RECEIVED JAN 11 PM 2:10 T.R.A. DOCKET ROOM

BEFORE THE TENNESSEE REGULATORY AUTHORITY
NASHVILLE, TENNESSEE

IN RE:	*	
	*	
PETITION OF TENNESSEE-AMERICAN WATER COMPANY TO CHANGE AND INCREASE CERTAIN RATES AND CHARGES ...	* * * *	DOCKET NO. 04-00288

CHATTANOOGA MANUFACTURERS ASSOCIATION'S RESPONSES TO TENNESSEE-AMERICAN WATER COMPANY'S REQUESTS FOR DISCOVERY

Chattanooga Manufacturers Association ("CMA"), by and through counsel, respectfully submits the following supplemental responses to Tennessee-American Water Company's ("TAWC") First Request for Discovery, subject to and without waiving all of its objections as stated in its initial responses; provided, however, the objection as to the requests being premature now is expressly waived for Request Nos. 1-14—as those requests by the Company are now timely.

REQUEST NO. 1: State each fact that you rely on to support your contention(s), position(s) or belief(s) that any of the request(s) for relief, including any increase in rates, made by TAWC in TRA Docket No. 04-00288 should not be approved by the Tennessee Regulatory Authority ("TRA").

RESPONSE 1: CMA objects to Discovery Request No. 1 as being overbroad and premature. The pre-hearing officer's schedule for direct testimony sets a deadline for direct testimony to be submitted by CMA on January 11, 2005, and CMA intends to supply any such testimony on or before that date illustrating the facts supporting the contentions of CMA.

SUPLEMENTAL RESPONSE: The facts, expert opinions, lay testimony, exhibits, and all other information upon which CMA relies, at this time, in opposition to the requested rate increase are set forth in CMA's pre-filed testimony.

REQUEST NO. 2: Identify all persons known to you, your attorney or other agent who have knowledge, information or possess any document(s) or claim to have knowledge, information or possess any document(s) which support your answer to Request No. 1 above.

RESPONSE 2: See Response to Discovery Request 1. In addition to being premature, CMA objects to Discovery Request No. 2 as being overbroad, vague, ambiguous and unduly burdensome.

SUPPLEMENTAL RESPONSE: Mike Gorman, Dan Nuckolls, and Jack Callaghan.

REQUEST NO. 3: Identify each document, photograph or any other article or thing whatsoever, which you rely on to corroborate any part of your contention(s), position(s) or belief(s) that any of the request(s) for relief, including any increase in rates, made by TAWC in TRA Docket No. 04-00288 should not be approved, whether as to the issues of credibility or any other issue, or which is adverse to these same contention(s) or belief(s).

RESPONSE 3: See Response to Discovery Request 1. In addition to being premature, CMA objects to Discovery Request No. 3 as being overbroad, vague, ambiguous, indecipherable, and unduly burdensome.

SUPPLEMENTAL RESPONSE: The witnesses relied on the Company's filing; responses to data requests; and the Company's filing from its last rate proceeding. Mr. Gorman also used Value Line data to estimate TAWC's current cost of common equity.

REQUEST NO. 4: With respect to each person you expect to call as a witness, including any expert witness, regarding this matter, state or provide:

a. The witness' full name and work address;

b. Each subject matter about which such witness is expected to testify;

c. The substance of the facts and opinions to which any expert is expected to testify;

d. A summary of the grounds or basis of each opinion to which such witness is expected to testify;

e. Whether or not the expert has prepared a report, letter or memorandum of his findings, conclusions or opinions;

f. The witness' complete background information, including current employer, educational, professional and employment history and qualifications within the field in which the witness is expected to testify, and identify all publications written or presentations made in whole or in part by the witness;

g. An identification of any matter in which the expert has testified (through deposition or otherwise) by specifying the name, docket number and forum of each case, the dates of the prior testimony and the subject of the prior testimony, and identify the transcripts of any such testimony;

h. The identity of any person with whom the witness consulted or otherwise communicated in connection with his expected testimony;

i. The terms of the retention or engagement of each expert including but not limited to the terms of any retention or engagement letters or agreements relating to his/her engagement, testimony and opinions, as well as the compensation to be paid for the testimony and opinions;

j. The identity of all documents or things shown to, delivered to, received from, relief upon or prepared by any expert witness, which are related to the witness' expected testimony in this case, whether or not such documents are supportive of such testimony, including without limitation all documents or things provided to that expert for review in connection with testimony and opinions; and

k. The identity of any exhibits to be used as a summary of or support for the testimony or opinions provided by the expert.

