



American States Water Company Announces the Signing of Critical Water Conservation Legislation in California

October 3, 2022

SAN DIMAS, Calif.--(BUSINESS WIRE)--Oct. 3, 2022-- American States Water Company (NYSE:AWR) announced that on September 30, 2022, Senate Bill (SB) 1469 was signed by the Governor of California, Gavin Newsom. This legislation is critical to promoting water conservation programs as California is facing three consecutive years of severe drought, the driest period in 1,200 years. It is effective January 1, 2023 and allows water utilities, including AWR's water utility subsidiary, Golden State Water Company (GSWC), to continue requesting the use of the Water Revenue Adjustment Mechanism (WRAM) in their next general rate case. The WRAM was first adopted by the California Public Utilities Commission in 2008 and was developed with the goal of decoupling the utilities' water sales and revenues to encourage conservation rates and programs that reduce overall water consumption. Since the implementation of the WRAM in 2008, GSWC has heavily promoted conservation through tiered rates, education and other programs, which have resulted in a decrease in use per customer of 32% by its water customers. With the passage of SB 1469, GSWC will be able to request the continued use of the WRAM in its next general rate case to be filed in 2023 that will establish new rates for the years 2025 – 2027 that will encourage customers to conserve.

"At a time where California is facing three consecutive years of severe drought, Governor Newsom's signing of SB 1469 could not be timelier. We will continue to have the tools necessary to achieve the State's critical conservation goals," said Robert J. Sprowls, President and CEO of American States Water Company and Golden State Water Company. "We are thankful to the Governor, Senators Bradford and Becker and the State Legislature for their commitment to provide a framework that incentivizes water utilities to promote conservation while continuing to make prudent investments in water infrastructure to provide clean water and reliable service. We also want to commend our statewide coalition of supporters."

About American States Water Company

American States Water Company is the parent of Golden State Water Company, Bear Valley Electric Service, Inc. and American States Utility Services, Inc., serving over one million people in nine states. Through its water utility subsidiary, Golden State Water Company, the company provides water service to approximately 263,000 customer connections located within more than 80 communities in Northern, Coastal and Southern California. Through its electric utility subsidiary, Bear Valley Electric Service, Inc., the company distributes electricity to approximately 24,700 customer connections in the City of Big Bear Lake and surrounding areas in San Bernardino County, California. Through its contracted services subsidiary, American States Utility Services, Inc., the company provides operations, maintenance and construction management services for water distribution and wastewater collection and treatment facilities located on 11 military bases throughout the country under 50-year privatization contracts with the U.S. government.

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Source: American States Water Company