



California Water Service Secures More Than \$4 Million in Funding From Water Replenishment District for PFOS, PFOA Removal in East Los Angeles

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Grant Reduces Costs of Treatment for Customers

SAN JOSE, Calif., Aug. 02, 2022 (GLOBE NEWSWIRE) -- California Water Service (Cal Water) has secured a \$4.23 million grant from the Water Replenishment District (WRD) to fund expenditures for treatment equipment that removes perfluorooctanesulfonic acid (PFOS) and perfluorooctanoic acid (PFOA) from groundwater in Cal Water's East Los Angeles District. The treatment plant went online in January 2022 and enabled the utility to return an important water supply source to service for area residents and businesses.

Although there is not a maximum contaminant level (MCL) set for PFOS or PFOA yet, Cal Water proactively tested all active water sources across its service areas in recent years to identify how its systems may be impacted by the contaminants. In the cases where detections reached the State Water Resources Control Board's Division of Drinking Water-established response levels, including this well site in East Los Angeles, the utility decided to remove wells from service until treatment could be installed. Cal Water also shared its test results with state and federal regulators to help them gain a better understanding of how the contaminants have impacted water supplies.

PFOS and PFOA are two of the more common contaminants in a broader family of compounds called per- and polyfluoroalkyl substances, or PFAS.

"We take our responsibility to deliver a reliable, high-quality water supply to our customers very seriously, and protecting their health and safety has always been our highest priority," said Marty Kropelnicki, Cal Water President and CEO. "That's why we decided to install treatment at this well without assurance of cost recovery, so that we would know our customers will have a reliable supply of water that will meet both current and anticipated future water quality standards."

"We are thankful for WRD's grant funding to help cover the costs of this facility and reduce the financial impact of treatment," Kropelnicki said.

"The Water Replenishment District is committed to proactively working with water providers in our service area to identify and treat wells that have been contaminated with PFAS," said John D. S. Allen, President of the WRD Board of Directors. "We are proud to partner with Cal Water to ensure safe and clean drinking water to the communities we serve."

Cal Water has filed a lawsuit to hold the manufacturers of PFOS and PFOA responsible and prevent customers from bearing the costs of treatment. Additionally, the utility actively supports legislation designed to address public health concerns regarding the contaminants.

About Cal Water

California Water Service serves about 2 million people through 494,500 service connections in California. The utility has provided water service in the state since 1926. Additional information may be obtained online at www.calwater.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 will, 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: 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 our GRC and 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.

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Source: California Water Service Group