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Hawaii Public Utilities Commission Issues General Rate Case Decision for Hawaii Water Service's Kapalua Water and Wastewater Systems

Decision Allows Recovery for Investments Made to Allow for Safe and Reliable Service

WAIKOLOA, Hawaii, Oct. 15, 2026 (GLOBE NEWSWIRE)—The Hawaii Public Utilities Commission (HPUC) has adopted a settlement agreement reflecting Hawaii Water Service's (Hawaii Water) investments to help keep its Kapalua water and wastewater systems safe and reliable, while addressing higher operating and purchased water costs. The decision enables the California Water Service Group (NYSE: CWT) subsidiary to increase annual revenue by about $1.94 million and adjusts rates accordingly.

The revenue increase, which is based on a settlement reached between Hawaii Water and the Consumer Advocate, includes nearly $1.47 million for the water system and more than $469,000 for the wastewater system. It recognizes $5.86 million in capital improvements that Hawaii Water has made to enhance local water quality, system reliability, and sustainability.

Among the infrastructure improvements made in the Kapalua systems, Hawaii Water:

- Upgraded critical potable water storage facilities to improve supply reliability.
- Replaced aging valves to improve system reliability and control.
- Replaced backup generators to help maintain water pressure during power interruptions and strengthen fire protection.
- Upgraded the sewer pump station serving the D.L. Fleming State Beach Park with surface-serviceable pumps and aboveground controls to help improve access, response time, reliability, and efficiency.
- Replaced lift station and sump pumps to reduce the potential for future wastewater system leaks.

The increase also acknowledges higher operating expenses, including about $1.7 million annually for purchased potable and non-potable water, increased labor costs, and the effects of inflation. Purchased water costs are passed directly to customers on a dollar-for-dollar basis.

"Since acquiring the Kapalua systems, we have invested strategically to allow us to provide safe and reliable water and wastewater services for our local customers," said Marty Kropelnicki, Chairman and CEO. "We have also worked hard to control expenses to keep service affordable while protecting the environment—an increasingly urgent priority amid Maui's recent drought conditions."

This is the first general rate increase for the Kapalua systems since Hawaii Water acquired them in 2021. New rates become effective this month.

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 2.2 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, TWSC, Inc. (Texas Water Service). This year, the company commemorates a century of 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 nearly 1,300 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*, a USA Top Workplace, 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 documents, 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 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 the potential timing for the increase in Hawaii Water's rates to become effective and plans for related cash receipts. Forward-looking statements are not guarantees of future performance. They are based on numerous assumptions that we believe are reasonable, but they are open to a wide range of uncertainties and business risks. Consequently, actual results or outcomes may vary materially from what is contained in a forward-looking statement. Factors that may cause actual results or outcomes to be different than those expected or anticipated include, but are not limited to those described under the section entitled "Risk Factors" and elsewhere in our most recent Annual Report on Form 10-K, our subsequent Quarterly Reports on Form 10-Q and our other Securities and Exchange Commission 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. 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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