

A close-up, low-angle shot of a clear glass filled with water. The water is clear and reflects the light. In the lower portion of the glass, there is a dark silhouette of a person's head and shoulders, holding a globe of the Earth. The background is a soft, out-of-focus light blue and white, suggesting a bright, airy environment.

behind the scenes.

2006 Annual Report

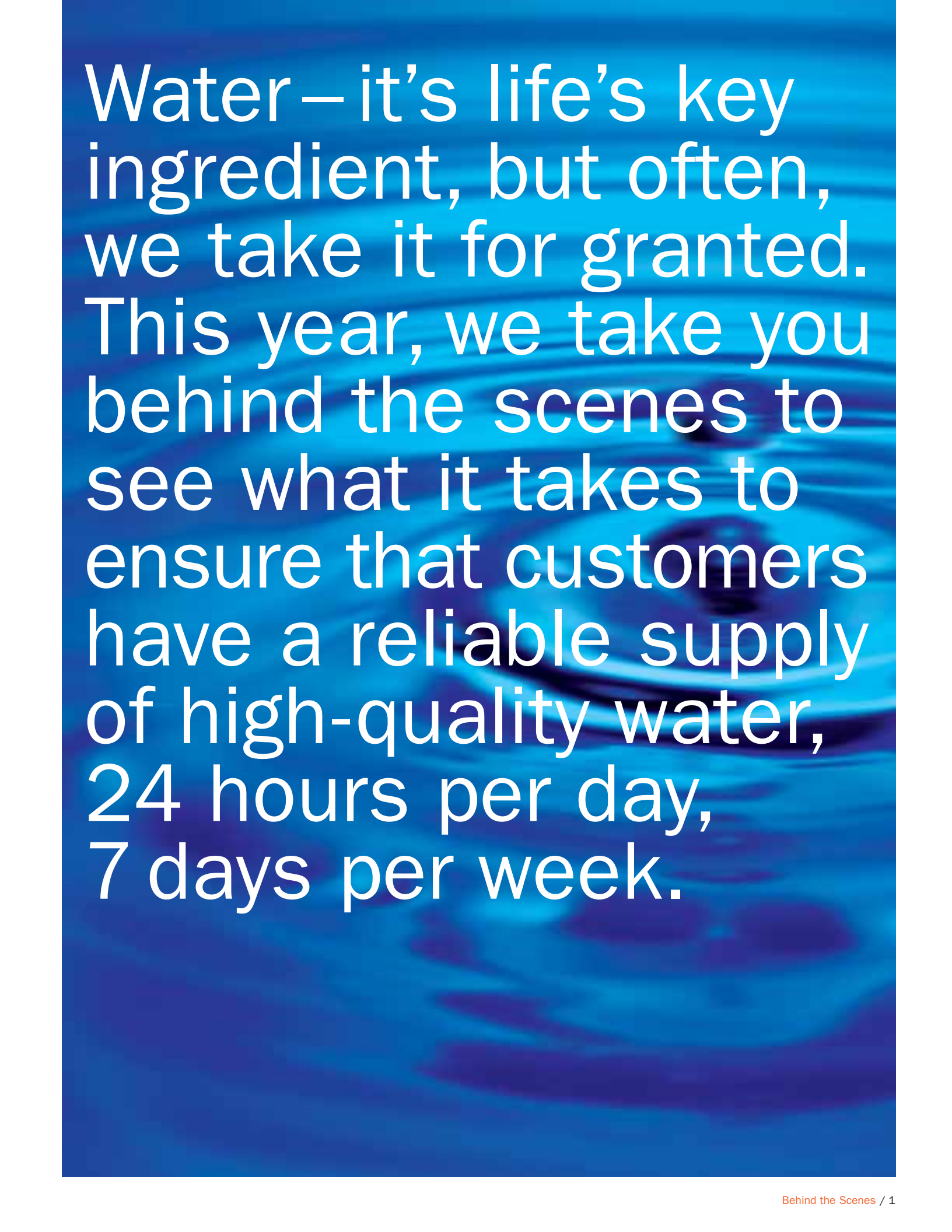
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financial highlights

Year ended December 31	2006	2005	2004	2003	2002
Market price at year-end	\$ 40.40	\$ 38.23	\$ 37.65	\$ 27.40	\$ 23.65
Book value	18.31	15.98	15.66	14.44	13.12
Earnings per share (diluted)	1.34	1.47	1.46	1.21	1.25
Dividends per share	1.150	1.140	1.130	1.125	1.120
Revenue	334,717	320,728	315,567	277,128	263,151
Net income	25,580	27,223	26,026	19,417	19,073

