

PRESS RELEASE



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For Immediate Release

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California American Water Purchase Contract Approved by Bellflower City Council

Acquisition of city water system will grow utilities footprint more than 1,800 customers

Rosemead, Calif. (November 13, 2017) – In a unanimous vote tonight, the Bellflower City Council approved the sale of the City’s municipal water system to California American Water, following voter approval in 2016.

California American Water was selected to purchase the water system due to its record of providing safe, clean, affordable and reliable water services to communities across the state.

"We have a strong legacy and presence in the Los Angeles region where we’ve been providing water service for over 50 years," said Rich Svindland, California American Water President. "Pending approval by the California Public Utilities Commission (CPUC), this acquisition will provide residents with access to a long-term, reliable water supply for years to come. We are proud to serve our new Bellflower customers, and ensure that their water quality meets or surpasses state and federal standards."

Bellflower Mayor Ron Schnablegger said, "California American Water has a goal of providing reliable and efficient water services to customers in Los Angeles County. The company's commitment to its customers, working safely and being a model of environmental protection is consistent with the city's philosophy. The city is pleased residents will have excellent water service from California American Water."

The residents of Bellflower approved the sale of the City’s water system during the November 2016 election. The system serves about 10% of the city, and is located about 19 miles from California American Water’s Los Angeles County district operations center.

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The company and the City of Bellflower will seek approval from the CPUC. The purchase price of the system will be \$17 million, which the city will receive at the close of the sale pursuant to CPUC approval. Once the acquisition is complete, the company plans to make numerous upgrades to the system's water infrastructure including upgrading or replacing water mains that are nearing the end of their useful lives.

California American Water maintains a staff of qualified personnel who are experts in their field and duly certified by the California State Water Resources Control Board. New customers will have access to utilize the company's low-income ratepayer assistance program, as well as conservation programs including rebates and free water saving devices.

California American Water, a subsidiary of American Water (NYSE: AWK), provides high-quality and reliable water and/or wastewater services to more than 615,000 people. California American Water's Los Angeles County district includes approximately 28,000 households and businesses and serves a population of about 100,000 people in the cities of Bradbury, Duarte, El Monte, Irwindale, Monrovia, Rosemead, San Gabriel, San Marino and Temple City, as well as unincorporated portions of Los Angeles County and the Baldwin Hills area. More information can be found at www.californiaamwater.com.

Founded in 1886, American Water is the largest publicly traded U.S. water and wastewater utility company. With headquarters in Voorhees, N.J., the company employs approximately 6,800 dedicated professionals who provide drinking water, wastewater and other related services to an estimated 15 million people in 47 states and Ontario, Canada. More information can be found at www.amwater.com.

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