



## **American States Water Company Announces Dismissal of Court Cases**

August 5, 2004

SAN DIMAS, Calif., Aug 5, 2004 (BUSINESS WIRE) -- American States Water Company (NYSE:AWR) is pleased to announce that Southern California Water Company ("SCW"), a wholly owned subsidiary of AWR, has been ordered dismissed from 19 separate cases coordinated in the Los Angeles Superior Court and involving water served by the company in the San Gabriel and Pomona Valley areas of Los Angeles County. The order was issued today by the Trial Judge presiding over these matters, and follows a lengthy legal proceeding dating back to April 1997, when the first of the cases was filed by over 140 customers in the San Gabriel Valley, alleging their water had caused personal injuries of varying types and degrees.

The court found Southern California Water Company did not violate established water quality standards and dismissed the cases after allowing reasonable time and opportunity to the Plaintiffs to prove otherwise. SCW has long asserted that it meets and exceeds the requirements to provide water within the standards established by the health authorities, and will continue to meet or exceed those standards.

Principle issues in these cases have been addressed by the Court of Appeals in 1999 and the California Supreme Court in 2002, setting the stage for this Dismissal. SCW is regulated by the California Public Utilities Commission ("CPUC") in many aspects of its operations, including the rates it is allowed to charge its customers, and the quality of the water it delivers. In addition, the California Department of Health Services ("DHS"), together with the United States Environmental Protection Agency, sets standards for the healthfulness of water served. DHS works with the CPUC to ensure the regulated water companies meet these standards.

The Plaintiffs' cases will continue against several industrial defendants -- alleged to have contaminated the groundwater through their operations and disposal practices.

American States Water Company is the parent company of Southern California Water Company, American States Utility Services, Inc. and Chaparral City Water Company. Through its subsidiaries, AWR 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 in both California and Arizona to provide services to an additional 97,000 customers.

SOURCE: American States Water Company

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