company overview

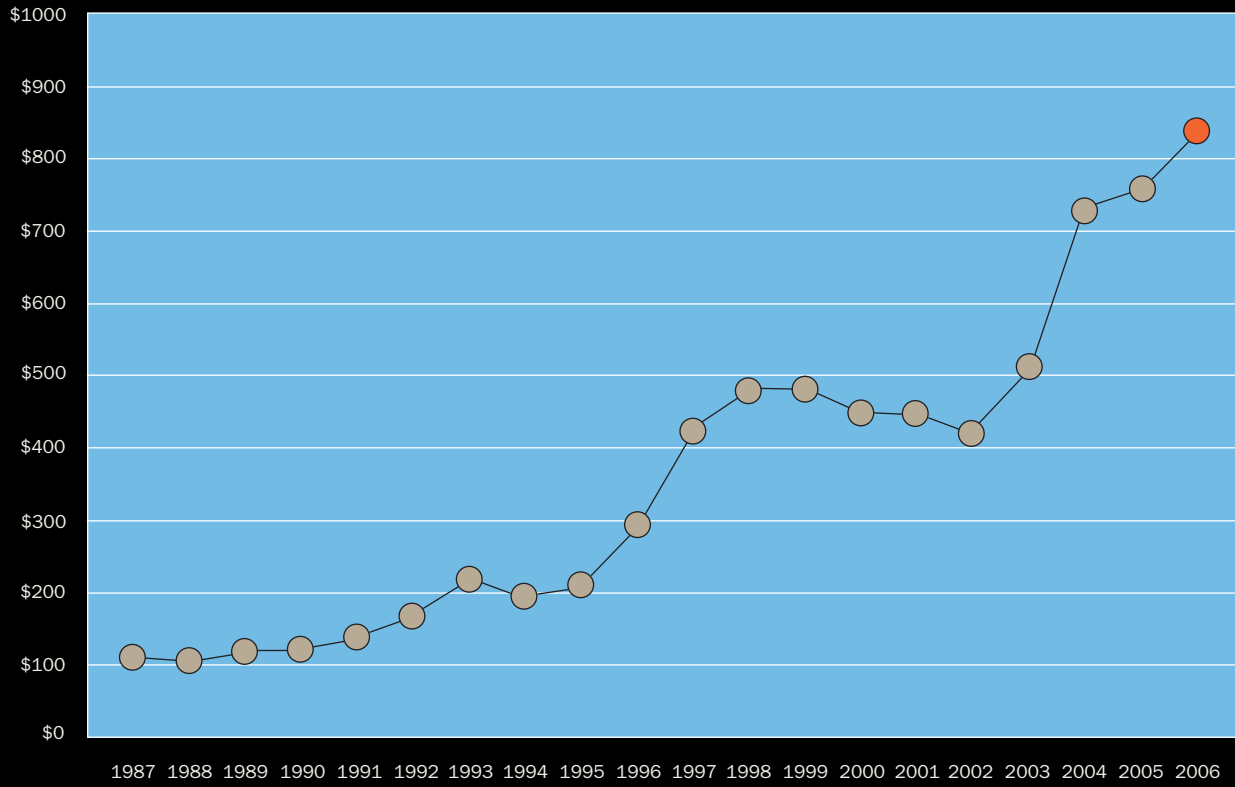
California Water Service Group (NYSE: CWT) is the second largest investor-owned water utility in the United States, providing high-quality water utility services to more than 2 million people in 100 communities through five subsidiaries: California Water Service Company (Cal Water), Hawaii Water Service Company, Inc. (Hawaii Water), New Mexico Water Service Company (New Mexico Water), Washington Water Service Company (Washington Water), and CWS Utility Services (Utility Services). Cal Water, Hawaii Water, New Mexico Water, and Washington Water provide regulated water utility services, while Utility Services conducts the Company's non-regulated business, which includes providing billing, water quality testing, and water system operations and management services to cities and other companies.

The background of the slide is a close-up photograph of blue water with ripples, creating a textured, shimmering effect. The text is overlaid on this background in a clean, white, sans-serif font.

Water – it's life's key ingredient, but often, we take it for granted. This year, we take you behind the scenes to see what it takes to ensure that customers have a reliable supply of high-quality water, 24 hours per day, 7 days per week.

CWT 20-year total return on investment

(On Stock Purchased December 31, 1986, with Dividends Reinvested)



You'll see that water does not magically appear at the turn of a faucet; it is delivered through a carefully planned and well-maintained system, after being collected, treated, tested, and delivered by our team of dedicated, industry-leading professionals.

6:14 a.m. You are



awakened from a deep



sleep by your radio alarm clock. After tapping the “snooze” button a few times, you shuffle into the bathroom and turn on the shower.

There, under the spray of hot water, you begin to feel ready to face the day – just as soon as you’ve had your morning coffee.



Meanwhile, at 6:14 a.m., Cal Water employee Dave Kirsling turns a valve at the outlet structure of the Bear Gulch reservoir, the collection point for water that accumulates in the Company's 1,300-acre watershed and flows to the reservoir through the Bear Gulch Creek. After being released from the reservoir, the water is sent to the treatment plant, where it goes through a multi-barrier treatment process that culminates with exposure to ultraviolet light. It is one of the first and largest drinking water treatment plants using this technology in California, and because it's there, you can savor that morning shower—and cup of coffee—with the assurance that your water meets stringent state and federal water quality standards.