RESPONSE 4: See Response to Discovery Request 1. In addition to being premature, CMA objects to Discovery Request No. 4 as being overbroad, vague, ambiguous and unduly burdensome. At this time, expert(s) have not been determined for purposes of testimony at trial. CMA will identify experts, if any, within the time limit set forth by the scheduling order for filing direct testimony in this case.

SUPPLEMENTAL RESPONSE: See testimony for subparts a-e. In response to subpart f, Mr. Gorman has no published works. In response to subpart g, a spreadsheet is attached as Appendix A to these supplemental responses detailing Mr. Gorman's prior testimony during the past ten (10) years. In response to subpart h, Mr. Gorman communicated with employee(s) of his company, BAI, and counsel. In response to subpart i, a rate schedule for Mr. Gorman's company and a memorandum from Mr. Gorman are attached as ***Confidential*** Appendix B, which is being ***filed under seal subject to the Protective Order***. Mr. Gorman agreed to review the Company's filing, analyze the same and provide expert testimony in this proceeding, all in accordance with the rate schedule and not to exceed the amount of $ 37,000 (plus expenses); provided, however, to the extent analysis and/or testimony was appropriate relative to fire protection revenue allocation then such would be provided in accordance with the same rate schedule at an amount not to exceed an additional $5000. Also in response to subpart i, the intervenor City of Chattanooga has agreed to contribute to the payment of the expert's fee. In response to subpart j, see Supplemental Response to No. 3 and Response to No. 15. In response to subpart k, see testimony.

REQUEST NO. 5: Provide any and all documents identified or specified in your answers or responses to the discovery requests served upon you in this matter.

RESPONSE 5: See Response to Discovery Request 1.

SUPPLEMENTAL RESPONSE: See testimony and responses herein.

REQUEST NO. 6: Provide any and all documents and things relied upon by any CMA witness in submission of testimony in this matter.

RESPONSE 6: See Response to Discovery Request 1. In addition to being premature, CMA objects to Discovery Request No. 6 as being overbroad, vague, ambiguous and unduly burdensome.

SUPPLEMENTAL RESPONSE: See Response to Discovery Request No. 3 and see testimony.

REQUEST NO. 7: Provide any and all expert reports which have been obtained from any expert.

RESPONSE 7: See Response to Discovery Request 1. In addition to being premature, CMA objects to Discovery Request No. 7 as being overbroad, vague, ambiguous and unduly burdensome. CMA further objects to Discovery Request No. 7 as requesting irrelevant information.

SUPPLEMENTAL RESPONSE: See testimony.

REQUEST NO. 8: Provide each document, photograph or any other article or thing whatsoever, upon which you rely in support of your contention(s), position(s) or belief(s) that any of the request(s) for relief, including any increase in rates, made by TAWC in TRA Docket No. 04-00288 should not be approved.

RESPONSE 8: See Responses to Discovery Request 1 and 3.

SUPPLEMENTAL RESPONSE: See Response to Discovery Request No. 3 and see testimony.

REQUEST NO. 9: Provide in electronic media and in hard copy all workpapers and other documents, generated by or relied upon by all CMA witnesses.

RESPONSE 9: See Response to Discovery Request 1. In addition to being premature, CMA objects to Discovery Request No. 9 as being overbroad, vague, ambiguous, indecipherable and unduly burdensome. Subject to and without waiving any of its objections, CMA will provide at the appropriate time in either paper or electronic format the non-duplicative workpapers relative to this matter of its testifying experts, if any are identified.

SUPPLEMENTAL RESPONSE: See work papers of Mr. Gorman attached as Appendix C.

