

ARIZONA WATER COMPANY ANNOUNCES PLAN TO PURCHASE TWO LOCAL CASA GRANDE WATER SYSTEMS

On December 17, 2020, Arizona Water Company ("Arizona Water"), Casa Grande South Water Company ("CGS"), and Casa Grande West Water Company, Inc. ("CGW") filed a joint application with the Arizona Corporation Commission ("Commission") for approval of the sale of CGS's and CGW's assets to Arizona Water. Below are answers to some key questions about the proposed acquisition.

Frequently Asked Questions

- Who is Arizona Water?
 - Arizona Water is a regulated water utility that has served growing Arizona communities for over 65 years. In 1955, Arizona Water purchased ten water systems from Arizona Public Service Company. Today, we operate 22 water systems in more than 30 communities throughout Arizona. Our corporate office is located in Phoenix and we have 12 local offices in the communities we serve. Our employees are your family, friends, and neighbors and we are proud to provide clean and reliable drinking water through our award-winning production and distribution systems on demand, every day.
- What does becoming an Arizona Water customer mean to CGS's and CGW's current customers?
 - O As Arizona Water customers, they will receive a high level of customer service from our 50 local employees who are in our Casa Grande office. They will also be integrated into our Pinal Valley water system, which has excellent reliability and complies with all state and federal drinking water standards.
- Will the rates that CGS or CGW customers are currently charged change as a result of the proposed acquisition?
 - Not at this time. We have proposed that these customers current rates remain in effect until Arizona Water files a rate case for these systems, which likely will not occur for 3-5 years.
- How do CGS and CGW customers sign up to receive service from Arizona Water?
 - Once the acquisition is approved, Arizona Water will provide CGS and CGW customers with a Request Water Service form. Arizona Water will provide CGS and CGW customers with more detailed information on how this process will work as the time gets closer.

- Will CGS and CGW customers be charged a deposit when they set up service with Arizona Water?
 - No, Arizona Water will not charge a deposit when a customer establishes service.
- Will Arizona Water be making any improvements to the infrastructure that is currently serving CGS and CGW?
 - Yes. Following approval from the Commission to acquire CGS and CGW, Arizona Water will begin a series of steps to improve the infrastructure that is currently serving CGS and CGW customers. These include installing new meters and integrating customers to our Pinal Valley water system. By connecting to AWC's system, CGS and CGW customers will be apart of a robust water system that has more than 20 routinely maintained sources of supply, adequate storage, and advanced water system monitoring. Arizona Water will also gradually modernize CGS's and CGW's water system infrastructure over the next few years.
- If I want to learn more about Arizona Water, how can I do that?
 - Please visit our website, which contains information about our history and water systems, bill payment methods, contact information, and our projects, including information regarding recent awards we have won for the construction of water facilities in the Pinal Valley water system. Our website is: www.azwater.com.
- If I have questions about the proposed acquisition, who can I contact?
 - You can contact Arizona Water's local Casa Grande office at 520-836-8785 or by email at <u>CasaGrande@azwater.com.</u>

Key Dates

- On April 7, 2021 at 10:00am, the Commission will hold a telephonic hearing on the joint application.
- Following the hearing, the Administrative Law Judge, who presides over the hearing, will issue a Recommended Order and Opinion ("ROO") for the Commissioners' consideration. This process may take several months.
- Following issuance of the ROO, the Commissioners will vote on the proposed transaction. If the Commissioners approve the transaction in a manner that is mutually agreeable to Arizona Water, CGS, and CGW, Arizona Water will take the steps necessary to complete the acquisition and transition CGS and CGW customers to receive service from Arizona Water.

We look forward to being the water provider for our new customers!