9:08 a.m. You volunteered

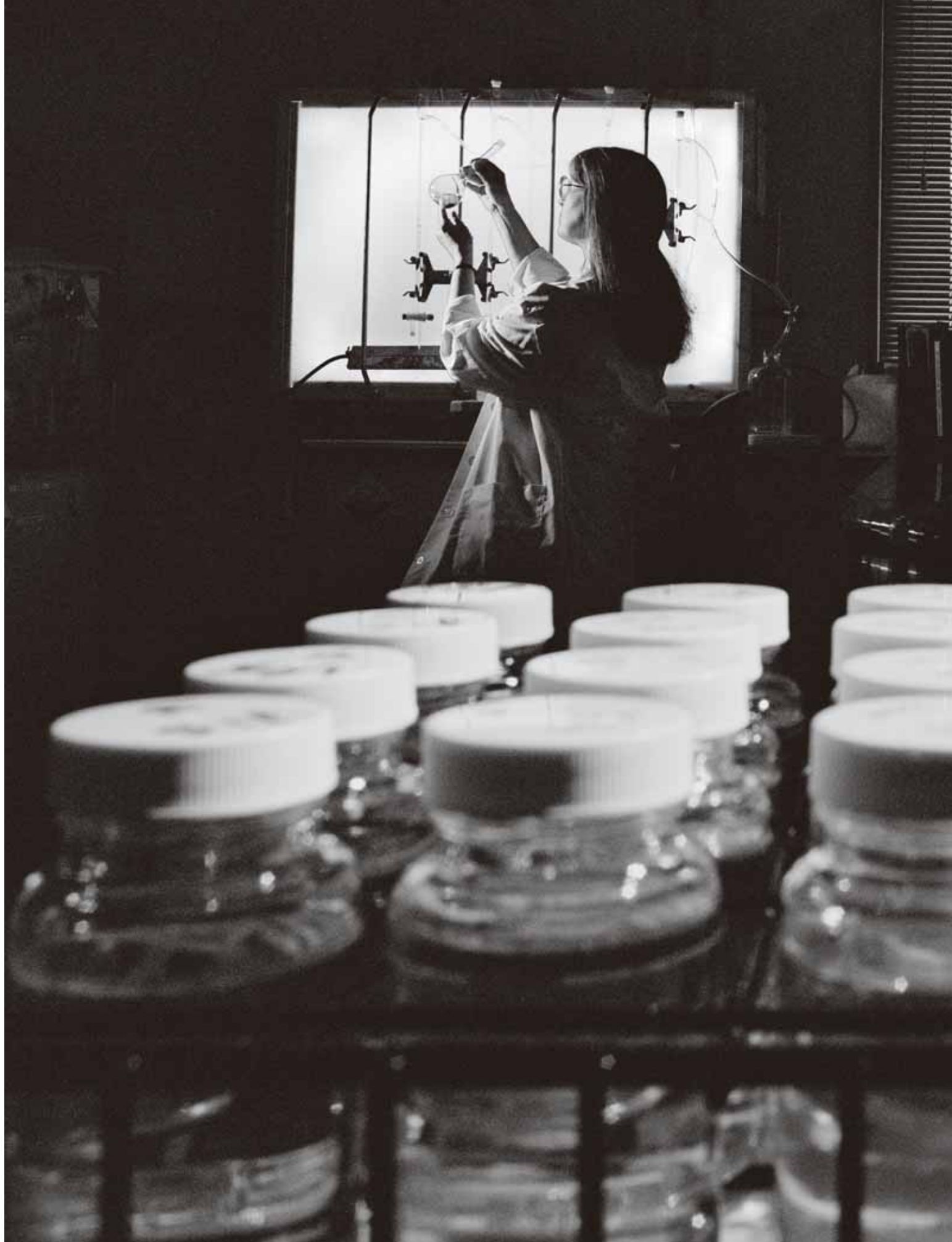


to take a vacation to look after the kids during their spring break from school, but you realize that after the week is over, you're going to need another week off to recover.

As you make your way through bedrooms picking clothes up off the

floor, you remember that your daughter has a soccer game this afternoon. You load the basket with her uniform, among other things, and prepare to wash a load of laundry... At 9:08 a.m., Matt Menezes descends a ladder to inspect a new storage tank before it is filled with water. Company-wide, we have 520 tanks that can store a total of 267 million gallons of water, enough water to fill the Rose Bowl to the rim more than three times. At a capacity of 165,000 gallons, this one is relatively small, but it is equipped with a new check-valve system that promotes circulation of the water, which in turn enhances water quality. Investing in new tanks, and maintaining existing ones, enables us to store water for delivery during times of day when customer usage peaks. It also provides an emergency supply that can be used to fight fires or continue providing water if a power outage affects the operation of our wells and pumps. That means when you hit the “start” button on your washing machine, you know that you’ll have a clean soccer uniform ready in time for the game, no matter what time of day it is.





11:47a.m. This morning

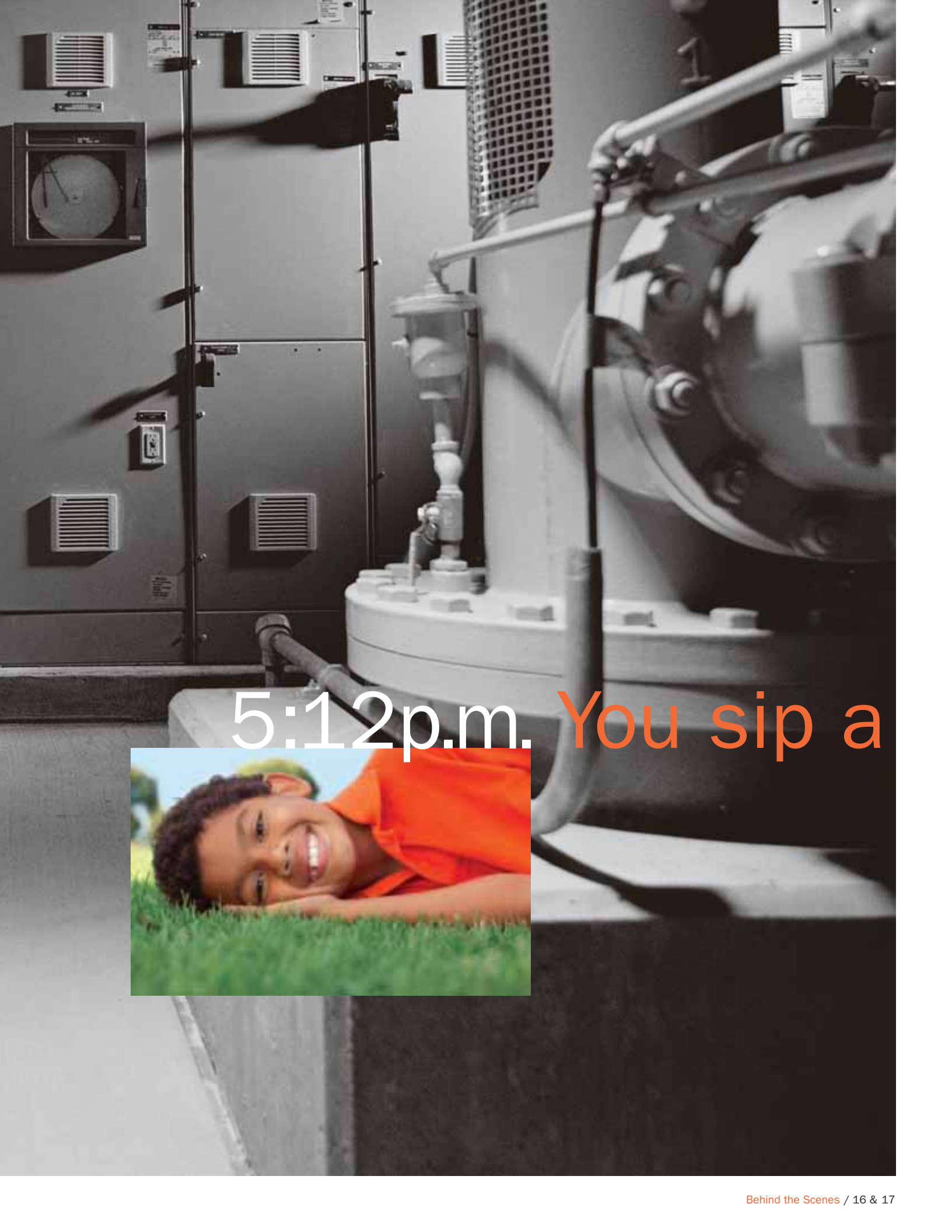


your grandson called to remind you of the date—as if you needed a reminder. It is his eighth birthday, and he wants to be sure you are making your “special cake.” Of course you are, you tell him. After you hang up,



you laugh, tickled that he is so enamored with your “special cake”– a simple cake mix (just add water and eggs) topped with plenty of frosting and colored sprinkles... At 11:47 a.m., Darlene Hudler analyzes a water sample at the Company’s state-certified water quality laboratory. She is part of the team of chemists and microbiologists responsible for testing more than 70,000 water samples each year for 310,000 compounds. Here, in the “inorganic section” of the laboratory, chemists use various methods, and a quarter-of-a-million-dollar Inductive Coupled Plasma Mass Spectrophotometer, to test the water for elements such as iron. Of course, you don’t want to think about elements like iron. But because we do, you can feel comfortable giving your grandson, and his friends, seconds of your “special cake.”





