
SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

AMERICAN STATES WATER COMPANY

Date: May 10, 2006

/s/ Robert J. Sprowls

Robert J. Sprowls
Sr. Vice President, Chief Financial Officer,
Treasurer and Corporate Secretary

EXHIBIT INDEX

Exhibit No.	Description
99.1	Press Release dated May 10, 2006

American States Water Company Announces Earnings
for the Three Months Ended March 31, 2006

SAN DIMAS, Calif.--(BUSINESS WIRE)--May 10, 2006--American States Water Company (NYSE:AWR) today reported basic and fully diluted earnings of \$0.35 per share for the three months ended March 31, 2006 as compared to basic and fully diluted earnings of \$0.22 per share, reported for the same period ended March 31, 2005.

First Quarter 2006 Results

"The first quarter of 2006 certainly demonstrates the effects of how fair and timely decisions made by the California Public Utilities Commission impact the Company's livelihood, and further, how efforts in developing the Company's non-regulated subsidiaries are beginning to pay off," stated Floyd Wicks, President and CEO of American States Water Company.

Significant items that impacted the increase in earnings for the first quarter of 2006 in comparison to the same period of 2005 were: (i) a favorable decision issued by the California Public Utilities Commission ("CPUC") on April 13, 2006 enabling Golden State Water Company ("GSWC"), a wholly-owned subsidiary of AWR, to transfer about \$2.3 million (\$0.08 per share) of water rights lease revenues received from the City of Folsom for 2004 and 2005 from a regulatory liability account into operating revenues during the first quarter of 2006 and to also recognize \$300,000 as revenue in the first quarter of 2006 (\$0.01 per share) on the lease revenues from the city; (ii) an unrealized loss of \$2.2 million (\$0.08 per share) on purchased power contracts due to decreased energy prices during the first quarter of 2006 as compared to an unrealized gain on purchased power contracts of \$3.0 million (\$0.11 per share) during the first quarter of 2005; (iii) water rate increases contributing approximately \$3.5 million to first quarter 2006 revenues (\$0.09 per share); (iv) a 13.6% increase in billed water consumption during the first three months of 2006, impacted earnings by \$0.07 per share; and (v) an increase in pretax operating income of \$1.4 million (\$0.05 per share) at American States Utility Services, Inc. ("ASUS"), a non-regulated subsidiary of AWR, during the first three months of 2006 as compared to the same period of 2005 as a result of work performed on special projects at Fort Bliss and reimbursement of various operating expenses incurred during transition periods at various military bases.

Total operating revenues of \$60.6 million for the first quarter of 2006 increased by \$10.8 million compared to revenues of \$49.8 million recorded in the first quarter of 2005, an increase of 21.7%. Of the total increase in revenues, water revenues increased by 16.0% due to rate increases implemented since the second quarter of 2005 and higher consumption in 2006 due to weather changes from the first quarter of 2005. Electric revenues increased by 11.7% due to a rate increase in April 2005 and a 6.3% increase in consumption. Other operating revenues increased from \$851,000 during the first quarter of 2005 to \$4.1 million during the first quarter of 2006 primarily due to (i) the \$2.6 million of water rights lease revenues from the City of Folsom, as previously described, and (ii) an increase in ASUS revenues for special projects performed by its Fort Bliss Water Services Company ("FBWS") subsidiary and commencement of water and wastewater system operations at the two newly established military subsidiaries of ASUS, Terrapin Utility Services, Inc. ("TUS") and Old Dominion Utility Services, Inc. ("ODUS"), located in Maryland and Virginia, respectively.

Total operating expenses increased by \$8.3 million, a 21.8% increase, to \$46.6 million for the three months ended March 31, 2006. The recognition of the unrealized loss on purchased power contracts during the first quarter of 2006 as compared to the unrealized gain on purchased power contracts during the same period of 2005, as previously described, accounted for \$5.2 million of the increase in operating expenses. The remaining increase in operating expenses reflects (i) higher purchased water expenses due to increased customer usage and increases in supplier rates, partially offset by a slight change in the supply mix; (ii) an increase in power purchased for resale due to increased electric sales; (iii) higher administrative and general costs due to an increase in pension and benefit costs, higher wages, and an increase in general liability related costs; (iv) higher depreciation costs resulting from increased utility plant balances; (v) higher maintenance expense due to increased well and water supply source work; and (vi) recording of a gain on a settlement reached in February 2005 for the removal of wells. The increase in

Condensed Statements of Income

(in thousands, except per share amounts)

Three Months Ended
March 31,

	2006		2005	
	(Unaudited)			
Operating Revenues	\$	60,613	\$	49,818
Operating Expenses:				
Operations	\$	21,781	\$	21,378
Unrealized loss (gain) on purchased power contracts		2,155		(3,015)
Administration and general expenses		10,832		10,174
Maintenance		2,755		2,466
Depreciation and amortization		6,483		5,664
Property and other taxes		2,547		2,299
Gain on settlement for removal of wells		0		(760)
Total operating expenses	\$	46,553	\$	38,206
Operating income	\$	14,060	\$	11,612
Interest expense		(5,256)		(4,725)
Interest income		899		21
Income From Operations Before Income Tax Expense	\$	9,703	\$	6,908
Income tax expense		3,804		3,144
Net Income	\$	5,899	\$	3,764
Weighted Average Shares Outstanding		16,806		16,761
Earnings Per Common Share	\$	0.35	\$	0.22
Weighted Average Diluted Shares		16,909		16,805
Earnings Per Diluted Share	\$	0.35	\$	0.22
Dividends Declared Per Common Share	\$	0.225	\$	0.225

CONTACT: American States Water Company
Robert J. Sprowls, (909) 394-3600, ext. 647