REQUEST NO. 10: Please produce a copy of all trade articles, journals, treatises and publications of any kind in any way utilized or relied upon by any of CMA's proposed expert witnesses in evaluating, reaching conclusions or formulating an opinion in the captioned matter.

RESPONSE 10: See Response to Discovery Request 1. In addition to being premature, CMA objects to Discovery Request No. 10 as being overbroad, vague, ambiguous and unduly burdensome.

SUPPLEMENTAL RESPONSE: See Response to Discovery Request No. 3 and see testimony.

REQUEST NO. 11: Please produce a copy of all articles, journals, books or speeches written by or co-written by any of CMA's expert witnesses, whether published or not.

RESPONSE 11: See Response to Discovery Request 1. In addition to being premature, CMA objects to Discovery Request No. 11 as being overbroad, vague, ambiguous and unduly burdensome.

SUPPLEMENTAL RESPONSE: None.

REQUEST NO. 12: Please produce any and all documentation, items, reports, data, communications and evidence of any kind that CMA intends to offer as evidence at the hearing or to refer to in any way at the hearing;

RESPONSE 12: See Response to Discovery Request 1. In addition to being premature, CMA objects to Discovery Request No. 12 as being overbroad, vague, ambiguous and unduly burdensome.

SUPPLEMENTAL RESPONSE: See testimony and the items filed or served in this matter or in the last rate case (TRA Docket No. 03-00118).

REQUEST NO. 13: Please produce copies of any and all documents referred to or relied upon in responding to these discovery requests.

RESPONSE 13: None, other than the filings in this matter.

No supplemental response.

REQUEST NO. 14: Please identify each person who provided information or participated in the preparation of the responses to each of these discovery requests, and for each such person, specify the responses to which he or she provided information or participated in preparing, and describe the information provided or the participation in preparation.

RESPONSE 14: See Response to Discovery Request 1. Counsel for CMA assisted in the preparation of objections and responses herein.

No supplemental response.

****

Chattanooga Manufacturers Association ("CMA") respectfully submits timely the following responses and objections to Tennessee-American Water Company's ("TAWC") Second Request for Discovery.

DISCOVERY REQUEST NO. 15:

If the CMA relies on any facts that were not specifically identified or discussed in the direct testimony that has been submitted on behalf of the CMA in this proceeding, whether related to issues of credibility or any other issue, to support your contention(s), position(s) or belief(s) that any of the request(s) for relief, including any increase in rates, made by TAWC in TRA Docket No. 04-00288 should not be approved by the Tennessee Regulatory Authority ("TRA"), identify or state each such fact with specificity.

RESPONSE: See testimony and the items filed or served in this matter or in the last rate case (TRA Docket No. 03-00118). CMA also relies on the City of Chattanooga's 2003 financial report and 2005 budget. CMA specifically reserves the right to rely upon any fact(s) raised or derived at the hearing of this matter by any participant in the proceedings, including, but not limited to, the parties, the Directors, or the TRA Staff.

DISCOVERY REQUEST NO. 16:

If the CMA relies on any documents, photographs, or any other articles or things whatsoever that were not attached to the direct testimony that has been submitted on behalf of the CMA in this proceeding, whether as to issues of credibility or any other issue, to support the CMA's contention(s), position(s) or belief(s) that any of the request(s) for relief, including any increase in rates, made by TAWC in TRA Docket No. 04-00288 should not be approved, produce each such document, photograph, or any other article or thing whatsoever.

RESPONSE: See attached work papers of Mr. Gorman and the items filed or served in this matter or in the last rate case (TRA Docket No. 03-00118). Additionally, the financial documents referenced in Response No. 15 may be found at http://www.chattanooga.gov/Finance. CMA specifically reserves the right to rely upon any fact(s) raised or derived at the hearing of this matter by any participant in the proceedings, including, but not limited to, the parties, the Directors, or the TRA Staff.

DISCOVERY REQUEST NO. 17:

Provide in electronic media all exhibits, schedules, work papers, and other documents that were attached to or produced in connection with the direct testimony that the CMA submitted in this proceeding, and provide in electronic media and in hard copy all underlying work papers upon which those exhibits, schedules, work papers, and other documents were based or were otherwise derived.