5:12p.m. You sip a



glass of iced tea as
you sit on the patio and
watch the kids play tag
in the soft, green grass.
You think about the fact
that so many of your

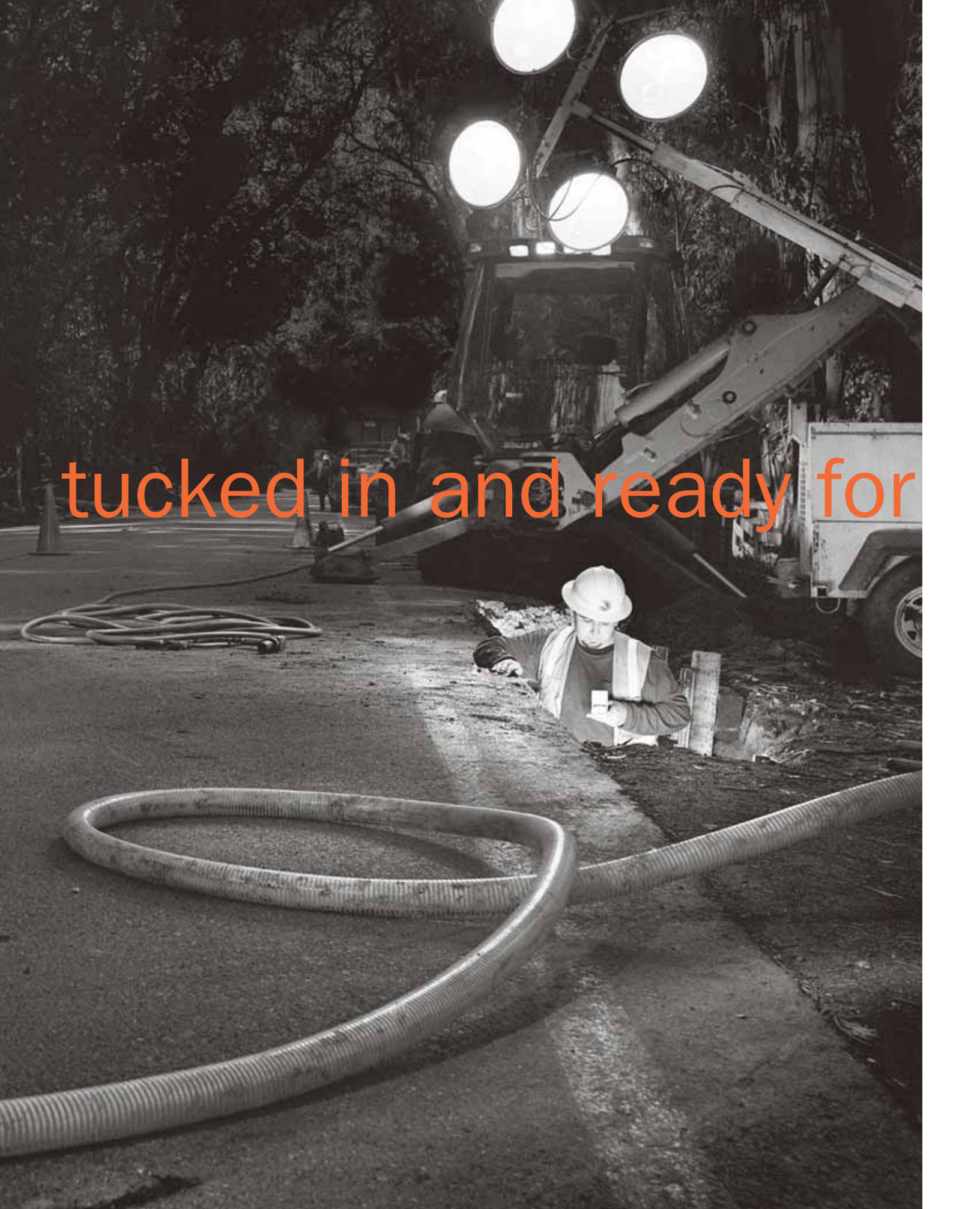


family's best memories—of summer picnics, Easter egg hunts, and even a small wedding—were made in this backyard. It's your little refuge from the world, and you can't imagine your family living without it... At 5:12 p.m., Lenny Carrasco checks the calibration of the Supervisory Control and Data Acquisition program, which is used to monitor and control the water system remotely via laptop computers. Moving water from the source to the customer requires large, powerful pumps. The ones that Lenny is checking are equipped with a unique variable-frequency drive, which causes them to speed up or slow down automatically based on customer demand. This ensures that customers receive steady, consistent water pressure. Why should this matter? Because it helps ensure that the farthest corners of your lawn will get water, even if you turn the sprinklers on at the same time as everybody else in your neighborhood.



10:52 p.m. You are





tucked in and ready for

a good night's sleep. You take a drink of water from the glass on your nightstand and turn off your reading lamp. Unfortunately, you can't turn off your mind. So your thoughts drift to the work project



you've put off, your kid's chemistry grade, and your inability to remember the name of a particular song that played at your high school prom. One thing that doesn't keep you awake is concern about your water... At 10:52 p.m., Sean Cabuag checks water quality after making an emergency repair to the water system. Throughout the company, we have professionals standing by, ready to respond to after-hours emergency calls. So if a customer needs us to investigate a leak, a water quality concern, a change in water pressure, or any other urgent matter in the middle of the night, we are ready. And now, we also offer an optional, non-regulated service called Extended Service Protection, through which we make repairs to the customer's water line from the meter to the house. It's just one more way that we provide customers peace of mind, ensuring that they don't lose sleep worrying about their water.

to our stockholders

For decades, the water utility industry referred to itself as the “silent service.” We went about our business—securing water supplies, planning and building infrastructure, treating and testing the water for quality, and delivering it to our customers—without much fanfare. The result of this low-profile approach is that many of our customers have little idea how valuable our services are. Water costs a fraction of a penny per gallon, a unit price that is considerably lower than those of other necessities, such as food, gasoline, and other utilities, and about one thousand times lower than the cost of bottled water. In fact, water rates in the United States are among the lowest in the world. And yet, what could be more important, more valuable, than water? As reporter Michael Specter wrote in the October 2006 issue of the *New Yorker* magazine, “It is a fact of the human condition that we can achieve none of our goals without water.” Although water may continue to be a bargain, it need not be undervalued. That is why we have invited you behind the scenes, to see for yourself what it takes to provide high-quality, reliable water service to our customers.

