

Important Update Regarding HILCO H2O Water Systems

Status of the Sale and PUC Process

The sale of the remaining H2O water systems to **Central States Water Resources (CSWR)** is currently moving through the Public Utility Commission (PUC) approval process. As part of this regulatory procedure, public notices are now being distributed to customers via mail and published in local newspapers.

- **Projected Timeline:** While a final closing date is not yet set, we anticipate the transition could be finalized within the next one to two years.
- **Rate Information:** The final page of the mailed notice outlines the proposed rate changes that will take effect once the sale is completed. Please note that **HILCO has no control over or influence on these proposed rates.**

About the Buyer: CSWR

CSWR is an established, professional water utility provider that successfully acquired and transitioned the Lakeview, Chambers Meadow, and LWWC wastewater systems. We are confident in their operational experience and commitment to serving utility customers.

Why HILCO is Selling

HILCO has always prioritized the long-term reliability and quality of service for our customers and cooperative members. This decision was made for the following key reasons:

- **Enhanced Resources:** A large, specialized water utility like CSWR possesses the dedicated resources necessary to make essential system improvements that better serve water customers.
- **Regulatory Demands:** Meeting increasingly complex state rules and regulations has become significantly more costly and time-consuming, pulling vital focus away from HILCO's core operations.

We believe this transition ultimately ensures a stronger, more sustainable future for both our subsidiary water customers and our electric cooperative members.

Customer Questions and Contact Information

If you have specific questions or concerns regarding the transition, the proposed rates, or service details, please reach out directly to the PUC or CSWR using the contact information provided in your official notice.