



Press Release

Breaking News



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For Immediate Release

Hawaii Water Service Proposes Rate Adjustment for Kona Service Area for Investments Made to Help Keep Service Safe, Reliable

WAIKOLOA, Hawaii—California Water Service Group (Group) subsidiary Hawaii Water Service (Hawaii Water) has filed an application with the Hawaii Public Utilities Commission (HPUC) to recover costs for investments in the Kukio water and sewer systems and to serve its customers.

If approved as filed, the application would provide approximately \$2.73 million in annual revenue to deliver safe, reliable water and wastewater service to Hawaii Water's North Kona customers. The requested revenue would address system improvements and operating costs incurred since Hawaii Water's last rate adjustment application was filed in 2019, as well as expected costs through 2027, including almost \$1.66 million for the water system and nearly \$1.07 million for the sewer system.

Specifically, the revenue sought by Hawaii Water is expected to help fund the recovery of about \$5.53 million in water system improvements and \$2.76 million in sewer system projects that have been completed since the last application was filed, some of which include:

- Reverse-osmosis treatment plant controller upgrade and membrane replacements essential to continuing to meet water quality standards.
- New pressure-reducing valve station to help regulate water pressure.
- Upgrade of the Supervisory Control and Data Acquisition (SCADA) radio networks that support 24/7 remote-monitoring of the water and wastewater systems.
- A significant number of aging pump, motor, and valve replacements to help keep the systems functioning properly.





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- Sewer pump station pump replacements, control upgrades, and discharge piping replacements to maintain system reliability.
- Replacement of a gravity sewer main to prevent leaks and operational concerns.

An additional \$7.92 million in water system projects and \$14.93 million in sewer system projects are planned for completion by 2027 and included in the request, such as:

- Rehabilitation and upgrade of a critical well and pumping facilities to expand water supply reliability.
- Replacement of aging valves to improve water system reliability and control.
- Installation, repair, and replacement of emergency backup power generators to help maintain water pressure during power interruptions and improve fire protection.
- Significant improvements to upgrade the Kukio Wastewater Treatment Plant to a moving-bed bioreactor process and install a necessary effluent disposal facility.

“We are focused on providing safe, reliable, high-quality water and wastewater services to our Kona-area customers while operating in an efficient and environmentally responsible manner,” said Martin A. Kropelnicki, Group Chairman and CEO. “These investments support that commitment and help us continue to deliver quality, service, and value to our customers and community long-term.”

The HPUC will review and analyze Hawaii Water’s application, operations, investments, finances, and service prior to issuing a decision and setting Hawaii Water’s new rates. Hawaii Water delayed filing for rate adjustments, as its last application in 2019 did not result in an effective decision until 2023 due to pandemic-related delays. Any rate changes from this application could become effective in mid-2027.

About California Water Service Group





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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 2.2 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, TWSC, Inc. (Texas Water Service). This year, the company commemorates a century of 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 nearly 1,300 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*, a USA Top Workplace, 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 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 Hawaii Water's request to increase water and sewer rates and, if approved, the potential timing for such rates to become effective and plans for related cash receipts. Forward-looking statements are not guarantees of future performance. They are based on numerous assumptions that we believe are reasonable, but they are open to a wide range of uncertainties and business risks. Consequently, actual results or outcomes may vary materially from what is contained in a forward-looking statement. Factors that may cause actual results or outcomes to be different than those expected or anticipated include, but are not limited to those described under the section entitled "Risk Factors" and elsewhere in our most recent Annual Report on Form 10-K, our subsequent Quarterly Reports on Form 10-Q and our other Securities and Exchange Commission 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. We are not under any obligation, and we expressly disclaim



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any obligation to update or alter any forward-looking statements, whether as a result of new information, future events or otherwise.

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