As a stockholder, you play an important role by investing in the infrastructure that is essential to providing life's key ingredient, 24 hours per day, seven days per week.

11:00 a.m. A stockholder retrieves her mail and finds a dividend check from California Water Service Group. At the same time, our team is making strategic decisions to increase the value of that stockholder's investment.

Financial Results

The total return on your investment in California Water Service Group increased nearly 9% in 2006, as annual dividends increased for the 39th consecutive year to \$1.15 per share (at a yield of approximately 3%)

6.28%

Five-year
compound annual
growth rate



Left to right:

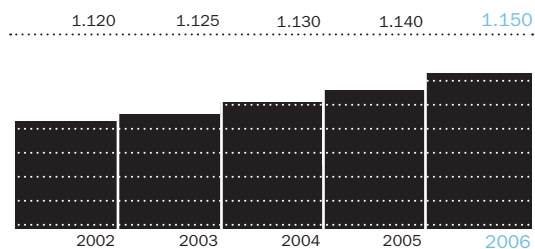
Peter C. Nelson,
President and Chief Executive Officer

Robert W. Foy,
Chairman of the Board



and stock price rose 6% to \$40.40 per share as of December 31, 2006.

Earnings per share were \$1.34 and net income was \$25.6 million, compared to earnings per share of \$1.47 and net income of \$27.2 million for 2005. Revenues were up 4% to \$334.7 million, with rate increases adding \$10.1 million to 2006 revenues, sales to new customers adding \$3.1 million, and sales to existing customers adding \$0.8 million. Decreases in earnings and net income were due in part to the impacts of wet weather in the first six months of the year and the issuance of 2.25 million shares of stock in 2006. Additionally, we experienced expense increases in several categories.



Five-Year Dividend Growth

The California Public Utilities Commission sets customer rates in each of our 24 service areas on a staggered basis once every three years. As a result, under current regulatory rules, prudently incurred and reasonable increases in certain expenses, such as those associated with employee health and welfare plans and mandatory compliance with Sarbanes-Oxley (SOX) requirements, take several years to be fully reflected in rates. This delay, known in the utility industry as “regulatory lag,” affected 2006 results. The good news is that we believe that this type of expense increase will be recovered in future years in a timelier manner, thanks to the California Public Utilities Commission’s adoption of the Water Action Plan.

2:00 p.m. A new homeowner turns on a faucet and finds that his water service has been started, just as Cal Water’s professional customer service representative said it would. Meanwhile, employees throughout the Company are executing a four-pronged strategy that will positively affect that homeowner for years to come.

Our Four-pronged Strategy For 2007 And Beyond

1. Intense Focus on Regulatory Matters

The Water Action Plan is truly a milestone for our industry, because it sets the course for future water regulation and formally establishes the California Public Utilities Commission’s commitment to fair and balanced policy-making. Supporting four key principles—safe, high-quality water; highly reliable water supplies; efficient use of water; and reasonable rates *and* viable water utilities—the Plan reflects the best practices of utilities commissions across the country. More importantly, in 2006, the Commission made several decisions that clearly demonstrated its commitment to implementing the Plan:

- The Commission repealed W-1, the decision that precluded California water utilities from recovering certain prudently incurred expenses in rates.
- It issued the “Order Instituting Rulemaking on the General Rate Case Plan,” the goal of which is to streamline the process and reduce regulatory

plan to file General Rate Cases for all 24 California districts as well as the Company headquarters in 2007, which, if approved, will allow company-wide expense increases to be recovered in all service areas more quickly than they would if they were phased-in in three-year rate case cycles.

- It accepted our application for a Revenue Adjustment Mechanism. If approved, it will enable us to promote water conservation more effectively and lessen the short-term impacts of conservation and weather on our revenue.
- It approved a Rate Support Fund and a Low-Income Ratepayer Assistance program to soften the impact of necessary water system improvement costs on certain vulnerable customers.

Considering these positive developments, and the timely conclusion of the eight General Rate Cases filed in 2005 and approved in 2006, we are optimistic that regulation in California will continue to improve. Going forward, we will continue to work diligently to seek innovative solutions in support of the Commission's stated purpose of protecting customers' best interests while ensuring the financial viability of the water utilities that serve them.

Our strategy has been, and will continue to be, predicated on the notion that the two goals are not mutually exclusive; that is, we believe that we can and should achieve excellence in customer service *and* provide value to our stockholders.

2. Continuing Emphasis on Customer Service and Water Quality

It is our focus on the customer that sets us apart. In 2006, we upgraded our Customer Information System to enable our Customer Service Representatives to serve customers better when they need assistance, and we implemented a company-wide, advanced training program for Customer Service Representatives to ensure that each has the skills and knowledge necessary to meet customers'

8.7%

total return

in

2006



needs the first time they call. Results of customer surveys completed in 2006 indicate that we are on the right track, as 91.6% of respondents ranked our overall service as “excellent or very good.”

In 2007, we will upgrade our electronic billing site and make it easier to navigate. More customers than ever opted to pay their bills electronically in 2006, and with the upgrade, we expect even greater participation. Other customer service-related plans for 2007 include implementation of a new cash-handling technology; provision of a new, no-fee credit card online payment option; and introduction of a new customer service management training and development program. These initiatives, combined with our ongoing commitment to the Continuous Improvement approach to the business, will keep us at the forefront in providing excellent customer service.

Providing high-quality water is an integral part of our service, and we continue to make customer health and safety our highest priority. In 2006, our lab earned its annual accreditation from the Environmental Laboratory Accreditation Program of the state of California, one of the toughest certifications to attain in the United States. Our Water Quality Department also leads the industry in compliance planning, and it made great strides in 2006 in preparing to meet future standards, including the Groundwater Rule, the Stage 2 Disinfectants/Disinfection By-Product Rule, the Long-Term 2 Enhanced Surface Water Treatment Rule, and the Unregulated Contaminant Monitoring Rule 2.