RESPONSE: See testimony and attached work papers of Mike Gorman and the items filed or served in this matter or in the last rate case (TRA Docket No. 03-00118). CMA specifically reserves the right to rely upon any fact(s) raised or derived at the hearing of this matter by any participant in the proceedings, including, but not limited to, the parties, the Directors, or the TRA Staff. CMA objects to providing all exhibits, schedules, work papers (and "underlying work papers"), and other documents that were attached to or produced in connection with the direct testimony that the CMA submitted in this proceeding in electronic media as the request is unduly burdensome and beyond that which is required by the Tennessee Rules of Civil Procedure.

Respectfully submitted,

BOULT, CUMMINGS, CONNERS & BERRY, PLC

By: Henry Walker
HENRY M. WALKER, Esq. KG
1600 Division Street, Suite 700
P.O. Box 340025
Nashville, Tennessee 37203
615-252-2363

-and-

GRANT, KONVALINKA & HARRISON, P.C.

By: Dave Higney
DAVID C. HIGNEY, Esq. KG
633 Chestnut Street, 9th Floor
Chattanooga, Tennessee 37450
423-756-8400

Attorneys for Chattanooga Manufacturers Association

CERTIFICATE OF SERVICE

I hereby certify that on this 11th day of January, 2004, I have served the foregoing pleading either electronically, by overnight delivery service or by first class mail, postage prepaid, to all parties of record at their addresses shown below:

R. Dale Grimes, Esq.
J. Davidson French, Esq.
Bass, Berry & Sims, PLC
AmSouth Center
315 Deaderick Street, Suite 2700
Nashville, Tennessee 37238-3001

Timothy C. Phillips, Esq.
Consumer Advocate Division
Office of the Attorney General
P.O. Box 20207
Nashville, Tennessee 37202

Michael A. McMahan, Esq.
City of Chattanooga
801 Broad Street, Suite 400
Chattanooga, Tennessee 37402-2674

Henry Walker KG
Henry Walker

APPENDIX A

Brubaker & Associates, Inc
Testimony Filed in Regulatory Proceedings
Michael P. Gorman

