



American States Water Company Announces Approval by CPUC of Increase in Rates

January 31, 2003

SAN DIMAS, Calif.--(BUSINESS WIRE)--Jan. 30, 2003--American States Water Company (NYSE:AWR) announced that the California Public Utilities Commission ("CPUC") approved rate increases today for Region II of its Southern California Water Company ("SCW") unit to offset an increase in rate base due to its 2003 Infrastructure Replacement Program ("IRP") and to offset increased expenses. This rate increase, effective February 4, 2003, is anticipated to generate approximately \$3.5 million in annual revenues for the Company.

Commenting on the decision, Floyd E. Wicks, President and Chief Executive Officer, stated, "The Company is very pleased with the CPUC's actions in approving this increase today."

Certain matters discussed in this news release with regard to the Company's expectations may be forward-looking statements that involve risks and uncertainties. The assumptions and risk factors that could cause actual results to differ materially include those described in the Company's Form 10-Q and Form 10-K filed with the Securities and Exchange Commission.

American States Water Company is a holding company that, through its subsidiaries, provides water service to 1 out of 30 Californians located within 75 communities throughout 10 counties in Northern, Coastal and Southern California and to approximately 11,500 customers in the city of Fountain Hills, Arizona and portions of Scottsdale, Arizona. The Company distributes electricity to approximately 21,000 customers in the Big Bear recreational area of California, and contracts with various municipalities and private entities in both California and Arizona to provide services to an additional 90,000 customers.

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