It is our employees’ expertise and dedication that make us leaders in the industry, and they play a key role in protecting our service areas. We are happy to report that in 2006, the City of Visalia decided after studying the issue that it would not start its own water system to serve new developments, due largely to its recognition of Cal Water’s expertise, resources, and performance record.

91.6%

ranked service
“excellent or
very good”

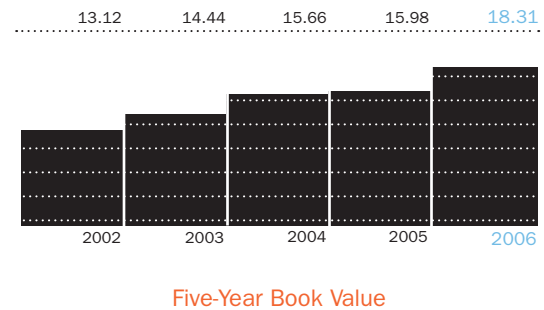


3. Disciplined Approach to Growth

Like all of our Central Valley service areas, our Visalia District is experiencing high growth rates. In 2006, it added 2,000 new customers. In total, we added 5,000 customers in existing service areas in 2006.

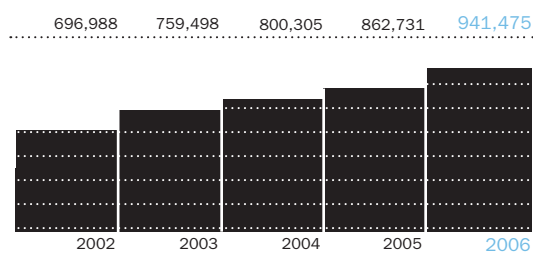
As for acquisitions, only one met our strict criteria in 2006. In August, we completed the acquisition of the assets of the Independent Utility Company, which has added 400 metered connections 15 miles east of Albuquerque, New Mexico. In 2007 and beyond, we will continue to pursue quality systems that complement our core business and increase value for our stockholders.

On the non-regulated side of the business, our new Extended Service Protection (ESP) program was very well received. More customers than anticipated signed up for this voluntary program, introduced throughout California in 2006. For a monthly fee of \$4.95, we repair or replace the portion of the water line that is the customer's responsibility if it is damaged by tree roots, age, earthquakes, or freezing temperatures. Not only does ESP add to non-regulated revenues, it also provides a valuable service that customers truly appreciate. As one customer said of signing up, "I decided to err on the side of caution, because I was very recently widowed and there was also a very large tree in my front yard. I'm so glad I signed up for ESP; it helped tremendously when that tree's roots destroyed my



water line. I know if I had to pay for the repairs out of pocket, it would have been very expensive."

Perhaps the most significant source of growth in a regulated utility such as ours is our investment in water system infrastructure. Because we earn a return on invested capital, our return grows when we invest more in improvements that benefit our customers. In 2006, we spent \$86 million on capital projects, including a new treatment plant in Bakersfield, an arsenic standard compliance project in Stockton, and 10 new wells. Our capital budget for 2007 is expected to exceed \$80 million, and an upward trend for 2008 and beyond is likely, as we continue to replace aging infrastructure and enhance our systems to meet new water quality standards.



Five-Year Net Utility Plant

4. Prudent Fiscal Management

As is the case with each element of our strategy, prudent fiscal management is a performance measure that affects both customers and stockholders. Operating efficiently and using resources wisely ensures that we continue to provide excellent service and high-quality water at reasonable rates while building long-term stockholder value.

In 2006, we raised gross proceeds of \$104.7 million by issuing 2.25 million shares of common stock and \$20 million in long-term debt, a move that strengthened our balance sheet and enabled us to fund our capital investment programs. Prudently issuing equity to help

fund capital programs that are approved by our utilities commissions provides a means by which our stockholders can earn a fair rate of return and helps improve financial performance in future periods. As of December 31, we had \$941 million in net utility plant assets, up 9% from 2005, and our market capitalization was \$835 million, up from \$703 million for the previous year.

Another key development in 2006 was the even greater interest that we generated on Wall Street. During 2006, three additional financial firms initiated research coverage of our company, bringing our total to seven. Increasing coverage of our company opens up new channels through which we can communicate with retail and institutional investors; this ultimately assists us in improving liquidity and ensuring that we have the means to raise capital to fund our operations and provide the excellent service for which we are known.

At this minute, you are nearing the end of our letter. And we are preparing to overcome any challenges that lay ahead.

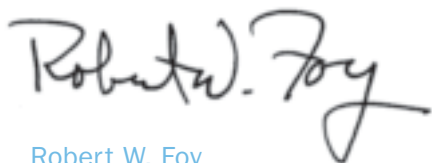
Outlook For 2007 And Beyond

The coming years will no doubt present challenges, including the time that it will take to fully implement the California Public Utilities Commission's Water Action Plan and recover higher expenses associated with health care, pensions, and Sarbanes-Oxley compliance.

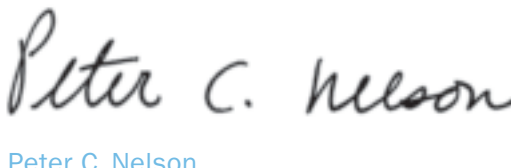
We are confident that we are capable of overcoming challenges that arise. Next year, we will seize the opportunity to file rate cases for every California operation, and if we are successful, we will significantly reduce the time it takes to fully recover reasonable expense increases. We will pursue growth opportunities that benefit customers and add value to stockholders. We will continue to evaluate and improve the way we do business to increase efficiency. And we will remain focused on our strategy, which has proven successful in both favorable and unfavorable business climates.

Most importantly, we can take pride in the value of the services we provide, services that you make possible as a stockholder in the company. As the largest investor-owned water utility in the state, we stand to gain much from anticipated improvements in California utility regulation. This, combined with our reputation for providing excellent customer service, positions us well for future success.

We wish you the best in 2007 and thank you for your continued investment in California Water Service Group.