DATE	PROJECT	UTILITY	TYPE	STATE	DOCKET	SUBJECT 1	SUBJECT 2	SUBJECT 3	ON BEHALF OF
12/23/2004	8303	TENNESSEE-AMERICAN WATER COMPANY	Direct	TN	04-00288	Revenue Requirement	Pension Expense	Rate Design	Chattanooga Manufacturers Association
12/3/2004	8279	PACIFICORP	Direct	UT	04-035-42	Revenue Requirement	Pension Expense	Capital Investment	Utah Industrial Energy Consumers
10/19/2004	8224	MADISON GAS AND ELECTRIC COMPANY	Surrebuttal	WI	3270-UR-113	Rate of Return			WIEG
10/8/2004	8244	GEORGIA POWER COMPANY	Direct	GA	18300-U	Return on Equity	Financial Integrity	Decommissioning	GIG/GTMA
10/8/2004	8237	NOVA SCOTIA POWER INCORPORATED	Direct	NS	P-881	Return on Equity	Financial Integrity		Bowater Mersey Paper & Stora Enso
9/29/2004	8224	MADISON GAS AND ELECTRIC COMPANY	Direct	WI	3270-UR-113	Return on Common Equity	Rate of Return		WIEG
9/9/2004	8179	INDIANA GAS COMPANY	Direct	IN	42598	Return on Common Equity	Rate of Return		Indiana Gas Industrial Group
8/23/2004	8223	WISCONSIN PUBLIC SERVICE CORPORATION	Direct	WI	6690-UR 116	Return on Common Equity	Rate of Return		WIEG
8/13/2004	8191	AMEREN CORPORATION AND ILLINOIS POWER COMPANY	Rebuttal	IL	04-0294	Acquisition and Merger			Illinois Industrial Energy Consumers (IIEC)
8/9/2004	8207	ARTESIAN WATER COMPANY INC	Direct	DE	Apr-42	Return on Common Equity	Overall Rate of Return		General Motors Corporation
7/15/2004	8220	WISCONSIN PUBLIC SERVICE CORPORATION	Rebuttal	WI	6690-CE-187	Construction Work in Progress			Wisconsin Industrial Energy Consumers (WIEC)
7/9/2004	8191	AMEREN CORPORATION AND ILLINOIS POWER COMPANY	Direct	IL	04-0294	Acquisition and Merger			Illinois Industrial Energy Consumers (IIEC)
6/4/2004	8195	CENTERPOINT RELIANT AND TEXAS GENCO	Direct	TX	29526	Financial Policy	Business Separation		TIEC
5/28/2004	8175	WISCONSIN PUBLIC SERVICE CORPORATION/WISCONSIN POWER AND LIGHT COMPANY	Rebuttal	WI	05-EI-136	Nuclear Asset Sale			WIEG
5/7/2004	8175	WISCONSIN PUBLIC SERVICE CORPORATION/WISCONSIN POWER AND LIGHT COMPANY	Direct	WI	05-EI-136	Nuclear Asset Sale			WIEG
5/5/2004	8008	CITIZENS THERMAL ENERGY COMPANY	Rebuttal	IN	41969 FC3S1	FAC Adjustments	Earnings Test		TIEC
4/14/2004	8008	CITIZENS THERMAL ENERGY COMPANY	Direct	IN	41969 FC3S1	FAC Adjustments	Earnings Test		TIEC
3/5/2004	8040	DETROIT EDISON COMPANY THE	Direct	MI	U-13808	Capital Structure	Return on Common Equity		ABATE
3/4/2004	8134	INDIANA-AMERICAN WATER COMPANY	Direct	IN	42520	Capital Structure	Return on Common Equity	Overall Rate of Return	Indiana-American Industrial Group
2/4/2004	8111	AEP TEXAS CENTRAL COMPANY	Direct	TX	28840	Capital Structure	Return on Common Equity		TIEC
12/5/2003	8027	MISSOURI AMERICAN WATER COMPANY	Supplemental Surrebuttal	MO	WR-2003-0500	Cost of Service	Rate Design		MIEC
11/20/2003	8041	PACIFICORP	Direct	WY	20000-ER-03-198	Return on Common Equity	Rate of Return		Wyoming Industrial Energy Consumers
11/10/2003	8027	MISSOURI-AMERICAN WATER COMPANY	Surrebuttal	MO	WR-2003-0500	Cost of Service	Rate Design		MIEC
11/3/2003	8049	MADISON GAS AND ELECTRIC COMPANY	Surrebuttal	WI	3270-UR-112	Return on Common Equity			WIEG
11/3/2003	7897	ILLINOIS-AMERICAN WATER COMPANY	Direct on Rehearing	IL	02-0690	Revenue Requirement			Large Water Consumers (Various Companies)
10/10/2003	8027	MISSOURI-AMERICAN WATER COMPANY	Rebuttal	MO	WR 2003-0500	Cost of Service	Rate Design		MIEC
10/9/2003	8049	MADISON GAS AND ELECTRIC COMPANY	Direct	WI	3270-UR-112	Return on Common Equity	Rate of Return		WIEG
10/3/2003	8027	MISSOURI-AMERICAN WATER COMPANY	Rebuttal	MO	WR 2003-0500	Revenue Requirement			MIEC
10/3/2003	7990	WISCONSIN PUBLIC SERVICE CORPORATION	Surrebuttal	WI	6690-UR-115	Return on Common Equity	Rate of Return		WIEG
