

San Jose Water Files General Rate Case Application Focused on Infrastructure Upgrades and Water System Safety and Resiliency

The application is designed to ensure reliable utility infrastructure and service for customers and communities.

San Jose, CA – (January 9, 2024) – San Jose Water (SJW), a wholly-owned subsidiary of SJW Group (NYSE: SJW), announced the filing of its 2024 General Rate Case (GRC) application with the California Public Utilities Commission (CPUC) for new rates in 2025, 2026 and 2027.

The application proposes a 3-year \$540 million capital investment program to ensure a resilient water system for SJW customers and its local communities. SJW provides water service to approximately one million people in the greater San Jose metropolitan area. The company has served customers since 1866, and its infrastructure requires continuous replacement before it reaches the end of its service life. Since 2005, San Jose Water has invested more than \$1.6 billion to upgrade water infrastructure — ensuring the continued reliable delivery of high-quality and reliable water service.

“Water remains one of the most critical resources that we rely on in our daily lives,” said John Tang, Vice President of Regulatory Affairs at SJW. “Reliable water service is not only essential for day-to-day function, but also supports fire protection, economic vibrancy, and environmental conservation efforts. Thoughtful and consistent capital expenditures are necessary to ensure clean drinking water and a healthy, natural environment.”

Every three years, water utilities regulated by the CPUC are required to submit a filing detailing proposed rate adjustments and the reasons for these rate adjustments. The CPUC and Public Advocates Office analyze each aspect of the rate application as part of a transparent public process to ensure customers pay reasonable rates. Importantly, customers are given an opportunity to participate and share feedback during the rate setting process.

This filing initiates an anticipated 12-month review process by the CPUC. Water rates proposed in this application are preliminary. The CPUC will determine final rates following a comprehensive review process.

Some of the projects proposed for completion during the period covered by the GRC include:

- Replacing about 24 miles of water mains annually;
- Addressing PFAS-impacted groundwater wells to protect public health;
- Expanding the non-potable recycled water system to improve water supply reliability;
- Strengthening the physical security of our water system and enhancing our readiness to deliver safe and reliable water service during power interruptions, earthquakes and wildfires;
- Deploying information technology to deliver an improved customer experience and exceptional customer service;
- Reducing our carbon footprint through the deployment of solar energy, replacement of diesel generators with backup energy storage systems, electrification of our fleet, and installation of acoustic sensors to reduce water loss; and,
- Advancing the CPUC’s Environmental and Social Justice Action Plan by improving access to high-quality water service, increasing climate resiliency, and promoting economic and workforce development opportunities.

About San Jose Water

Founded in 1866, San Jose Water is an investor-owned public utility, and is one of the largest and most technically sophisticated urban water systems in the United States. Serving over one million people in the greater San Jose metropolitan area, San Jose Water also provides services to other utilities including operations and maintenance, billing, and backflow testing. San Jose Water is owned by SJW Group, a publicly traded company listed on the New York Stock Exchange under the symbol SJW. SJW Group also owns: Connecticut Water Company in Connecticut; Maine Water Company in Maine; and SJWTX, Inc. (dba Texas Water Company) in Texas. To learn more about San Jose Water, visit www.sjwater.com.

Forward-Looking Statements

This release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, as amended. Some of these forward-looking statements can be identified by the use of forward-looking words such as “believes,” “expects,” “estimates,” “anticipates,” “intends,” “seeks,” “plans,” “projects,” “may,” “should,” “will,” or the negative of those words or other comparable terminology. These forward-looking statements are only predictions and are subject to risks, uncertainties, and assumptions that are difficult to predict. These forward-looking statements involve a number of risks, uncertainties and assumptions including, but not limited to, the following factors: (1) the effect of water, utility, environmental and other governmental policies and regulations, including regulatory actions concerning rates, authorized return on equity, authorized capital structures, capital expenditures and other decisions; (2) changes in demand for water and other services; (3) unanticipated weather conditions and changes in seasonality including those affecting water supply and customer usage; (4) the effect of the impact of climate change; (5) unexpected costs, charges or expenses; (6) our ability to successfully evaluate investments in new business and growth initiatives; (7) contamination of our water supplies and damage or failure of our water equipment and infrastructure; (8) the risk of work stoppages, strikes and other labor-related actions; (9) catastrophic events such as fires, earthquakes, explosions, floods, ice storms, tornadoes, hurricanes, terrorist acts, physical attacks, cyber-attacks, epidemic, or similar occurrences; (10) changes in general economic, political, business and financial market conditions; (11) the ability to obtain financing on favorable terms, which can be affected by various factors, including credit ratings, changes in interest rates, compliance with regulatory requirements, compliance with the terms and conditions of our outstanding indebtedness, and general market and economic conditions; and (12) legislative, and general market and economic developments. The risks, uncertainties and other factors may cause the actual results, performance or achievements of SJW Group to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Results for a quarter are not indicative of results for a full year due to seasonality and other factors. Other factors that may cause actual results, performance or achievements to materially differ are described in SJW Group’s most recent Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K filed with the SEC. Forward-looking statements are not guarantees of performance and speak only as of the date made. SJW Group undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

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