

Prioritizing Safety and Reliability

California's regulated drinking water providers operate within a comprehensive regulatory framework designed to protect public health, ensure accountability, and safeguard the public interest.

Major investments, infrastructure projects, and rate proposals undergo rigorous review through public proceedings and independent regulatory oversight before implementation.

This process helps ensure that water systems remain:



Safe



Reliable



Financially responsible



Prepared to serve communities over the long-term

Every major investment and rate decision is subject to independent oversight, public scrutiny, and regulatory review.



Strong Oversight Supports Safe, Reliable Water Service

State and federal drinking water standards apply equally to both regulated and municipal water providers.

Regulated drinking water providers consistently lead the water industry in drinking water compliance and maintain rigorous operational and reporting requirements to protect public health.

Infrastructure Investments Are Publicly Reviewed and Carefully Evaluated

As climate change increases drought, wildfire, and emergency preparedness challenges, regulated water providers must continue investing in resilient infrastructure systems that support both everyday operations and emergency response capabilities.

Over the last six years, California's eight largest CPUC-regulated drinking water providers collectively invested more than \$1 billion annually in infrastructure improvement projects statewide to help deliver safe, reliable water to communities.

These investments support critical infrastructure including:

- Groundwater wells
- Reservoirs and storage facilities
- Water treatment plants
- Distribution pipelines
- Pump stations
- Surface-water infrastructure
- Emergency preparedness systems

Over the next five years, regulated drinking water providers are committed to investing up to \$5 billion in additional critical water infrastructure improvements, including pipeline replacement projects, system modernization efforts, and meter upgrades.

Regulated water providers remain focused on managing costs responsibly and identifying strategies that help maintain affordability while meeting evolving regulatory and operational requirements.

CALIFORNIA'S GROWING WATER INFRASTRUCTURE NEEDS

According to the American Society of Civil Engineers:

California faces approximately \$44.5 billion in drinking water infrastructure needs over the next 20 years.

Deferring maintenance and infrastructure replacement only increases long-term costs and operational risks for customers and communities.



When infrastructure is deferred, communities risk:

- Increased water main breaks and service interruptions that disrupt homes, businesses, schools, and emergency services.
- Higher long-term costs for customers as emergency repairs and delayed replacements become more expensive than planned maintenance.
- Greater risk of water loss, system inefficiencies, and operational failures from aging pipes and equipment.
- Reduced reliability and resilience during emergencies when communities depend most on safe and dependable water service.

Delivering Safe, Reliable Water Includes Responsible Cost Management

A substantial portion of water service costs are tied to:

- System operations and maintenance
- Water quality compliance
- Infrastructure replacement
- Energy and treatment costs
- Emergency preparedness and resilience investment

These investments strengthen the ability of regulated drinking water systems to consistently deliver high-quality, dependable water service that protects public health and meets the daily needs of Californians.



TRANSPARENCY IN OUR RATES FOR RELIABLE, ACCOUNTABLE WATER

Drinking water providers undergo a stringent CPUC public review process that reinforces transparency, accountability, and financial discipline around:



Infrastructure investments



Rate design



Water quality compliance



Utility operations



Cost recovery



Long-term planning decisions

Transparency, independent oversight, and long-term planning are foundational to maintaining public trust and resilient water systems.

SAFETY INFRASTRUCTURE CASE STUDY



California American Water provides water service to the Mark West-Wikiup-Larkfield community just north of Santa Rosa. The 2017 Tubbs Fire devastated several neighborhoods and damaged critical water infrastructure, including a water reservoir and booster station on Upper Wikiup Drive. As the community rebuilt, California American Water supported recovery efforts while implementing a series of capital projects to strengthen the system against future wildfires and earthquakes.

One of the most significant upgrades focused on earthquake resilience because Upper Wikiup Drive crosses the Rodgers Creek Fault. Seismologists with the U.S. Geological Survey have identified the Hayward-Rodgers Creek Fault Zone as increasingly likely to experience a major seismic event. To prepare, California American Water replaced approximately 4,000 feet of aging water main with larger, earthquake-resistant High-Density Polyethylene (HDPE) pipe. The upgrade improves fire-flow capacity, maintains system pressure, and allows the Upper Wikiup storage reservoir to refill more quickly. Fused joints and flexible HDPE pipe better accommodate ground movement, while the new pipeline is also better suited to the steep terrain and significant elevation changes throughout the area, creating a more durable and resilient water system for customers.

Keeping Our Customers' Water Safe and To Standard

California's regulated drinking water providers are committed to meeting or surpassing state and federal drinking water standards while delivering reliable service at a reasonable cost.

State-certified water quality staff test for more than 200 contaminants on a daily, weekly, monthly, and annual basis. Water quality results are publicly reported through annual Consumer Confidence Reports.

Several California regulated drinking water providers have received national recognition for exemplary water-quality compliance and operational excellence.

California Water Service Group, American States Water Company and H2O America were recognized on Time's 2026 World's Most Impactful Companies List. San Jose Water Company (SJWC), for example, was honored by the Partnership for Safe Water, a unique alliance of the US EPA, American Water Works Association, Association of Metropolitan Water Agencies and others. The award recognized SJWC's commitment and execution of programs that improve the quality and safety of water delivered to customers.