BEFORE THE PUBLIC UTILITIES COMMISSION OF NEVADA

Joint Application of Great Basin Water Co. ("GBW"), Nexus Regulated Utilities, LLC, and California Water Service Group ("Cal Water") for approval of a proposed transaction to transfer control of GBW to Cal Water for operations conducted under Certificate of Public Convenience and Necessity ("CPC") 2692 Sub 10.	)	Docket No. 26-04013

At a general session of the Public Utilities Commission of Nevada, held at its offices on August 11, 2026

PRESENT: Chair Hayley Williamson
Commissioner Tammy Cordova
Commissioner Randy J. Brown
Assistant Commission Secretary Trisha Osborne

ORDER

The Public Utilities Commission of Nevada ("Commission") makes the following findings and conclusions:

I. INTRODUCTION

On April 10, 2026, GBW, Nexus Regulated Utilities, LLC, and Cal Water (collectively, "Joint Applicants") filed with the Commission a joint application, docketed as Docket No. 26-04013, for approval of a proposed transaction to transfer control of GBW to Cal Water for operations conducted under CPC 2692 Sub 10 ("Proposed Transaction").

On July 27, 2026, Joint Applicants and the Regulatory Operations Staff of the Commission ("Staff," and, together with Joint Applicants, the "Parties") filed a stipulation that resolves all issues in this docket.

II. SUMMARY

The Commission accepts the stipulation, appended as Attachment 1, and grants Joint Applicants' joint application in this docket as modified by the stipulation.

III. PROCEDURAL HISTORY

- On April 10, 2026, Joint Applicants filed the joint application.

- Joint Applicants filed the application under the Nevada Revised Statutes ("NRS") and Nevada Administrative Code ("NAC") Chapters 703 and 704, including, but not limited to, NRS 704.329.

- Staff participates as a matter of right pursuant to NRS 703.301.

- On April 21, 2026, the Commission issued the Notice of Joint Application for Approval of a Proposed Transaction Pursuant to Nevada Revised Statutes 704.329 and Notice of Prehearing Conference.

- On June 2, 2026, the presiding officer held a prehearing conference. The Joint Applicants and Staff made appearances. A procedural schedule was discussed.

- On June 5, 2026, the presiding officer issued Procedural Order No. 1, setting forth the procedural schedule and the discovery process.

- On July 9, 2026, the presiding officer held a continued prehearing conference. The Joint Applicants and Staff made appearances. Modifications to the procedural schedule were discussed.

- On July 13, 2026, the presiding officer issued Procedural Order No. 2.

- On July 27, 2026, Cal Water filed a stipulation between the Joint Applicants and Staff.

- On July 27, 2026, the presiding officer held a continued prehearing conference. The Joint Applicants and Staff made appearances. Cal Water presented the stipulation. All other parties agreed to the terms of the stipulation. The presiding officer accepted the stipulation and recommended that the Commission grant the joint application, as modified by the stipulation.

- On July 28, 2026, the presiding officer issued Procedural Order No. 3.

IV. STIPULATION

Parties' Position

1. The Parties agree and recommend that the Commission approve the joint application. (Stip. at 2.)

2. The Parties recommend that the Commission authorize the Proposed Transaction subject to terms, conditions, and/or modifications, which the Parties refer to as "Commitments." (*Id.*)

3. The stipulation, appended as Attachment 1, contains the full list and descriptions of the Commitments, reproduced below:

a. GBW will continue to provide high-quality water and wastewater utility services to its Nevada customers. (*Id.*)

b. GBW will continue to maintain a strong local presence in Nevada in terms of employees, facilities and offices, and community support. (*Id.*)

c. GBW will not recover an acquisition premium or transaction costs of the Proposed Transaction from Nevada ratepayers, and will not include them in a future Nevada general rate case:

i. The Parties understand and agree that this Commitment is intended to apply solely to costs of the consummation of the Proposed Transaction, and that nothing herein shall be construed to limit GBW's ability to request recovery in a future general rate case or other appropriate proceeding of (a) investment prudently incurred to upgrade or maintain systems or services to meet regulatory requirements or as otherwise necessary to ensure GBW continues to provide safe and reliable water and wastewater service; or (b) costs prudently incurred to acquire distressed small water and wastewater systems in Nevada. (*Id.*)

