

April 2, 2020



California Water Service Group Subsidiaries to Acquire Local Water Companies

SAN JOSE, Calif., April 02, 2020 (GLOBE NEWSWIRE) -- California Water Service Group (Group) (NYSE: CWT) announced today that its Washington subsidiary closed an acquisition and that its New Mexico subsidiary has entered into a purchase agreement. Washington Water Service (Washington Water) closed its purchase of the Greenwood Estates water system on March 31, with approval by the Washington Utilities and Transportation Commission. Sister utility New Mexico Water Service (New Mexico Water) has entered into a purchase agreement with Valencia Mesa Water Company (Valencia Mesa), pending approval by the New Mexico Public Regulation Commission, and subject to the completion of diligence and remaining conditions in the purchase agreement.

Effective this week, Washington Water Service (Washington Water) has taken ownership of the 25-connection Greenwood Estates system, which is adjacent to Washington Water's Gig Harbor service area in Pierce County. Washington Water, which has been operating the system since March 1, also provides regulated water utility service to about 46,500 people in nearly 200 systems in Clallam, Jefferson, Kitsap, Mason, Pierce, King, San Juan, and Thurston counties, along with wastewater service on Orcas Island.

Upon completion of its acquisition, New Mexico Water will own and operate the Valencia Mesa water system, located in Los Lunas, N.M. Valencia Mesa currently serves 80 residential customers in the unincorporated area of Valencia County and is less than one mile from New Mexico Water's Meadow Lake service area. New Mexico Water currently serves about 16,000 people through 8,200 water and wastewater service connections in its Rio Communities, Rio Del Oro, Meadow Lake, Indian Hills, Squaw Valley, Elephant Butte, Sandia Knolls, Juan Tomas, and Cypress Gardens systems in New Mexico.

"We look forward to welcoming the Greenwood Estates and Valencia Mesa customers and delivering the same quality, service, and value that we are committed to providing to our other customers in Washington and New Mexico," said Martin A. Kropelnicki, Group President and CEO. "We believe that our proximity to these systems and our company's 94-year history of providing reliable, high-quality utility services makes us uniquely qualified to serve the residents here, and we thank their Commissions for their diligence in reviewing these agreements."

About California Water Service Group

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. Together, these companies provide regulated and non-regulated water service to more than 2 million people in California, Washington, New Mexico, and Hawaii. California Water Service 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: ability to complete the acquisition and ability to operate the Valencia Mesa water system in an accretive manner; natural disasters, public health crises, pandemics, epidemics or outbreaks of a contagious disease, such as the recent outbreak of Coronavirus (or COVID-19), governmental and regulatory commissions' decisions, including decisions on proper disposition of property; consequences of eminent domain actions relating to our water systems; changes in regulatory commissions' policies and procedures; the timeliness of regulatory commissions' actions concerning rate relief and other actions; changes in water quality standards; changes in environmental compliance and water quality requirements; electric power interruptions; housing and customer growth trends; the impact of opposition to rate increases; our ability to recover costs; availability of water supplies; issues with the implementation, maintenance or security of our information technology systems; civil disturbances or terrorist threats or acts; the adequacy of our efforts to mitigate physical and cyber security risks and threats; the ability of our enterprise risk management processes to identify or address risks adequately; labor relations matters as we negotiate with unions; changes in customer water use patterns and the effects of conservation; the impact of weather, climate, natural disasters, and diseases on water quality, water availability, water sales and operating results, and the adequacy of our emergency preparedness; 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.