9/11/2003	7990	WISCONSIN PUBLIC SERVICE CORPORATION	Direct	WI	6690-UR-115	Return on Common Equity	Rate of Return		WIEG
9/10/2003	8006	AQUILA, INC	Rebuttal	MO	EF-2003-0465	Collateralization			SIEUA and AGP
9/10/2003	7977	WISCONSIN POWER AND LIGHT COMPANY	Direct	WI	6680-UR-113	Return on Common Equity			WIEG
8/19/2003	7982	PSI ENERGY INC	Direct	IN	42359	Return on Common Equity			PSI Industrial Group
7/22/2003	8022	GEORGIA POWER COMPANY	Direct	GA	17066-U	Fuel Cost Recovery			GIG and GTMA
7/14/2003	8046	MADISON GAS AND ELECTRIC COMPANY	Surrebuttal	WI	05-CE-121 3270-AE-102	Rate of Return			WIEC
6/20/2003	7980	TENNESSEE-AMERICAN WATER COMPANY	Rebuttal	TN	03-00118	Cost of Service	Rate Design		Chattanooga Manufacturers Association
5/30/2003	7980	TENNESSEE-AMERICAN WATER COMPANY	Direct	TN	03-00118	Cost of Service	Rate Design		Chattanooga Manufacturers Association
5/13/2003	7838	METROPOLITAN ST LOUIS SEWER DISTRICT	Direct	MO	N/A	Financial Policy			MIEC
4/11/2003	7897	ILLINOIS-AMERICAN WATER COMPANY	Rebuttal	IL	02-0690	Revenue Requirement			Large Water Consumers (Various Companies)
2/7/2003	7911	ILLINOIS POWER COMPANY	Direct	IL	02-0742 and 02-0743	Financial Issues			IIEC
2/7/2003	7897	ILLINOIS-AMERICAN WATER COMPANY	Direct	IL	02-0690	Revenue Requirement			Large Water Consumers (Various Companies)
2/3/2003	7894	ATLANTIC CITY ELECTRIC COMPANY	Direct	NJ	ER02080510	Deferred Cost Recovery			NJLEUC
12/20/2002	7911	ILLINOIS POWER COMPANY	Direct	IL	02-0742, 02-0743 02-0754	Financial Issues			IIEC
11/22/2002	7836	PUBLIC SERVICE COMPANY OF COLORADO	Answer	CO	02S-315DG	Cost of Capital	Return on Equity		Colorado Energy Consumers
11/8/2002	7902	SOUTH CAROLINA ELECTRIC & GAS COMPANY	Direct	SC	2002-223-E	Return on Common Equity			South Carolina Energy Users Committee
11/1/2002	7812	WISCONSIN POWER & LIGHT COMPANY	Supplemental Direct	WI	6680-UR-112	Capital Structure			WIEG
10/30/2002	7812	WISCONSIN POWER & LIGHT COMPANY	Rebuttal	WI	6680-UR-112	Capital Structure			WIEG
10/28/2002	7855	INTERSTATE POWER AND LIGHT COMPANY	Direct	IA	RPU-02-7	Return on Common Equity			ADM and Equistar
10/16/2002	7812	WISCONSIN POWER & LIGHT COMPANY	Direct	WI	6680-UR 112	Capital Structure	Return on Common Equity		WIEG
9/27/2002	7783	INTERSTATE POWER AND LIGHT COMPANY	Rebuttal	IA	RPU-02-3	Return on Common Equity			Iowa Consumers Coalition
9/9/2002	7792	OKLAHOMA GAS AND ELECTRIC COMPANY	Surrebuttal	OK	PUD-200100455	Return on Common Equity			OIEC
8/5/2002	7792	OKLAHOMA GAS AND ELECTRIC COMPANY	Direct	OK	PUD-200100455	Return on Common Equity			OIEC
8/5/2002	7766	WISCONSIN ELECTRIC POWER COMPANY	Direct	WI	05-AE-109,05-CE-117 05-CE-130	Generation Resource Financing			WIEG
7/2/2002	7783	INTERSTATE POWER AND LIGHT COMPANY	Direct	IA	RPU-02-3	Return on Common Equity			Iowa Consumers Coalition
7/2/2002	7752	RELIANT ENERGY ARKLA	Surrebuttal	AR	01-243-U	Return on Common Equity			Arkansas Gas Consumers
6/19/2002	7829	MIDWEST INDEPENDENT TRANSMISSION SYSTEM OPERATOR INC	Affidavit	US	ER02-1963-000	Return on Common Equity			ABATE
6/2/2002	7651	AMERENUE	Surrebuttal	MO	EC-2002-1	Return on Common Equity	Rate of Return		MIEC
5/21/2002	7752	RELIANT ENERGY ARKLA	Direct	AR	01-243-U	Rate of Return			Arkansas Gas Consumers
5/2/2002	7651	AMERENUE	Rebuttal	MO	EC-2002-1	Rate of Return			MIEC
3/28/2002	7724	VERMONT YANKEE NUCLEAR POWER CORPORATION	Surrebuttal	VT	6545	Sale of Nuclear Plant			Vermont Electricity Consumers Coalition
3/2/2002	7671	WISCONSIN POWER & LIGHT COMPANY	Rebuttal	WI	6680-UR-111	Long-Term Common Equity Ratio	Dividend Payments		WIEG
3/2/2002	7671	WISCONSIN POWER & LIGHT COMPANY	Direct	WI	6680-UR-111	Fair Return on Common Equity			WIEG

