



## **H2O America more than Doubles Texas Wastewater Connections with Texas Subsidiary's Acquisition of Cibolo Valley assets from South Central Water Company**

August 27, 2025

*Serves more than 1,500 wastewater connections within Texas Water's existing water service area  
Customers will have a single provider for water and wastewater driving convenience and efficiency  
Transaction to utilize Texas Fair Market Value*

CANYON LAKE, Texas, Aug. 27, 2025 (GLOBE NEWSWIRE) -- H2O America (NASDAQ: HTO) today announced that its regulated Texas water and wastewater utility, The Texas Water Company, Inc. ("TWC") and South Central Water Company ("SCW"), a privately owned wastewater company in Bulverde, Texas, have entered into an agreement pursuant to which TWC will acquire a portion of the assets of SCW, specifically the Cibolo Valley wastewater treatment plant and associated collection systems. The transaction will expand TWC's service footprint in the Texas Hill Country by adding over 1,500 new wastewater connections to its existing base of approximately 1,200 connections. Additionally, the Cibolo Valley wastewater system has more than 250 wastewater connections under contract and pending construction.

"This is a substantial expansion of owned wastewater connections in Texas and across our national platform – more than doubling connections within Texas and an increase of more than 35% across all of H2O America," stated Bruce A. Hauk, president and chief operating officer of H2O America. "Wastewater is a core business for H2O America and we bring to it the same expertise and commitment to operational excellence that we demonstrate day-in and day-out in our drinking water systems including investment in building and expanding wastewater infrastructure to serve communities."

Aundrea Williams, president of TWC, stated, "This is a natural fit within our existing footprint. The entire SCW service area lies within our water service area, and we have been providing billing services to SCW —so we expect this transition to be seamless for the customers of SCW and TWC. The combination of the Cibolo Valley assets with TWC increases efficiency and provides greater convenience for customers through our robust customer experience solutions."

TWC plans to use Texas Fair Market Value for this transaction and expects the application to be filed with the Public Utilities Commission of Texas in the third quarter of 2025 with a closing expected in the fourth quarter of 2026.

This is the second acquisition announced by H2O America and TWC in less than two months. On July 8, 2025, TWC announced the acquisition of more than 140,000 water and wastewater connections whether active or under contract and pending development in the greater Houston area through an asset purchase transaction with Quadvest. Details on that transaction are available at [H2O-America.com](https://www.h2o-america.com).

### **About Texas Water Company**

The Texas Water Company has successfully provided safe and reliable water and wastewater service to its customers in Texas since 2006 and safeguards public health, promotes environmental stewardship, and delivers sustainable solutions in seven counties. We provide a broad range of solutions to the communities we serve, from management of water and wastewater treatment infrastructure to the design and implementation of water reuse technology, water supply development and more.

### **About South Central Water Company**

South Central Water Company (dba South Central Wastewater) is a family owned and operated wastewater utility company in Texas. In its 50 years of doing business, South Central has built over 800 wastewater treatment plants all across the state. As Texas continues to see an increase in population, South Central has focused its efforts on providing developers wastewater solutions to land parcels outside of current service areas. South Central has a robust pipeline with wastewater discharge permits that have the capacity to serve over 70,000+ customers and over a dozen new projects that will be breaking ground in the next five years.

### **About H2O America**

H2O America (NASDAQ: HTO) is a national investor-owned network of local water and wastewater utilities united by one purpose: delivering clean, high-quality water to the communities we call home.

For H2O America, providing water is more than a responsibility—it's a privilege. Every connection we serve helps sustain what matters most: public health, vibrant neighborhoods, and a reliable future.

Across approximately 407,000 water and wastewater service connections, we invest in critical infrastructure to strengthen water supply for generations to come. We stay actively engaged in our local communities while focusing on operational excellence and delivering sustainable, long-term value to our investors.

Water is local—and so are our roots. Through our four regional water utilities—Connecticut Water, Maine Water, San Jose Water

and Texas Water—we proudly serve more than 1.6 million people across the country. Together, we protect what's precious. For more information, please visit our website at [www.H2O-America.com](http://www.H2O-America.com).

### **Forward-Looking Statements**

This release contains forward-looking statements within the meaning of the federal securities laws relating to future events and future results of H2O America and its subsidiaries that are based on current expectations, estimates, forecasts, and projections about H2O America and its subsidiaries and the industries in which H2O America and its subsidiaries operate and the beliefs and assumptions of the management of H2O America. 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,” “approximately,” “strategy,” 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. Therefore, actual results may differ materially and adversely from those expressed in any forward-looking statements.

The accuracy of such statements is subject to a number of risks, uncertainties and assumptions including, but not limited to, the following factors: (1) the risks associated with the proposed transactions with Quadvest, including, the risk of the proposed transactions not closing on the anticipated timeline, or at all, the ability to obtain required regulatory approvals, and the ability to successfully integrate Quadvest's operations and realize the projected financial and other benefits of the proposed transactions; (2) 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, PFAS and other decisions; (3) changes in demand for water and other services; (4) unanticipated weather conditions and changes in seasonality including those affecting water supply and customer usage; (5) the effect of the impact of climate change; (6) unexpected costs, charges or expenses; (7) our ability to successfully evaluate investments in new business and growth initiatives; (8) contamination of our water supplies and damage or failure of our water equipment and infrastructure; (9) the risk of work stoppages, strikes and other labor-related actions; (10) catastrophic events such as fires, earthquakes, explosions, floods, ice storms, tornadoes, hurricanes, terrorist acts, physical attacks, cyber-attacks, epidemic, or similar occurrences; (11) changes in general economic, political, legislative, business and financial market conditions; and (12) the ability to obtain financing on favorable terms, or at all (including the financing for the proposed transactions with Quadvest in a timely manner), 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. The risks, uncertainties and other factors may cause the actual results, performance or achievements of H2O America 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. In addition, actual results, performance or achievements are subject to other risks and uncertainties that relate more broadly to our overall business, including those more fully described in our filings with the SEC, including our most recent reports on Form 10-K, Form 10-Q and Form 8-K. Forward-looking statements are not guarantees of future performance, and speak only as of the date made, and H2O America undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise, except as required by law.

### **Media contact**

[MediaRelations@H2O-America.com](mailto:MediaRelations@H2O-America.com)

### **Investor contact**

Daniel J. Meaney

Director of Investor Relations

860.664.6016

[InvestorRelations@H2O-America.com](mailto:InvestorRelations@H2O-America.com)