
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

Current Report Pursuant to Section 13 or 15(d) of
The Securities Exchange Act of 1934

Date of Report (date of earliest event reported): October 28, 2009

CALIFORNIA WATER SERVICE GROUP

(Exact name of Registrant as Specified in its Charter)

Delaware
(State or other jurisdiction
of incorporation)

1-13883
(Commission file number)

77-0448994
(I.R.S. Employer
Identification Number)

1720 North First Street
San Jose, California
(Address of principal executive offices)

95112
(Zip Code)

(408) 367-8200
(Registrant's telephone number, including area code)

N/A
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 2.02. Results of Operations and Financial Condition

On October 28, 2009, California Water Service Group (the "Company") issued a press release (a copy of which is attached hereto as Exhibit 99.1 and incorporated herein by reference) announcing its financial results for the third quarter of 2009, ended September 30, 2009. A copy of the press release is attached hereto as Exhibit 99.1 and is incorporated by reference herein.

Item 9.01. Financial Statements and Exhibits.

We hereby furnish the following exhibit with this report:

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press Release issued October 28, 2009

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.

CALIFORNIA WATER SERVICE GROUP

Date: October 28, 2009

By: /s/ Martin A. Kropelnicki
Name: Martin A. Kropelnicki
Title: Vice President, Chief Financial Officer & Treasurer

NEWS RELEASE

CALIFORNIA WATER SERVICE GROUP



1720 North First Street
San Jose, CA 95112-4598

October 28, 2009
For Immediate Release

Contact: Marty Kropelnicki (408) 367-8200 (analysts)
Shannon Dean (310) 257-1435 (media)

**CALIFORNIA WATER SERVICE GROUP ANNOUNCES RESULTS FOR
3RD QUARTER 2009**

SAN JOSE, CA — California Water Service Group (NYSE : CWT) today announced net income of \$19.6 million and earnings per share of \$0.94 for the third quarter of 2009, compared to net income of \$22.2 million and earnings per share of \$1.06 in the third quarter of 2008.

Revenues increased by \$7.5 million, or 6%, to \$139.2 million, with rate increases adding \$12.5 million and water usage by new customers adding \$3.3 million. A decrease in water usage by existing customers and other charges reduced revenue by \$8.3 million.

Total operating expenses for the third quarter of 2009 increased by \$10.1 million, or 10%, to \$115.1 million. Water production costs increased by \$2.4 million, or 5%, due to higher power costs and wholesale water rates. Administrative costs increased \$4.1 million, or 27%, due to increased pension & benefits costs, and increased legal costs. Other operations expenses increased by \$1.7 million to \$14.6 million as a result of higher costs for pumping and distributing water.

Maintenance expense increased by 15% to \$4.4 million as a result of additional water main repairs. Depreciation expense increased by 11% to \$10.3 million as a result of

increases in capital expenditures. Taxes other than income increased \$0.4 million to \$4.4 million, primarily due to property tax increases.

Other income, net of income taxes, added \$1.0 million of net income for the quarter, while interest expense increased by 33% to \$5.5 million due to the new debt offering in April 2009.

For the twelve months ended September 30, 2009, net income was \$41.4 million and diluted earnings per share were \$1.99, compared to net income of \$40.5 million and diluted earnings per share of \$1.94 for the same period last year. Revenues for the trailing twelve months were \$443 million, compared to \$396 million for the same period in the prior year.

“During the quarter, the Company filed its 2009 General Rate Case for all 24 California districts and corporate costs,” said President and Chief Executive Officer Peter C. Nelson. “This is significant because we are now filing for rate relief in California for all regulated districts and corporate costs at the same time, which will allow for more timely rate relief of prudently incurred costs,” said Nelson.

“While we cannot predict the outcome of this filing, the rate case was filed on time and is currently proceeding on schedule,” Nelson said.

Other Information

All stockholders and interested investors are invited to listen to the 2009 third quarter conference call on October 29, 2009, at 11:00 a.m. (EST), by dialing 1-866-814-8476 and keying in ID# 1399873. A replay of the call will be available from 2:00 p.m. (EST) October 29, 2009, through December 28, 2009, at 1-888-266-2081, ID# 1399873. The call, which will be hosted by President and CEO, Peter Nelson and Vice President and Chief Financial Officer, Martin A. Kropelnicki, will also be webcast under the investor relations tab at www.calwatergroup.com.