Brubaker & Associates, Inc.
Testimony Filed in Regulatory Proceedings
Michael P. Gorman

DATE	PROJECT	UTILITY	TYPE	STATE	DOCKET	SUBJECT 1	SUBJECT 2	SUBJECT 3	ON BEHALF OF
3/1/2002	7786	EMPIRE STATE PIPELINE COMPANY INC	Direct	NY	01-G-1406	Tax Expense Issues			Dynegy Inc
2/6/2002	7671	WISCONSIN POWER & LIGHT COMPANY	Interim Direct	WI	6680-UR-111	Rate Increase			WIEG
2/2/2002	7671	WISCONSIN POWER & LIGHT COMPANY	Interim Rebuttal	WI	6680-UR-111	Interim Rate Increase			WIEG
1/18/2002	7718	FLORIDA POWER CORPORATION	Direct	FL	000824-EI	Revenue Requirement			FIPUG
11/26/2001	7708	WISCONSIN GAS COMPANY	Direct	WI	6650-SB-109	Capital Structure	Cost of Service	Financial Integrity	Citizens Utility Board
11/1/2001	7626	ILLINOIS POWER COMPANY	Rebuttal	IL	01 0432	Return on Equity			IIEC
10/12/2001	7707	PACIFICORP	Direct	UT	01-035-23 Interim	Rate Design			UIEC
10/1/2001	7633	GEORGIA POWER COMPANY	Direct	GA	14000-U	Return on Equity			GIG/GTMA
9/12/2001	7626	ILLINOIS POWER COMPANY	Direct	IL	01-0432	Return on Equity			IIEC
8/28/2001	7676	PACIFICORP	Direct	WY	20000-EP-01-167,20000-ER 00160	Rate Design			WIEC
8/13/2001	7642	AQUASOURCE UTILITY INC	Direct	TX	Multiple	Capital Structure	Return on Equity		Cities of Woodcreek Ingram and Houston and Village of Wimberley
8/1/2001	7600	NORTHERN INDIANA PUBLIC SERVICE COMPANY	Rebuttal	IN	41746	Rate of Return	Earnings Entitlement		NIPSCO Industrial Group
8/1/2001	7518	PACIFICORP	Surrebuttal	UT	01-035-01	Financial Integrity			Utah Industrial Energy Consumers/UAE Intervention Group
6/5/2001	7518	PACIFICORP	Direct	UT	01-035-01	Income Tax Expense			Utah Industrial Energy Consumers/UAE Intervention Group
6/1/2001	7600	NORTHERN INDIANA PUBLIC SERVICE COMPANY	Direct	IN	41746	Return on Equity	Rate of Return		NIPSCO Industrial Group and Bethlehem Steel Corp
6/1/2001	7559	AMERENCIPS/UE	Rebuttal	IL	00-0802	Delivery Service Rates			IIEC
5/31/2001	7439	AMERICAN TRANSMISSION COMPANY LLC	Answering	US	ER01-677-000	Rate of Return			WIEG Dairyland Power and Wisconsin Transmission Customer Group
4/27/2001	7556	WISCONSIN ELECTRIC POWER COMPANY	Rebuttal	MI	U-12725	Cost of Capital	Rate of Return		International Paper Company
4/10/2001	7582	CONSUMERS ENERGY COMPANY	Direct	MI	U-12752	Gas Cost Recovery	Gas Acquisition Strategy		ABATE
4/6/2001	7556	WISCONSIN ELECTRIC POWER COMPANY	Direct	MI	U-12725	Cost of Capital	Rate of Return		International Paper Company
