



## **American States Water Company Announces Agreement for the Cadiz Water Conservation Project**

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SAN DIMAS, Calif., Jun 28, 2010 (BUSINESS WIRE) --

American States Water Company (NYSE:AWR) announced today that it had signed, through its subsidiary, Golden State Water Company ("GSWC"), an agreement to proceed with the Cadiz Water Conservation & Storage Project ("Cadiz Project") and participate in the Cadiz Project's environmental review. The agreement grants GSWC the right to acquire a firm annual supply of water once the environmental review is complete. GSWC will also commit funds to the environmental review and has committed to the goal of a general "environmental benefit" for the operation of the project.

Under the terms of the agreement, GSWC has the right to acquire an annual supply of 5,000 acre-feet of water at a pre-determined formula once the environmental review is complete. In addition, GSWC has the option to acquire storage rights in the Cadiz Project to allow GSWC to manage the supply as part of its overall water supply portfolio. "We are pleased to be part of this project that brings new supplies to the area, potentially relieving pressure on the Sacramento-San Joaquin Delta and other stressed resources in the region," said Robert Sprowls, CEO of AWR and GSWC.

Cadiz, founded in 1983, is a publicly-held renewable resources company that owns 70 square miles of property with significant water resources and clean energy potential in eastern San Bernardino County, California. The Company is engaged in a combination of water conservation and supply, solar energy, and organic farming projects.

American States Water Company is the parent of Golden State Water Company, American States Utility Services, Inc., and Chaparral City Water Company. Through its subsidiaries, AWR provides water service to approximately 1 out of 36 Californians located within 75 communities through 10 counties in Northern, Coastal and Southern California (approximately 255,000 customers) and to over 13,000 customers in the Town of Fountain Hills, Arizona and a small portion of Scottsdale, Arizona. The Company also distributes electricity to over 23,000 customers in the Big Bear recreational area of California. Through its contracted services subsidiary, American States Utility Services, Inc. the company contracts with the U.S. government and private entities to provide various services, including water marketing and operation and maintenance of water and wastewater systems.

SOURCE: American States Water Company

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