

**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): **July 31, 2013**

**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))

**Item 2.02. Results of Operations and Financial Condition**

On July 31, 2013, 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 second quarter of 2013, ended June 30, 2013. 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 July 31, 2013

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**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: July 31, 2013

By: /s/Thomas F. Smegal  
Name: Thomas F. Smegal  
Title: Vice President, Chief Financial Officer & Treasurer

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1720 North First Street  
San Jose, CA 95112-4598

July 31, 2013  
For Immediate Release

Contact: Tom Smegal (408) 367-8200 (analysts)  
Shannon Dean (310) 257-1435 (media)

## CALIFORNIA WATER SERVICE GROUP ANNOUNCES

### SECOND QUARTER 2013 RESULTS

SAN JOSE, CA — California Water Service Group (NYSE: CWT) today announced net income of \$13.5 million or \$0.28 per diluted common share for the second quarter of 2013, compared to net income of \$13.0 million or \$0.31 per diluted common share for the second quarter of 2012. The year-to-year decrease in earnings per share is attributable to the dilutive effect of the stock offering completed in March 2013.

Revenue for the second quarter of 2013 was \$154.6 million, compared to revenue of \$143.6 million in second quarter 2012. The increase in revenue is due primarily to an increase in usage of \$9.6 million, net of WRAM, which includes a \$3.6 million increase in accrued unbilled revenue. Rate increases added \$3.8 million in revenue and the effect of other regulatory mechanisms decreased revenue by \$2.4 million.

Total operating expenses for the second quarter of 2013 increased \$9.9 million, or 7.9%, to \$133.8 million. Water production costs increased \$7.0 million, or 13.2%, to \$59.6 million, due primarily to increased wholesaler water prices and increases in the quantity of water produced. Administrative and general expense and other operations expense increased \$0.3 million, or 0.7%, to \$40.2 million, due primarily to increased wage and employee benefit costs, which were partially offset by decreased conservation program expense.

Maintenance expense decreased \$0.4 million, or 9.0%, to \$4.2 million, due primarily to a decrease in main and service repairs. Depreciation expense increased \$0.8 million, or 5.7%, to \$14.5 million due to 2012 capital additions.

Other income, net of income taxes, decreased \$0.2 million in the second quarter of 2013. Interest expense increased \$0.4 million, or 5.7%, to \$7.3 million due to a decrease in capitalized interest charged to construction projects.

According to Chairman and Chief Executive Officer Peter C. Nelson, second quarter results were in line with the company's expectations.

"Given the fact that 2013 is the third year of our General Rate Case cycle in California and we expect to receive only limited rate increases, we continue to focus on

managing operating expenses and working toward the best outcome in our current General Rate Case filed in 2012," Nelson said.

"The Company continues to have productive settlement negotiations with the California Public Utilities Commission's Division of Ratepayer Advocates and other interested parties. Hearings on the case are scheduled to resume in August, and a final decision is expected to become effective at the end of 2013," he said. All stockholders and interested investors are invited to listen to the second quarter 2013 conference call August 1, 2013 at 11 a.m. EDT by dialing 1-888-337-8198 and keying in ID # 2783716. A replay of the call will be available from 2 p.m. EDT on Thursday, August 1, 2013, through September 29, 2013, at 1-888-203-1112 and will be webcast under the investor relations tab at [www.calwatergroup.com](http://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 approximately 2 million people in more than 100 California, Washington, New Mexico, and Hawaii communities. Group's common stock trades on the New York Stock Exchange under the symbol "CWT." Additional information is available at our web site at [www.calwatergroup.com](http://www.calwatergroup.com).

