

AMERICAN STATES WATER CO

Form 10-Q

November 07, 2008

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## **SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549



# FORM 10-Q



(Mark One)

x

**Quarterly report pursuant to Section 13 or 15(d) of the  
Securities Exchange Act of 1934**

**for the quarterly period ended September 30, 2008**



or



o

**Transition report pursuant to Section 13 or 15(d) of the  
Securities Exchange Act of 1934**

for the transition period from                      to



Commission file number 001-14431



# **American States Water Company**

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(Exact Name of Registrant as Specified in Its Charter)

**California**

(State or Other Jurisdiction of Incorporation or Organization)

**95-4676679**

(IRS Employer Identification No.)

**630 E. Foothill Blvd, San Dimas, CA**  
(Address of Principal Executive Offices)

**91773-1212**  
(Zip Code)

**(909) 394-3600**

(Registrant's Telephone Number, Including Area Code)

**Not Applicable**

(Former Name, Former Address and Former Fiscal Year, if Changed Since Last Report)

**Commission file number 001-12008**

**Golden State Water Company**

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(Exact Name of Registrant as Specified in Its Charter)

**California**

(State or Other Jurisdiction of Incorporation or Organization)

**95-1243678**

(IRS Employer Identification No.)

**630 E. Foothill Blvd, San Dimas, CA**

(Address of Principal Executive Offices)

**91773-1212**

(Zip Code)

**(909) 394-3600**

(Registrant's Telephone Number, Including Area Code)

**Not Applicable**

(Former Name, Former Address and Former Fiscal Year, if Changed Since Last Report)

Indicate by check mark whether Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

American States Water Company  
Golden State Water Company

Yes  No   
Yes  No

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See definition of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act. (Check one):

**American States Water Company**

Large accelerated filer  Accelerated filer  Non-accelerated filer  Smaller reporting company

**Golden State Water Company**

Large accelerated filer  Accelerated filer  Non-accelerated filer  Smaller reporting company

Indicate by check mark whether the Registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act)

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American States Water Company  
Golden State Water Company

Yes  No

Yes  No

As of November 5, 2008, the number of Common Shares outstanding, of American States Water Company was 17,288,918 shares. As of November 5, 2008, all of the 134 outstanding Common Shares of Golden State Water Company were owned by American States Water Company.

Golden State Water Company meets the conditions set forth in General Instruction (H)(1)(a) and (b) of Form 10-Q and is therefore filing this Form, in part, with the reduced disclosure format for Golden State Water Company.

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and

GOLDEN STATE WATER COMPANY

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**PART I**

**Item 1. Financial Statements**

**General**

The basic financial statements included herein have been prepared by Registrant, without audit, pursuant to the rules and regulations of the Securities and Exchange Commission.

Certain information and footnote disclosures normally included in financial statements, prepared in accordance with accounting principles generally accepted in the United States of America, have been condensed or omitted pursuant to such rules and regulations. In the opinion of management, all adjustments consisting of normal recurring items and estimates necessary for a fair statement of results for the interim period have been made.

It is suggested that these financial statements be read in conjunction with the financial statements and notes thereto in the latest Annual Report on Form 10-K of American States Water Company and its wholly-owned subsidiary, Golden State Water Company.

**Filing Format**

American States Water Company (hereinafter "AWR") is the parent company of Golden State Water Company (hereinafter "GSWC"), Chaparral City Water Company (hereinafter "CCWC") and American States Utility Services, Inc. (hereinafter "ASUS") and its subsidiaries.

This quarterly report on Form 10-Q is a combined report being filed by two separate Registrants: AWR and GSWC. For more information, please see Note 1 to the Notes to Consolidated Financial Statements and the heading entitled General in Item 2 - Management's Discussion and Analysis of Financial Condition and Results of Operations. References in this report to Registrant are to AWR and GSWC collectively, unless otherwise specified. GSWC makes no representations as to the information contained in this report relating to AWR and its subsidiaries, other than GSWC.

**Forward-Looking Information**

Certain matters discussed in this report (including the documents incorporated herein by reference) are forward-looking statements intended to qualify for the "safe harbor" from liability established by the Private Securities Litigation Reform Act of 1995. These forward-looking statements can generally be identified as such because the context of the statement will include words such as Registrant believes, anticipates, expects or words of similar import. Similarly, statements that describe Registrant's future plans, objectives, estimates or goals are also forward-looking statements. Such statements address future events and conditions concerning the ability to raise capital, capital expenditures, earnings, litigation, rates, water sales, water quality and other regulatory matters, adequacy of water supplies, the ability of GSWC and CCWC to recover electric, natural gas and water supply costs from ratepayers, contract operations, liquidity and capital resources, and accounting matters. Actual results in each case could differ materially from those currently anticipated in such statements, by reason of factors such as changes in utility regulation, including ongoing local, state and federal activities; recovery of regulatory assets not yet included in rates; future economic conditions which affect a variety of matters, including customer demand, water and energy supply costs and pension and post-retirement benefit costs; future weather and climatic conditions; the effects of conservation; delays in customer payments, processing of requests for equitable adjustments or price redeterminations on government contracts; potential assessments for failure to comply with the terms of contracts with the U.S.

government; and legislative, legal proceedings, regulatory and other circumstances affecting anticipated revenues and costs.

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**AMERICAN STATES WATER COMPANY  
CONSOLIDATED BALANCE SHEETS**

**ASSETS**

**(Unaudited)**

(in thousands)	September 30, 2008	December 31, 2007
<b>Utility Plant, at cost</b>		
Water	\$ 1,043,539	\$ 982,708
Electric	65,566	65,078
	1,109,105	1,047,786
Less - Accumulated depreciation	(340,591)	(316,038)
	768,514	731,748
Construction work in progress	46,945	44,631
Net utility plant	815,459	776,379
<b>Other Property and Investments</b>		
Goodwill	12,393	11,354
Other property and investments	10,720	10,245
Total other property and investments	23,113	21,599
<b>Current Assets</b>		
Cash and cash equivalents	1,241	1,698
Accounts receivable-customers (less allowance for doubtful accounts of \$627 in 2008 and \$539 in 2007)	19,345	16,095
Unbilled revenue	19,777	16,035
Receivable from the U.S. government (less allowance for doubtful accounts of \$303 in 2008 and \$496 in 2007)	7,964	7,556
Other accounts receivable (less allowance for doubtful accounts of \$298 in 2008 and \$629 in 2007)	2,943	4,154
Income taxes receivable	2,528	60
Materials and supplies, at average cost	1,817	1,576
Regulatory assets - current	11,023	5,187
Prepayments and other current assets	1,943	2,765
Costs and estimated earnings in excess of billings on uncompleted contracts	5,599	3,842
Deferred income taxes - current	2,212	4,047
Total current assets	76,392	63,015
<b>Regulatory and Other Assets</b>		