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Hawaii Water Service Receives HPUC Approval to Acquire Keauhou Wastewater System

WAIKOLOA, Hawaii, Oct. 17, 2022 (GLOBE NEWSWIRE) -- Hawaii Water Service (Hawaii Water), a subsidiary of California Water Service Group (Group) (NYSE: CWT), has received approval by the Hawaii Public Utilities Commission (HPUC) to acquire the wastewater system assets of Keauhou Community Services, Inc. (KCSI) and provide wastewater utility service to its customers.

KCSI serves about 1,500 residential, hotel, and commercial customer-equivalent units in Keauhou on the Big Island, along with the Keauhou Bay Facility and Kahaluu Beach Park. KCSI also provides recycled water to Kona Country Club, Inc. for golf course irrigation. The purchase remains subject to customary closing conditions and is expected to close by the first quarter of 2023.

Hawaii Water has been operating the Keauhou system since 2018 through an operation and maintenance contract. The utility will continue to invest in local wastewater system infrastructure to keep service reliable for customers and protect the environment.

“We thank the HPUC for its diligent review of our application and KCSI for its continued cooperation through this process,” said Martin A. Kropelnicki, Group President and CEO. “We have enjoyed serving Keauhou residents, businesses, and visitors over the past several years, and we look forward to officially welcoming them to our Hawaii Water ohana and providing quality, service, and value to them for generations to come.”

Hawaii Water provides water and wastewater service to numerous communities on Maui, Oahu, and the Big Island of Hawaii. Hawaii Water is a wholly owned subsidiary of California Water Service Group, which also includes California Water Service, New Mexico Water Service, Washington Water Service, and Texas Water Service, a utility holding company. Together, these companies provide regulated water and wastewater utility service to more than 2 million people in over 100 California, Hawaii, New Mexico, Texas, and Washington 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 Group and its subsidiaries, 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 close the acquisition of the Keauhou wastewater system, integrate the business, and operate the Keauhou system in an effective and accretive manner; natural disasters, public health crises, pandemics, epidemics or outbreaks of a contagious disease, such as the 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 by Group from time-to-time with the Securities and Exchange Commission (SEC). Group assumes no obligation to provide public updates of forward-looking statements.