ii. GBW agrees that it shall not seek recovery of costs solely for its own benefit, including, but not limited to, rebranding costs. GBW may request recovery of ongoing operational costs associated with the Proposed Transaction in its next general rate case; however, nothing in this Agreement shall be construed as a determination that such costs are reasonable, prudent, or recoverable. GBW shall bear the burden of proving that any such costs are reasonable and prudent, are not duplicative of costs already reflected in rates, and provide benefits to its Nevada customers. (*Id.* at 2-3.)

iii. GBW agrees not to seek regulatory asset treatment or recovery of costs of the Proposed Transaction incurred outside an applicable rate case test period. Any one-time or nonrecurring costs of the Proposed Transaction that are reflected in an applicable test period shall be identified and removed from the revenue requirement in the applicable general rate case. (*Id.* at 3.)

d. GBW will present written offers of employment to then-current employees consistent with Cal Water pre-screening policies. (*Id.*)

e. GBW will continue to comply with the requirements of Nevada law, and with applicable decisions of the PUCN in its future proposed treatment of debt and credit instruments and transfers of any material asset. (*Id.*)

f. The proceeds of any debt incurred by GBW will only be used for purposes specific to GBW's system or operations. (*Id.*)

g. GBW will not seek to recover from its customers an allocation of affiliate costs, unless such allocations are just and reasonable and provide benefits to Nevada customers. With respect to the allocation of corporate costs:

i. GBW will provide appropriate supporting documentation when seeking recovery of corporate allocations in future Nevada general rate cases, and where necessary for GBW to carry its legal burden to demonstrate that such costs are reasonable and prudently incurred. (*Id.*)

ii. For allocated corporate costs, GBW will provide supporting calculations in native, executable format, as available, and as appropriate to demonstrate the manner by which the allocation percentage and the amount allocated to Nevada were derived. (*Id.*)

iii. GBW acknowledges that a new parent company may approach allocation support differently than in the past but commits to explain the rationale for, and benefits to Nevada customers, of any methodology for allocating corporate expenses that apportions to GBW expenses that could be directly allocated to other jurisdictions, when requesting recovery of corporate allocations in future Nevada general rate cases. (*Id.* at 3-4.)

iv. GBW commits to provide, in its next general rate case application, testimony from a qualified witness concerning the substance of GBW's allocated corporate service costs to be included in GBW's requested revenue requirement, with the understanding that it may seek to recover any third-party costs incurred in connection with such testimony. (*Id.* at 4.)

h. The Proposed Transaction will not change GBW's status as a public utility subject to regulation by the PUCN pursuant to Chapters 703 and 704 of the NRS and the Commission's regulations. (*Id.*)

i. Cal Water and GBW will continue to comply with all applicable statutes and regulations pertaining to maintenance and access of accounting books and records, as well as cooperation with the Commission and Staff in audits relevant to matters within the jurisdiction of the Commission. (*Id.*)

4. The Parties agree and assert that the approval of the Proposed Transaction will be in the public interest in accordance with NRS 704.329(3). (*Id.*)

5. The Parties also agree and assert that the Proposed Transaction meets the other requirements of NRS 704.329. (*Id.*)

Commission Discussion and Findings

6. The Commission finds that the stipulation complies with the requirements of NAC 703.845 because it settles only issues relating to the instant proceeding and does not seek relief that the Commission is not otherwise empowered to grant. The stipulation is a consensus resolution of issues pursuant to the Parties' negotiations and is a reasonable recommendation and resolution of the issues in this proceeding. Therefore, the Commission accepts the stipulation.

7. All arguments of the Parties raised in these proceedings not expressly addressed herein have been considered and either rejected or found to be non-essential for further discussion in this order. Any agreements and recommendations contained in the stipulation but not expressly addressed herein are either agreements by the Parties regarding matters non-essential to the disposition of this docket or are recommendations for specific findings that do not require delineation given the Commission's acceptance of the stipulation and corresponding approval of the application.

