Golden State Water Company Receives CPUC Approval for 2026 Water Revenue Increases

January 12, 2026

SAN DIMAS, Calif.--(BUSINESS WIRE)--Jan. 12, 2026-- American States Water Company (NYSE:AWR) announced today that in December 2025 its water utility subsidiary, Golden State Water Company (GSWC), received approval from the California Public Utilities Commission (CPUC) of its full second-year rate increases that will result in higher adopted water revenue less water supply cost for 2026 of approximately $32.0 million compared to 2025's adopted levels. This is effective January 1, 2026. GSWC's current rate cycle covers the years 2025 – 2027. GSWC has an earnings test it has to meet in each of its rate-making areas before implementing the second and third year step increases, which it was able to achieve for its new rates in 2026.

Included in this increase is nearly $11.0 million related to those capital projects that were agreed to in settlement to be treated as advice letter projects rather than including them in base rates effective January 1, 2025. Under the settlement agreement approved in the latest water general rate case, all of these advice letter projects were allowed to accrue in a memorandum account (i) interest during the construction period at GSWC's adopted cost of debt until the assets are in service, and (ii) the full rate of return that includes a debt and equity component and all applicable components of the revenue requirement for the projects from the period the assets are in service until the end of 2025. The assets and the amounts in the memorandum account were added to the adopted rate base for inclusion in the revenue requirement effective January 1, 2026.

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements can often be identified by words such as "anticipate," "estimate," "expect," "intend," "may," "should" and similar phrases and expressions, and variations or negatives of these words. They are not guarantees or assurances of any outcomes, financial results, levels of activity, performance or achievements, and readers are cautioned not to place undue reliance upon them. The forward-looking statements are subject to a number of estimates and assumptions, and known and unknown risks, uncertainties and other factors, including those described in greater detail in the company's filings with the SEC, particularly those described in the company's Annual Report on Form 10-K and Quarterly Reports on Form 10-Q. Readers are encouraged to review the company's filings with the SEC for a more complete discussion of risks and other factors that could affect any forward-looking statements. The statements made herein speak only as of the date of this press release and except as required by law, the company does not undertake any obligation to publicly update or revise any forward-looking statement.

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 ten states. Through its water utility subsidiary, Golden State Water Company, the company provides water service to approximately 265,000 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 25,000 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, wastewater collection, and treatment facilities located on twelve military bases throughout the country under 50-year privatization contracts with the U.S. government and one military base under a 15-year contract.

AWR has paid common dividends to shareholders every year since 1931, increasing the dividends received by shareholders each calendar year for 71 consecutive years, which places it in an exclusive group of companies on the New York Stock Exchange that have achieved that result. The company has grown its quarterly dividend rate at a compound annual growth rate (CAGR) of 8.5% over the last five years since the fourth quarter of 2020, and has achieved a 10-year CAGR of 8.3% in its calendar year dividend payments through 2025. AWR's current policy is to achieve a CAGR in the dividend of more than 7% over the long-term.

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