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Hawaii Public Utilities Commission Approves General Rate Case for Hawaii Water Service's Waikoloa Resort Systems

New Rates Support Investments Made to Keep Infrastructure Reliable

WAIKOLOA, Hawaii, Jan. 30, 2019 (GLOBE NEWSWIRE) -- The Hawaii Public Utilities Commission (Commission) yesterday approved a Decision and Order for Hawaii Water Service's (Hawaii Water) general rate case for its Waikoloa Resort water, wastewater, and irrigation systems, enabling the utility to increase annual revenues by \$1.7 million over three years. The Decision and Order, effective Feb. 8, 2019, allows recovery of investments made by the California Water Service Group (NYSE: CWT) subsidiary to improve reliability of its systems along with prudently incurred increases in operating costs.

Major recent investments in the Waikoloa Resort water and wastewater systems include upgrades made to the Supervisory Control and Data Acquisition (SCADA) system; construction of two new water wells; upgrades to an existing well and storage tank; electrical upgrades; replacement of water and wastewater pipelines; and inclusion of the remainder of the resort's wastewater treatment plant construction costs. The revenue increase, phased in over three years, includes \$800,000 in each of the first two years and \$100,000 in the third year.

"We appreciate the Hawaii Public Utilities Commission's diligent analysis of our operations, costs, and service and its work to ensure rates accurately reflect the costs to provide reliable, safe, and high-quality utility service," said Martin A. Kropelnicki, President and CEO. "With this decision, we can continue to focus on fulfilling our promise to provide quality, service, and value to our customers and communities, both for their everyday and emergency needs."

Hawaii Water's last rate increase in the Waikoloa Resort occurred in 2014, and was based on investments made in 2013 and earlier.

Hawaii Water Service provides water and wastewater service to many communities located on Maui and Big Island of Hawaii. Hawaii Water Service is a wholly owned subsidiary of California Water Service Group, which also includes California Water Service, Washington Water Service, New Mexico Water Service, CWS Utility Services, and HWS Utility Services. Together, these companies provide regulated and non-regulated utility service to approximately 2 million people in more than 100 California, Washington, New Mexico, and Hawaii communities. Group's common stock trades on the New York Stock Exchange under the symbol "CWT." Additional information is available online at www.calwatergroup.com.

This news release contains forward-looking statements within the meaning established by the Private Securities Litigation Reform Act of 1995 ("Act"). The forward-looking statements are intended to qualify under provisions of the federal securities laws for "safe harbor" treatment established by the Act. Forward-looking statements are based on currently

available information, expectations, estimates, assumptions and projections, and management's judgment about the Company, the water utility industry and general economic conditions. Such words as would, expects, intends, plans, believes, estimates, assumes, anticipates, projects, predicts, forecasts or variations of such words or similar expressions are intended to identify forward-looking statements. The forward-looking statements are not guarantees of future performance. They are subject to uncertainty and changes in circumstances. Actual results may vary materially from what is contained in a forward-looking statement. Factors that may cause a result different than expected or anticipated include, but are not limited to: governmental and regulatory commissions' decisions; changes in regulatory commissions' policies and procedures; success by non-settling parties in opposing the settlement; the timeliness of regulatory commissions' actions concerning rate relief; electric power interruptions; increases in suppliers' prices and the availability of supplies including water and power; changes in environmental compliance and water quality requirements; changes in customer water use patterns; the impact of weather on water sales and operating results; our access to sufficient capital on satisfactory terms; civil disturbances or terrorist threats or acts interfering with our facilities or operations, or apprehension about the possible future occurrences of acts of this type; restrictive covenants in or changes to the credit ratings on our current or future debt that increase our financing costs or affect our ability to borrow, make payments on debt or pay dividends; and, other risks and unforeseen events. When considering forward-looking statements, you should keep in mind the cautionary statements included in this paragraph, as well as the annual 10-K, Quarterly 10-Q, and other reports filed from time-to-time with the Securities and Exchange Commission (SEC). The Company assumes no obligation to provide public updates of forward-looking statements.