Therefore, it is ordered:

1. The stipulation filed by Great Basin Water Co., Nexus Regulated Utilities, LLC, California Water Service Group, and the Regulatory Operations Staff of the Public Utilities Commission of Nevada, appended as Attachment 1, is accepted.

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2. The joint application filed by Great Basin Water Co., Nexus Regulated Utilities, LLC, and California Water Service Group is granted, as modified by the stipulation.

By the Commission,

HAYLEY WILLIAMSON, Chair

TAMMY CORDOVA, Commissioner and Presiding Officer

RANDY J. BROWN, Commissioner

Attest:
TRISHA OSBORNE,
Assistant Commission Secretary

Dated: Carson City, Nevada

8/11/26

(SEAL)

ATTACHMENT 1

BEFORE THE PUBLIC UTILITIES COMMISSION OF NEVADA

Joint Application of Great Basin Water Co., Nexus Regulated Utilities, LLC and California Water Service Group for approval of a change of control of Great Basin Water Co.	Docket No. 26-04013

STIPULATION

Great Basin Water Co. ("GBW"), Nexus Regulated Utilities, LLC ("NRU"), and California Water Service Group ("Cal Water") (collectively, the "Joint Applicants"), and the Regulatory Operations Staff of the Public Utilities Commission of Nevada ("Staff") (collectively, the "Parties"), pursuant to Nevada Administrative Code ("NAC") §§ 703.750 and 703.845, hereby submit this Stipulation to the Public Utilities Commission of Nevada (the "Commission"), and respectfully request and recommend that the Commission approve this Stipulation to resolve all issues in Docket No. 26-04013 (the "Docket").

Recitals

A. WHEREAS, on April 10, 2026, the Joint Applicants filed an application ("Application") with the Public Utilities Commission of Nevada ("Commission") pursuant to Nevada Revised Statutes ("NRS") § 704.329 seeking authorization for a proposed transaction whereby GBW would become an indirectly, wholly-owned subsidiary of Cal Water (the "Proposed Transaction").

B. WHEREAS, the Commission designated this proceeding as Docket No. 26-04013.

C. WHEREAS, on April 21, 2026, the Commission issued a notice informing the public of the Application, and of the scheduling of a pre-hearing conference, and providing that petitions for leave to intervene by interested persons could be filed on or before May 13, 2026.

D. WHEREAS, no petitions for leave to intervene have been filed.

E. WHEREAS, the Commission held a pre-hearing conference on June 2, 2026.

F. WHEREAS, the Parties desire to resolve the issues raised in the Docket.

Therefore, the Parties agree as follows:

AGREEMENT

1. The Parties agree and recommend that the Commission approve the Application.

2. The Parties recommend that the Commission authorize the Proposed Transaction subject to the following terms, conditions and/or modifications, which are hereinafter referred to as "Commitments" previously presented by the Joint Applicants' and as modified by the Parties:

a. GBW will continue to provide high-quality water and wastewater utility services to its Nevada customers.

b. GBW will continue to maintain a strong local presence in Nevada in terms of employees, facilities and offices, and community support.

c. GBW will not recover an acquisition premium or transaction costs of the Proposed Transaction from Nevada ratepayers, and will not include them in a future Nevada general rate case:

i. The Parties understand and agree that this Commitment is intended to apply solely to costs of the consummation of the Proposed Transaction, and that nothing herein shall be construed to limit GBW's ability to request recovery in a future general rate case or other appropriate proceeding of (a) investment prudently incurred to upgrade or maintain systems or services to meet regulatory requirements or as otherwise necessary to ensure GBW continues to provide safe and reliable water and wastewater service; or (b) costs prudently incurred to acquire distressed small water and wastewater systems in Nevada.

