



American States Water Company Receives Authorization to Recover \$2.1 Million -Net- in Supply Costs

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SAN DIMAS, Calif.--(BUSINESS WIRE)--June 20, 2003--American States Water Company (NYSE:AWR) announced today that its Southern California Water Company unit has received authorization from the California Public Utilities Commission ("CPUC") to recover \$2,166,543 in supply costs incurred in five of its water customer service areas. The amount will be recovered over the next 12 to 24 months through surcharges on ratepayer bills. The \$2,166,543 represents water and electric supply costs included in balancing accounts up to November 29, 2001. On that date the CPUC suspended the balancing account mechanism and no further supply costs have been included in the balancing account.

The CPUC's decision also authorized refunds of \$84,953 to customers in two customer service areas and deferred collection of \$75,100 in balancing account recovery in two other customer service areas, subject to the General Rate Case process.

The effective date of the CPUC's decision is June 24, 2003.

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 12,000 customers in the city of Fountain Hills, Arizona and portions of Scottsdale, Arizona. The Company distributes electricity to approximately 22,000 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 91,500 customers.

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SOURCE: American States Water Company