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California Water Service Group Completes Purchase of Kings Mountain Park Mutual Water Company

SAN JOSE, Calif., May 28, 2024 (GLOBE NEWSWIRE)—California Water Service (Cal Water), the largest subsidiary of California Water Service Group (NYSE: CWT), has finalized the acquisition of Kings Mountain Park Mutual Water Company's (Kings Mountain) water system assets. Cal Water's Bear Gulch District, which has provided water in recent years to Kings Mountain through a system interconnection, will now provide water utility services directly to Kings Mountain customers.

The Bear Gulch District already serves about 61,000 people through approximately 19,000 service connections in Portola Valley, Woodside, Atherton, and portions of Menlo Park, Redwood City, and San Mateo County. Because the Kings Mountain system is adjacent to two other portions of the Bear Gulch District, joining the systems together is expected to enhance water supply reliability and firefighting capabilities.

Cal Water plans to invest in Kings Mountain's water infrastructure to help it remain safe and reliable for customers' everyday needs and firefighters' emergency needs. Combining with Cal Water's Bear Gulch District is also expected to support the affordability of any future infrastructure improvements needed within the small Kings Mountain system. Additionally, because Kings Mountain board of volunteers maintained system operations and lacked dedicated professional operators, the State Water Resources Control Board's Division of Drinking Water has supported the transfer of the utility to Cal Water. The purchase was originally approved by the California Public Utilities Commission in late 2022.

"Acquiring systems like Kings Mountain not only alleviates pressure for small systems to maintain daily operations for their customers, but also helps keep water service for these customers safe, reliable, and affordable long-term," said Marty Kropelnicki, Cal Water Chairman and CEO. "We thank the Kings Mountain team for its collaboration to ensure a smooth transition, and we look forward to providing the same high quality, service, and value to Kings Mountain residents that we are committed to providing our existing customers."

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 2.1 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, Texas Water 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 1,200+ 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* 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, commits 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 expected benefits resulting from the Kings Mountain acquisition and Cal Water's investment plans. Forward-looking statements are not guarantees of future performance. They are based on numerous assumptions that we believe are reasonable but are subject to uncertainty and risks. Actual results may vary materially from what is contained in a forward-looking statement. Factors that may cause actual results to be different than those expected or anticipated include, but are not limited to: ability to integrate the business and operate the Kings Mountain Park Mutual Water Company system in an effective and accretive manner; governmental and regulatory commissions' decisions; consequences of eminent domain actions relating to our water systems; changes in regulatory commissions' policies and procedures; the outcome and 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; 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; changes in customer water use patterns and the effects of conservation; the impact of weather, climate change, natural disasters, and actual or threatened public health emergencies; the impact of market conditions and volatility on unrealized gains or losses on our operating results; risks associated with expanding our business and operations geographically; and other risks and unforeseen events described in our SEC 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. When considering forward-looking statements, you should keep in mind the cautionary statements included in this paragraph, as well as in our Annual 10-K, Quarterly 10-Q's, and other reports filed from time-to-time with the Securities and Exchange Commission (SEC). 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.