Robert W. Foy
Chairman of the Board



Peter C. Nelson
President and Chief Executive Officer

ten-year financial review

Dollars in thousands, except common share data

2006

2005

2004

Summary of Operations

Operating revenue			
Residential	\$ 232,811	\$ 222,634	\$ 221,323
Business	60,366	56,962	55,803
Industrial	16,286	14,241	13,592
Public authorities	15,728	14,965	15,118
Other	9,526	11,926	9,731
Total operating revenue	334,717	320,728	315,567
Operating expenses	294,411	278,903	271,701
Interest expense, other income and expenses, net	14,726	14,602	17,840
Net income	\$ 25,580	\$ 27,223	\$ 26,026

Common Share Data

Earnings per share - diluted	\$ 1.34	\$ 1.47	\$ 1.46
Dividend declared	1.150	1.140	1.130
Dividend payout ratio	86%	78%	77%
Book value	\$ 18.31	\$ 15.98	\$ 15.66
Market price at year-end	40.40	38.23	37.65
Common shares outstanding at year-end (in thousands)	20,657	18,390	18,367
Return on average common stockholders' equity	8.2%	9.3%	9.8%
Long-term debt interest coverage	3.17	3.61	3.38

Balance Sheet Data

Net utility plant	\$ 941,475	\$ 862,731	\$ 800,305
Utility plant expenditures (company- & developer-funded)	112,279	94,517	68,573
Total assets	1,165,019	996,945	942,853
Long-term debt including current portion	293,592	275,275	275,921
Capitalization ratios:			
Common stockholders' equity	56.0%	51.4%	50.8%
Preferred stock	0.5%	0.6%	0.6%
Long-term debt	43.5%	48.0%	48.6%

Other Data

Water production (million gallons)			
Wells and surface supply	70,677	68,162	72,279
Purchased	62,790	64,028	66,760
Total water production	133,467	132,190	139,039
Metered customers	407,762	402,191	395,286
Flat-rate customers	76,131	76,810	77,869
Customers at year-end, including Hawthorne	483,893	479,001	473,155
New customers added	4,892	5,846	6,733
Revenue per customer	\$ 692	\$ 670	\$ 667
Utility plant per customer	2,778	2,578	2,418
Employees at year-end	869	840	837

	2003	2002	2001	2000	1999	1998	1997
	\$ 194,903	\$ 184,894	\$ 173,823	\$ 171,234	\$ 163,681	\$ 150,491	\$ 158,210
	49,666	46,404	44,944	44,211	41,246	38,854	40,520
	11,255	11,043	9,907	11,014	12,695	10,150	10,376
	12,789	12,706	11,860	11,609	10,898	9,654	11,173
	8,515	8,104	6,286	6,738	6,417	5,777	4,886
	277,128	263,151	246,820	244,806	234,937	214,926	225,165
	233,996	232,404	221,116	211,610	201,890	183,245	188,020
	23,716	11,674	10,739	13,233	11,076	11,821	11,388
	\$ 19,417	\$ 19,073	\$ 14,965	\$ 19,963	\$ 21,971	\$ 19,860	\$ 25,757
	\$ 1.21	\$ 1.25	\$ 0.97	\$ 1.31	\$ 1.44	\$ 1.31	\$ 1.71
	1.125	1.120	1.115	1.100	1.085	1.070	1.055
	93%	90%	115%	84%	75%	82%	62%
	\$ 14.44	\$ 13.12	\$ 12.95	\$ 13.13	\$ 12.89	\$ 12.49	\$ 12.15
	27.40	23.65	25.75	27.00	30.31	31.31	29.53
	16,932	15,182	15,182	15,146	15,094	15,015	15,015
	9.1%	9.7%	7.6%	10.1%	11.5%	10.8%	14.5%
	2.78	2.73	2.64	3.31	3.79	3.64	4.37
	\$ 759,498	\$ 696,988	\$ 624,342	\$ 582,782	\$ 564,390	\$ 538,741	\$ 515,917
	74,253	88,361	62,049	37,161	48,599	41,061	37,511
	873,035	798,478	710,214	666,605	645,507	613,143	594,444
	273,130	251,365	207,981	189,979	171,613	152,674	153,271
	47.0%	44.0%	48.8%	51.1%	53.0%	54.6%	53.8%
	0.7%	0.7%	0.9%	0.9%	0.9%	1.0%	1.0%
	52.3%	55.3%	50.3%	48.0%	46.1%	44.4%	45.2%
	68,416	69,414	65,283	65,408	65,144	57,482	63,736
	63,264	62,811	61,343	62,237	58,618	54,661	59,646
	131,680	132,223	126,626	127,645	123,762	112,143	123,382
	387,579	380,087	371,281	366,242	361,235	354,832	350,139
	78,843	78,901	79,146	78,104	77,892	77,568	77,878
	466,422	458,988	450,427	444,346	439,127	432,400	428,017
	7,434	8,561	6,081	5,219	6,727	4,383	4,719
	\$ 594	\$ 579	\$ 552	\$ 554	\$ 539	\$ 500	\$ 529
	2,313	2,182	2,020	1,916	1,851	1,768	1,694
	813	802	783	797	790	759	752

customer service areas*

District Name	Including	2006	2005
California			
Antelope Valley	Fremont Valley, Lake Hughes, Lancaster & Leona Valley	1,400	1,400
Bakersfield		64,900	63,600
Bear Gulch	Atherton, Woodside, Portola Valley & portions of Menlo Park	18,000	18,000
Chico	Hamilton City	26,900	26,400
Dixon		2,900	2,900
Dominguez	Carson & portions of Compton, Harbor City, Long Beach, Los Angeles & Torrance	33,700	33,600
East Los Angeles	City of Commerce	27,800	27,800
Hawthorne		6,200	6,100
Hermosa-Redondo	Hermosa Beach, Redondo Beach & a portion of Torrance	26,200	26,100
Kern River Valley	Bodfish, Kernville, Lakeland, Mountain Shadows, Onyx, Squirrel Valley, South Lake & Wofford Heights	4,300	4,300
King City		2,400	2,400
Livermore		18,200	18,200
Los Altos	Portions of Cupertino, Los Altos Hills, Mountain View & Sunnyvale	18,600	18,500
Marysville		3,800	3,800
Mid-Peninsula	San Mateo & San Carlos	36,100	36,100
Oroville		3,600	3,600
Palos Verdes	Palos Verdes Estates, Rancho Palos Verdes, Rolling Hills & Rolling Hills Estates	24,000	24,000
Redwood Valley	Lucerne & portions of Duncans Mills, Guerneville, Dillon Beach, Noel Heights & Santa Rosa	2,000	2,000
Salinas		27,800	27,800
Selma		6,100	6,000
South San Francisco	Colma & Broadmoor	16,800	16,800
Stockton		42,100	42,300
Visalia		37,800	35,800
Westlake	Westlake Village & a portion of Thousand Oaks	7,000	7,000
Willows		2,300	2,300
	Subtotal	460,900	456,700
Hawaii		500	500
New Mexico		7,100	6,500
Washington		15,400	15,300
	Total	483,900	479,000

* Includes customers from regulated operations and full-system, non-regulated operations in Commerce and Hawthorne. Numbers are rounded to the nearest hundred.

