SEC Form 4

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

OMB APPROVAL OMB Number: 3235-0287 Estimated average burder hours per response: 0.5

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

| 1. Name and Address of Reporting Person [*] KROPELNICKI MARTIN A (Last) (First) (Middle) 113 CHAPEL HILL ROAD | | (Middle) | | | ionship of Reporting Persor all applicable) Director Officer (give title below) VP, CFO & Tre | 10% Owner Other (specify below) |
|--|---------------|----------------|--|----------------|--|---------------------------------------|
| (Street) NOVATO (City) | CA (State) | 94949 (Zip) | 4. If Amendment, Date of Original Filed (Month/Day/Year) | 6. Indivi X | idual or Joint/Group Filing (0 Form filed by One Report Form filed by More than 0 | ing Person |

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | Transaction Dis Code (Instr. | | 4. Securities Acquired (A) or Disposed Of (D) (Instr. 3, 4 and 5) | | Securities Beneficially Owned | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Indirect Beneficial Ownership (Instr. 4) | |
|---------------------------------|--|---|---------------------------------|---|--|---------------|----------------------------------|---|---|----------|
| | | | Code | v | Amount | (A) or (D) | Price | (Instr. 3 and 4) | | (1130.4) |
| Common Stock ⁽¹⁾ | 03/06/2007 | | A | | 400 | Α | \$ <mark>0</mark> | 725 | D | |

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities) 1 Title of 5 Number of 6 Date Exercisable and 7 Title and Amount of 11 Nature 2 3 Transaction 3A Deemed 8 Price of 9 Number of 10 Derivative Security (Instr. 3) Conversion or Exercise Execution Date, if any (Month/Day/Year) 4. Transaction Code (Instr. 8) Securities Acquired (A) Expiration Date (Month/Day/Year) Securities Underlying Derivative Security (Instr. Derivative Security derivative Securities Ownership Form: Direct (D) of Indirect Beneficial Date (Month/Day/Year) Price of 3 and 4) (Instr. 5) Beneficially Ownership or Disposed of (D) (Instr. 3, 4 and 5) Derivative Owned or Indirect (Instr. 4) Following Reported Security (I) (Instr. 4) Transaction(s) Amount (Instr. 4) Date Expiration Number ν Date Code (A) (D) Exercisable Title of Shares Stock Common Appreciation \$38.11 03/06/2007 Α ν 2,000 04/06/2007 03/06/2017 2,000 \$<mark>0</mark> 2,000 D Stock Rights⁽²⁾

Explanation of Responses:

1. Restricted Stock Award granted 3/6/2007 pursuant to the California Water Service Group Equity Incentive Plan in a transaction exempt under Rule 16-b-3. Subject to vesting at 1/48th per month over a fouryear period.

2. Stock settled Stock Appreciation Right (SAR) granted pursuant to the Company's Equity Incentive Plan on 3/6/07 at an exercise price of \$38.11 and subject to vesting at 1/48th per month over a four-year period.

By: Calvin Breed For: Martin A. 03/07/2007

Kropelnicki ** Signature of Reporting Person

Date

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

* If the form is filed by more than one reporting person, see Instruction 4 (b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.