

July 19, 2017



Water Quality Standard for 1,2,3,- Trichloropropane (TCP) Adopted by State Water Resources Control Board; California Water Service Preparing to Meet Deadline

Proposed Regulation in Final Review by State Office of Administrative Law

SAN JOSE, CA -- (Marketwired) -- 07/19/17 -- (NYSE: CWT) -- California Water Service (Cal Water) has already begun construction of treatment facilities to meet the new maximum contaminant level (MCL) for TCP, which was adopted yesterday by the State Water Resources Control Board (State Board) and is being submitted to the Office of Administrative Law (OAL) for final review and filing with the Secretary of State. Once finalized by the OAL, the MCL of 5 parts per trillion (ppt) will become effective Oct. 1, 2017, with compliance monitoring required quarterly beginning in January 2018.

Ahead of the MCL being finalized, Cal Water had been actively monitoring its groundwater supplies, researching and beginning design for treatment in anticipation of an eventual regulation, and securing contractors to construct and install treatment at its impacted well sites, according to Cal Water President and CEO Martin A. Kropelnicki.

Cal Water is preparing to install granular-activated carbon (GAC) treatment at 38 affected sites in its Bakersfield, Selma, and Visalia districts to remove TCP from the water. In Cal Water's South San Francisco service area, a treatment plant is currently being installed where TCP had been detected; in its Stockton service area, treatment facilities are already in place. Affected well sites in the company's Chico District have been taken offline.

"Protecting our customers' health and safety has always been our highest priority, and we wanted to be as prepared as possible to meet any new MCL set by the public health experts," Kropelnicki said. "We are working quickly to install treatment at all of our impacted sites, and are committed to continue meeting all federal and state water quality standards."

Cal Water is currently a plaintiff in litigation against the manufacturers of the TCP-containing soil fumigants. Cal Water is seeking to recover the costs associated with addressing TCP contamination in order to avoid impacting customer rates.

California Water Service serves about 2 million people through 482,400 service connections in California. The company has provided water service in the state since 1926. Additional information may be obtained online at www.calwater.com.