ii. GBW agrees that it shall not seek recovery of costs solely for its own benefit, including, but not limited to, rebranding costs. GBW may request recovery of ongoing operational costs associated with the Proposed Transaction in its next general rate case; however, nothing in this Agreement shall be construed as a determination that such costs are reasonable, prudent, or recoverable. GBW shall bear the burden of proving that any such costs are reasonable and prudent, are not

duplicative of costs already reflected in rates, and provide benefits to its Nevada customers.

iii. GBW agrees not to seek regulatory asset treatment or recovery of costs of the Proposed Transaction incurred outside an applicable rate case test period. Any one-time or nonrecurring costs of the Proposed Transaction that are reflected in an applicable test period shall be identified and removed from the revenue requirement in the applicable general rate case.

d. GBW will present written offers of employment to then-current employees consistent with Cal Water pre-screening policies.

e. GBW will continue to comply with the requirements of Nevada law, and with applicable decisions of the PUCN in its future proposed treatment of debt and credit instruments and transfers of any material asset.

f. The proceeds of any debt incurred by GBW will only be used for purposes specific to GBW's system or operations.

g. GBW will not seek to recover from its customers an allocation of affiliate costs, unless such allocations are just and reasonable and provide benefits to Nevada customers. With respect to the allocation of corporate costs:

i. GBW will provide appropriate supporting documentation when seeking recovery of corporate allocations in future Nevada general rate cases, and where necessary for GBW to carry its legal burden to demonstrate that such costs are reasonable and prudently incurred.

ii. For allocated corporate costs, GBW will provide supporting calculations in native, executable format, as available, and as appropriate to demonstrate the manner by which the allocation percentage and the amount allocated to Nevada were derived.

iii. GBW acknowledges that a new parent company may approach allocation support differently than in the past but commits to explain the

rationale for, and benefits to Nevada customers, of any methodology for allocating corporate expenses that apportions to GBW expenses that could be directly allocated to other jurisdictions, when requesting recovery of corporate allocations in future Nevada general rate cases.

iv. GBW commits to provide, in its next general rate case application, testimony from a qualified witness concerning the substance of GBW's allocated corporate service costs to be included in GBW's requested revenue requirement, with the understanding that it may seek to recover any third-party costs incurred in connection with such testimony.

h. The Proposed Transaction will not change GBW's status as a public utility subject to regulation by the PUCN pursuant to Chapters 703 and 704 of the NRS and the Commission's regulations.

i. Cal Water and GBW will continue to comply with all applicable statutes and regulations pertaining to maintenance and access of accounting books and records, as well as cooperation with the Commission and Staff in audits relevant to matters within the jurisdiction of the Commission.

3. In view of the agreements and commitments set forth above, the Parties agree that approval of the Proposed Transaction will be in the public interest in accordance with NRS § 704.329(3), and that the other requirements of NRS § 704.329 are met with respect to the Proposed Transaction.

GENERAL PROVISIONS

4. This Stipulation is entered into for the purpose of resolving all the issues in the Docket by and among the Parties as set forth above. This Stipulation is made upon the express understanding that it constitutes a negotiated settlement. The provisions of this Stipulation are not severable and shall not become effective and shall be given no force or effect until the issuance of an order by the Commission accepting the entire Stipulation.

5. The Parties have negotiated this Stipulation as an integrated document. If the Presiding Officer in the Docket does not accept the entire Stipulation, then the Stipulation is

withdrawn and no part of the Stipulation shall be admissible in any proceeding before the Commission or any other tribunal, and the Parties reserve the right to present evidence to support all of their positions at a public hearing as if this Stipulation had not been entered.

6. In accordance with NAC § 703.845, this Stipulation settles only issues relating to the present proceeding and seeks only relief that the Commission is empowered to grant. The Stipulation and any resulting order shall not have any precedential effect in future proceedings.

7. This Stipulation may be executed in one or more counterparts, all of which together shall constitute the original executed document. This Stipulation may be executed by signatures provided by electronic transmission, which signatures shall be binding and effective as original signatures.

This Stipulation is entered into by each Party as of the date entered below:

Dated and respectfully submitted this 25th day of July, 2026.

REGULATORY OPERATIONS STAFF

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