



# Press Release



July 1, 2026

Contact: Yvonne Kingman, 310-257-1434

*For Immediate Release*

---

---

## **CALIFORNIA WATER SERVICE COMPLETES ACQUISITION OF PALM MUTUAL WATER COMPANY**

---

---

SAN JOSE, Calif.—Following its agreement to acquire Palm Mutual Water Company (Palm Mutual) in May 2025 and subsequent approval by the California Public Utilities Commission, California Water Service (Cal Water) has completed the purchase of Palm Mutual’s water system assets and will now begin serving its customers through Cal Water’s Bakersfield District.

The Palm Mutual system serves an estimated 250 residents through 63 residential customer connections and is located just two miles from Cal Water’s Northeast Bakersfield Treatment Plant. Cal Water already serves Palm Mutual through a master meter interconnection, since Palm Mutual did not own or operate its own sources of supply. Cal Water plans to upgrade the system’s infrastructure over time to help support long-term water quality and reliability.

“We believe everyone should have access to safe, clean, reliable, and affordable water and that bringing Palm Mutual’s water system into our Bakersfield District will help its customers have the high-quality water they need for their everyday use and emergencies, both now and into the future,” said Martin A. Kropelnicki, Cal Water Chairman and CEO. “We welcome Palm Mutual’s customers to California Water Service and look forward to serving them.”

Cal Water, the largest subsidiary of California Water Service Group (NYSE: CWT), is regulated by the CPUC, which approved the acquisition in December 2025. Cal Water’s Bakerfield District already serves about 445,600 people through approximately 120,000 service connections in its own system and the City of Bakersfield water system, which it operates.



# Press Release



## About California Water Service

California Water Service provides high-quality, reliable water utility services to more than 2.1 million people statewide through 500,000 service connections. Cal Water's purpose is to enhance the quality of life for customers and communities. 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 utility, commemorating a century of service this year, has been named one of "America's Most Responsible Companies" and one of the "World's Most Trustworthy Companies" by *Newsweek*, a USA Top Workplace, and a Great Place to Work®. More information is available at [www.calwater.com](http://www.calwater.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 Cal Water's expectations regarding operating and investing in the Palm Mutual system. 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, our ability to integrate the business and operate the Palm Mutual water system in an effective and accretive manner as well as 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 any obligation, to update or alter any forward-looking statements, whether as a result of new information, future events, or otherwise.*

###