California Water Service Group is the parent company of California Water Service Company, Washington Water Service Company, New Mexico Water Service Company, Hawaii Water Service Company, Inc., CWS Utility Services, and HWS Utility Services. Together these companies provide regulated and non-regulated water service to nearly 2 million people in California, Washington, New Mexico, and Hawaii. Group's common stock trades on the New York Stock Exchange under the symbol "CWT".

This news release contains forward-looking statements within the meaning established by the Private Securities Litigation Reform Act of 1995 ("Act"). The forward-looking statements are intended to qualify under provisions of the federal securities laws for "safe harbor" treatment established by the Act. Forward-looking statements are based on currently available information, expectations, estimates, assumptions and projections, and management's judgment about the Company, the water utility industry and general economic conditions. Such words as expects, intends, plans, believes, estimates, assumes, anticipates, projects, predicts, forecasts or variations of such words or similar expressions are intended to identify forward-looking statements. The forward-looking statements are not guarantees of future performance. They are subject to uncertainty and changes in circumstances. Actual results may vary materially from what is contained in a forward-looking statement. Factors that may cause a result different than expected or anticipated include, but are not limited to: governmental and regulatory commissions' decisions; changes in regulatory commissions' policies and procedures; the timeliness of regulatory commissions' actions concerning rate relief; new legislation; electric power interruptions; increases in suppliers' prices and the availability of supplies including water and power; fluctuations in interest rates; changes in environmental compliance and water quality requirements; acquisitions and our ability to successfully integrate acquired companies; the ability to successfully implement business plans; changes in customer water use patterns; the impact of weather on water sales and operating results; access to sufficient capital on satisfactory terms; civil disturbances or terrorist threats or acts, or apprehension about the possible future occurrences of acts of this type; the involvement of the United States in war or other hostilities; restrictive covenants in or changes to the credit ratings on our current or future debt that could increase our financing costs or affect our ability to borrow, make payments on debt or pay dividends; and, other risks and unforeseen events. When considering forward-looking statements, you should keep in mind the cautionary statements included in this paragraph, as well as the annual 10-K, Quarterly 10-Q, and other reports filed from time-to-time with the Securities and Exchange Commission (SEC). The Company assumes no obligation to provide public updates of forward-looking statements.

Additional information is available at our Web site at www.calwatergroup.com.

Attachments (2).

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CALIFORNIA WATER SERVICE GROUP
CONDENSED CONSOLIDATED BALANCE SHEETS

Unaudited
(In thousands, except per share data)

	September 30, 2009	December 31, 2008
ASSETS		
Utility plant:		
Utility plant	\$ 1,676,287	\$ 1,583,079
Less accumulated depreciation and amortization	(501,704)	(470,712)
Net utility plant	<u>1,174,583</u>	<u>1,112,367</u>
Current assets:		
Cash and cash equivalents	47,581	13,869
Receivables:		
Customers	31,722	22,786
Regulatory balancing accounts	15,592	4,629
Other	10,752	7,442
Unbilled revenue	21,352	13,112
Materials and supplies at average cost	5,457	5,070
Taxes, prepaid expenses and other assets	7,922	12,890
Total current assets	<u>140,378</u>	<u>79,798</u>
Other assets:		
Regulatory assets	201,442	198,293
Goodwill	2,615	3,906
Other assets	30,455	23,743
Total other assets	<u>234,513</u>	<u>225,942</u>
	<u>\$ 1,549,474</u>	<u>\$ 1,418,107</u>
CAPITALIZATION AND LIABILITIES		
Capitalization:		
Common stock, \$.01 par value	\$ 207	\$ 207
Additional paid-in capital	214,715	213,922
Retained earnings	204,570	188,820
Total common stockholders' equity	419,492	402,949
Long-term debt, less current maturities	373,541	287,498
Total capitalization	<u>793,033</u>	<u>690,447</u>
Current liabilities:		
Current maturities of long-term debt	12,424	2,818
Short-term borrowings	12,000	40,000
Accounts payable:		
Trade and other	46,894	39,187
Regulatory balancing accounts	7,486	2,585
Accrued interest	9,096	3,295
Accrued expenses and other liabilities	42,938	35,311
Total current liabilities	<u>130,838</u>	<u>123,196</u>
Unamortized investment tax credits	2,392	2,392
Deferred income taxes, net	83,512	72,344
Pension and postretirement benefits other than pensions	152,467	152,685
Regulatory and other liabilities	83,357	83,312
Advances for construction	182,763	176,163
Contributions in aid of construction	121,112	117,568
Commitments and contingencies	—	—
	<u>\$ 1,549,474</u>	<u>\$ 1,418,107</u>