*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.*

**CALIFORNIA WATER SERVICE GROUP**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**  
Unaudited

(In thousands, except per share data)	June 30, 2013	December 31, 2012
<b>ASSETS</b>		
<b>Utility plant:</b>		
Utility plant	\$ 2,160,706	\$ 2,096,363
Less accumulated depreciation and amortization	(670,452)	(639,307)
Net utility plant	<u>1,490,254</u>	<u>1,457,056</u>
<b>Current assets:</b>		
Cash and cash equivalents	38,668	38,790
Receivables: net of allowance for doubtful accounts of \$714 for both periods presented		
Customers	41,493	29,958
Regulatory balancing accounts	25,560	34,020
Other	14,335	11,943
Unbilled revenue	24,750	15,394
Materials and supplies at weighted average cost	5,720	5,874
Taxes, prepaid expenses, and other assets	13,550	10,585
Total current assets	<u>164,076</u>	<u>146,564</u>
<b>Other assets:</b>		
Regulatory assets	353,910	344,419
Goodwill	2,615	2,615
Other assets	47,752	45,270
Total other assets	<u>404,277</u>	<u>392,304</u>
	<u>\$ 2,058,607</u>	<u>\$ 1,995,924</u>
<b>CAPITALIZATION AND LIABILITIES</b>		
<b>Capitalization:</b>		
Common stock, \$.01 par value	\$ 477	\$ 419
Additional paid-in capital	327,628	221,013
Retained earnings	250,375	252,280
Total common stockholders' equity	578,480	473,712
Long-term debt, less current maturities	430,705	434,467
Total capitalization	<u>1,009,185</u>	<u>908,179</u>
<b>Current liabilities:</b>		
Current maturities of long-term debt	48,040	46,783
Short-term borrowings	28,815	89,475
Accounts payable	57,158	47,199
Regulatory balancing accounts	4,717	5,018
Accrued interest	4,608	4,705
Accrued expenses and other liabilities	52,872	49,887
Total current liabilities	<u>196,210</u>	<u>243,067</u>
Unamortized investment tax credits	2,180	2,180
Deferred income taxes, net	167,611	158,846
Pension and postretirement benefits other than pensions	248,003	244,901
Regulatory and other liabilities	88,578	92,593
Advances for construction	186,202	187,584
Contributions in aid of construction	160,638	158,574
Commitments and contingencies	—	—
	<u>\$ 2,058,607</u>	<u>\$ 1,995,924</u>

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

For the Three-Months ended:

	June 30 2013	June 30 2012
<b>Operating revenue</b>	<u>\$ 154,555</u>	<u>\$ 143,552</u>
<b>Operating expenses:</b>		
Operations:		
Water production costs	59,645	52,678
Administrative and general	23,155	22,167
Other operations	17,030	17,729
Maintenance	4,188	4,605

Depreciation and amortization	14,491	13,712
Income tax expense	9,548	9,062
Property and other taxes	5,715	3,977
Total operating expenses	<u>133,772</u>	<u>123,930</u>
Net operating income	<u>20,783</u>	<u>19,622</u>
<b>Other income and expenses:</b>		
Non-regulated revenue	3,215	4,051
Non-regulated expenses, net	(3,240)	(3,695)
Income tax benefit (expense) on other income and expense	16	(138)
Net other (expense) income	<u>(9)</u>	<u>218</u>
<b>Interest expense:</b>		
Interest expense	7,803	7,821
Less: capitalized interest	(539)	(946)
Net interest expense	<u>7,264</u>	<u>6,875</u>
<b>Net income</b>	<u>\$ 13,510</u>	<u>\$ 12,965</u>
<b>Earnings per share</b>		
Basic	<u>\$ 0.28</u>	<u>\$ 0.31</u>
Diluted	<u>\$ 0.28</u>	<u>\$ 0.31</u>
<b>Weighted average shares outstanding</b>		
Basic	<u>47,729</u>	<u>41,911</u>
Diluted	<u>47,760</u>	<u>41,911</u>
<b>Dividends declared per share of common stock</b>	<u>\$ 0.1600</u>	<u>\$ 0.1575</u>

**CALIFORNIA WATER SERVICE GROUP  
CONDENSED CONSOLIDATED STATEMENTS OF INCOME**

Unaudited  
(In thousands, except per share data)

For the Six-Months ended:

	<u>June 30 2013</u>	<u>June 30 2012</u>
<b>Operating revenue</b>	<u>\$ 265,999</u>	<u>\$ 260,301</u>
<b>Operating expenses:</b>		
Operations:		
Water production costs	101,342	91,630
Administrative and general	48,436	45,185
Other operations	32,675	41,555
Maintenance	8,321	10,365
Depreciation and amortization	29,120	27,663
Income tax expense	8,402	9,090
Property and other taxes	11,150	8,584
Total operating expenses	<u>239,446</u>	<u>234,072</u>
Net operating income	<u>26,553</u>	<u>26,229</u>
<b>Other income and expenses:</b>		
Non-regulated revenue	6,737	8,187
Non-regulated expenses, net	(5,657)	(5,794)
Income tax (expense) on other income and expense	(435)	(961)
Net other income	<u>645</u>	<u>1,432</u>
<b>Interest expense:</b>		
Interest expense	15,840	15,460
Less: capitalized interest	(1,079)	(1,849)
Net interest expense	<u>14,761</u>	<u>13,611</u>
<b>Net income</b>	<u>\$ 12,437</u>	<u>\$ 14,050</u>
<b>Earnings per share</b>		
Basic	<u>\$ 0.28</u>	<u>\$ 0.34</u>
Diluted	<u>\$ 0.28</u>	<u>\$ 0.34</u>
<b>Weighted average shares outstanding</b>		
Basic	<u>45,004</u>	<u>41,877</u>
Diluted	<u>45,034</u>	<u>41,877</u>
<b>Dividends declared per share of common stock</b>	<u>\$ 0.3200</u>	<u>\$ 0.3150</u>