicki, President & Chief Executive Officer of California Water Service Group (NYSE: CWT) (Cal Water), returned to the Subcommittee on Environment of the U.S. House of Representatives Committee on Energy and Commerce today to testify at its hearing on a discussion draft of "H.R.\_\_\_\_, Drinking Water System Improvement Act and Related Issues of Funding, Management, and Compliance Assistance Under the Safe Drinking Water Act." Kropelnicki, appearing on behalf of the National Association of Water Companies (NAWC), which represents private water utilities across the country, first testified at the Subcommittee's hearing in March 2017 to discuss the challenges facing the water industry and the country's drinking water infrastructure.

In his testimony on the Subcommittee's draft legislation, Kropelnicki provided recommendations to enact effective utility management practices and hold drinking water systems that are consistently non-compliant with health and safety standards accountable. Kropelnicki explored solutions that included:

- Compelling failing and non-compliant systems to pursue partnerships or consolidation with able owners or operators
- Reserving federal funding for failing systems that are geographically unable to pursue such measures and for projects to incentivize water suppliers to implement the Environmental Protection Agency's principles of effective utility management
- Utilizing full-cost pricing in setting water rates
- Providing incentives for private utilities to leverage their decades of experience solving complex water challenges and expertise in infrastructure investments, such as providing utilities safe harbor protections when they assume responsibility for turning around failing water systems

"NAWC and our member utilities are committed to ensuring the customers we serve always have a safe and reliable water supply," said Kropelnicki, who currently serves as President of NAWC. "With technical, managerial, and financial expertise, we continue to stand able, ready, and willing to partner with the public sector to help ensure all Americans have the same safe, reliable, and high-quality water utility service."

The full hearing, in which Kropelnicki testified with Lisa Daniels, on behalf of the Association of State Drinking Water Administrators; Steve Fletcher, on behalf of the National Rural Water Association; Scott Potter, on behalf of the American Municipal Water Association; James

Proctor, of McWane, Inc.; Lynn Thorp, of Clean Water Action; and Kurt Vause, on behalf of the American Water Works Association; can be viewed at [\*\*http://bit.ly/2rw51DB\*\*](http://bit.ly/2rw51DB). Kropelnicki's written testimony to the Subcommittee can be read at [\*\*http://bit.ly/2qBFnNE\*\*](http://bit.ly/2qBFnNE).

California Water Service Group is the parent company of California Water Service, Washington Water Service, New Mexico Water Service, Hawaii Water Service, CWS Utility Services, and HWS Utility Services. The subsidiaries provide regulated and non-regulated water service to nearly 2 million people in 100 communities. The Company's common stock trades on the New York Stock Exchange under the symbol "CWT." Additional information about the company is available online at [www.calwatergroup.com](http://www.calwatergroup.com).