CALIFORNIA WATER SERVICE GROUP
CONDENSED CONSOLIDATED STATEMENTS OF INCOME

Unaudited
(In thousands, except per share data)

For the three months ended	September 30, 2009	September 30, 2008
Operating revenue	<u>\$ 139,167</u>	<u>\$ 131,702</u>
Operating expenses:		
Operations:		
Water production costs	48,898	46,455
Administrative and general	19,084	14,995
Other operations	14,639	12,935
Maintenance	4,405	3,824
Depreciation and amortization	10,259	9,281
Income taxes	13,417	13,510
Property and other taxes	4,371	3,940
Total operating expenses	<u>115,073</u>	<u>104,940</u>
Net operating income	<u>24,094</u>	<u>26,762</u>
Other income and expenses:		
Non-regulated revenue	5,194	3,805
Non-regulated expenses, net	(3,464)	(4,501)
Gain on sale of non-utility property	—	—
Income taxes (expense) benefit on other income and expenses	(702)	288
Net other income and expenses	<u>1,028</u>	<u>(408)</u>
Interest expense:		
Interest expense	6,480	5,233
Less: capitalized interest	(950)	(1,065)
Net interest expense	<u>5,530</u>	<u>4,168</u>
Net income	<u>\$ 19,592</u>	<u>\$ 22,186</u>
Earnings per share		
Basic	<u>\$ 0.94</u>	<u>\$ 1.06</u>
Diluted	<u>\$ 0.94</u>	<u>\$ 1.06</u>
Weighted average shares outstanding		
Basic	<u>20,745</u>	<u>20,717</u>
Diluted	<u>20,767</u>	<u>20,740</u>
Dividends declared per share of common stock	<u>\$ 0.2950</u>	<u>\$ 0.2925</u>

CALIFORNIA WATER SERVICE GROUP CONDENSED CONSOLIDATED STATEMENTS OF INCOME
Unaudited (In thousands, except per share data)

For the nine months ended	September 30, 2009	September 30, 2008
Operating revenue	<u>\$ 342,447</u>	<u>\$ 310,204</u>
Operating expenses:		
Operations:		
Water production costs	119,468	112,162
Administrative and general	57,331	42,248
Other operations	41,425	37,766
Maintenance	13,352	12,884
Depreciation and amortization	30,739	27,779
Income taxes	21,438	20,127
Property and other taxes	12,371	11,163
Total operating expenses	<u>296,124</u>	<u>264,129</u>
Net operating income	<u>46,323</u>	<u>46,075</u>
Other income and expenses:		
Non-regulated revenue	11,173	9,452
Non-regulated expenses, net	(6,826)	(9,715)
Gain on sale of non-utility property	675	7
Income taxes (expense) benefit on other income and expenses	(2,032)	118
Net other income and expense	<u>2,990</u>	<u>(138)</u>
Interest expense:		
Interest expense	17,480	15,405
Less: capitalized interest	(2,270)	(1,955)
Net interest expense	<u>15,210</u>	<u>13,450</u>
Net income	<u>\$ 34,103</u>	<u>\$ 32,487</u>
Earnings per share		
Basic	<u>\$ 1.64</u>	<u>\$ 1.55</u>
Diluted	<u>\$ 1.64</u>	<u>\$ 1.55</u>
Weighted average shares outstanding		
Basic	<u>20,740</u>	<u>20,707</u>
Diluted	<u>20,765</u>	<u>20,731</u>
Dividends declared per share of common stock	<u>\$ 0.8850</u>	<u>\$ 0.8775</u>