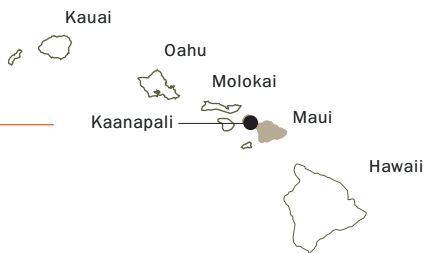
california



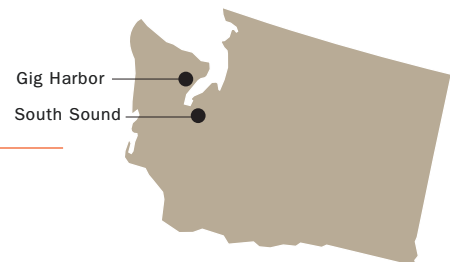
new mexico



hawaii



washington



board of directors

President of B. Hill Enterprises, L.L.C.

4 years served as a Board Member. Co-Founder of Icon Blue; on the boards of a number of corporations and non-profit organizations. Member of the following Committees: Organization/Compensation and Nominating/Corporate Governance.

Vice President and Chief Financial Officer, the David & Lucile Packard Foundation

9 years served as a Board Member. Member of the Audit Committee and Finance Committee.



Bonnie G. Hill

George A. Vera

David N. Kennedy

Richard P. Magnuson

Private Venture Capital Investor

11 years served as a Board Member. Member of the following Committees: Audit, Organization/Compensation, Executive, Finance, and Nominating/Corporate Governance.

Former Director of the California Department of Water Resources

4 years served as a Board Member. Member of the Organization/Compensation Committee and Finance Committee.

Chairman of the Board

30 years served as a Board Member.
Member of the Executive Committee.

Member of the National Board
of the Institute of International Education

13 years served as a Board Member. Director of
Greater Bay Bancorp, Trustee of World Affairs Council,
and Co-Chair of the Stanford Challenge. Member of
the following Committees: Audit, Organization/Compensation,
and Nominating/Corporate Governance.



Robert W. Foy

Linda R. Meier

Douglas M. Brown

Edward D. Harris, Jr., M.D.

Peter C. Nelson

Professor of Medicine, Emeritus,
Stanford University Medical Center

14 years served as a Board Member.
Member of the following Committees:
Organization/Compensation, Executive,
and Nominating/Corporate Governance.

President and Chief Executive Officer

11 years served as a Board Member.
Member of the Executive Committee.

Former Treasurer, State of New Mexico

6 years served as a Board Member.
Member of the following Committees:
Audit, Finance, and Nominating/Corporate
Governance.

corporate officers

California Water Service Company

Robert W. Foy ^{1,2,3}
Chairman of the Board

Peter C. Nelson ^{1,2,3}
President and Chief Executive Officer

Paul G. Ekstrom
Vice President, Customer Service and Information Systems

Francis S. Ferraro ^{2, 4}
Vice President, Regulatory Matters and Corporate Relations

Robert R. Guzzetta ²
Vice President, Operations

Martin A. Kropelnicki ^{1, 2, 3}
Vice President, Chief Financial Officer and Treasurer

Christine L. McFarlane
Vice President, Human Resources

Michael J. Rossi
Vice President, Engineering and Water Quality

Calvin L. Breed ¹
Controller, Assistant Secretary and Assistant Treasurer

Lynne P. McGhee ^{1, 2, 3}
Acting Corporate Secretary

Washington Water Service Company

Michael P. Ireland
President

¹ Holds the same position with California Water Service Group.

² Also an officer of CWS Utility Services.

³ Also an officer of Washington Water Service Company, New Mexico Water Service Company and Hawaii Water Service Company, Inc.

⁴ Holds the same position with New Mexico Water Service Company and Hawaii Water Service Company, Inc.

corporate information

Stock Transfer, Dividend Disbursing, and Reinvestment Agent

American Stock Transfer and Trust Company
57 Maiden Lane
New York, NY 10038
(800) 937-5449

To Transfer Stock

A change of ownership of shares (such as when stock is sold or gifted or when owners are deleted from or added to stock certificates) requires a transfer of stock. To transfer stock, the owner must complete the assignment on the back of the certificate and sign it exactly as his or her name appears on the front. This signature must be guaranteed by an eligible guarantor institution (banks, stock brokers, savings and loan associations and credit unions with membership in approved signature medallion programs) pursuant to SEC Rule 17Ad-15. A notary's acknowledgement is not acceptable. This certificate should then be sent to American Stock Transfer and Trust Company, by registered or certified mail with complete transfer instructions.

Bond Registrar

US Bank Trust, N.A.
One California Street
San Francisco, CA 94111-5402
(415) 273-4580

Executive Office

California Water Service Group
1720 North First Street
San Jose, CA 95112-4598
(408) 367-8200

Annual Meeting

The Annual Meeting of Stockholders will be held on Wednesday, April 25, 2007 at 9:30 a.m. at the Company's Executive Office, located at 1720 North First Street in San Jose, California. Details of the business to be transacted during the meeting will be contained in the proxy material, which will be mailed to stockholders on or about March 23, 2007.

Dividend Dates For 2007

Quarter	Declaration	Record Date	Payment Date
First	January 24	February 5	February 16
Second	April 25	May 7	May 18
Third	July 25	August 6	August 17
Fourth	October 24	November 5	November 16

Annual Report For 2006 On Form 10-K

A copy of the Company's report for 2006 filed with the Securities and Exchange Commission (SEC) on Form 10-K will be available in March 2007 and can be obtained by any stockholder at no charge upon written request to the address below. The Company's filings with the SEC can be viewed via the link to the SEC's EDGAR system on the Company's web site.

Stockholder Information

California Water Service Group
Attn: Stockholder Relations
1720 North First Street
San Jose, CA 95112-4598
(408) 367-8200 or (800) 750-8200
<http://www.calwatergroup.com>

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