1/30/2001	7518	PACIFICORP	Interim Direct	UT	01-035-01	Interim Rate Relief	Financial Integrity		Utah Industrial Energy Consumers/UAE Intervention Group
1/16/2001	7479	ILLINOIS-AMERICAN WATER COMPANY	Rebuttal	IL	00-0476	Shared Savings Plan	Acquisition Adjustment		IIWC
1/9/2001	7303	ENTERGY GULF STATES INC	Direct	TX	22356	Revenue Requirement	Cost of Service		TIEC
12/13/2000	7307	RELIANT ENERGY HL&P	Direct	TX	22355	Revenue Requirement			TIEC
11/20/2000	7479	ILLINOIS-AMERICAN WATER COMPANY	Direct	IL	00 0476	Merger			IIWC
11/13/2000	6933	GREEN MOUNTAIN POWER CORPORATION	Rebuttal	VT	6107	Revenue Requirement	Financial Integrity		IBM
11/1/2000	7308	TXU ELECTRIC COMPANY	Direct	TX	22350	Cost of Service			TIEC
10/20/2000	7315	VARIOUS UTILITIES	Direct	TX	22344	Capital Structure	Return on Equity		TIEC
10/10/2000	7308	TXU ELECTRIC COMPANY	Direct	TX	22350	Revenue Requirement			TIEC
10/3/2000	7375	CENTRAL POWER AND LIGHT COMPANY	Direct	TX	22352	CTC Revenue Requirement			TIEC
10/1/2000	7368	ILLINOIS-AMERICAN WATER COMPANY	Rebuttal	IL	00-0340	Return on Equity	Revenue Allocation	Rate Design	IIWC
9/27/2000	7310	TEXAS-NEW MEXICO POWER COMPANY	Direct	TX	22349	CTC Revenue Requirement			TIEC
9/19/2000	7307	RELIANT ENERGY HL&P	Direct	TX	22355	CTC Revenue Requirement			TIEC
8/24/2000	7368	ILLINOIS-AMERICAN WATER COMPANY	Direct	IL	00-0340	Return on Equity	Acquisition Cost	Acquisition Savings	IIWC
8/16/2000	7355	WISCONSIN PUBLIC SERVICE CORPORATION	Direct	WI	6690-UR-112	Depreciation Expense	Revenue Allocation	Rate Design	WIEG
7/1/2000	7406	EPCOR TRANSMISSION INC	Direct	AB		Performance Based Ratemaking	Return on Equity	Revenue Requirements	Alberta Cogenerators Council
7/1/2000	7405	TRANSALTA UTILITIES CORPORATION	Direct	AB		Return on Equity			Alberta Cogenerators Council
7/1/2000	7373	ATCO ELECTRIC	Direct	AB		Return on Equity			Alberta Cogenerators Council
12/18/1999	7277	PACIFICORP	Direct	WY	2000-ER-99-145	Rate of Return			Wyoming Industrial Energy Consumers
12/3/1999	7133	CONSUMERS ENERGY COMPANY	Rebuttal to Surrebuttal	MI	U-11560	Revenue Requirement			ABATE
11/24/1999	7258	TXU ELECTRIC COMPANY	Direct	TX	21527	Securitization Analysis			TIEC
11/24/1999	7246	CENTRAL POWER AND LIGHT COMPANY	Direct	TX	21528	Securitization Analysis			TIEC
11/15/1999	7132	DETROIT EDISON COMPANY, THE	Rebuttal	MI	U-11495	Revenue Requirement			ABATE
10/18/1999	7133	CONSUMERS ENERGY COMPANY	Rebuttal	MI	U-11560	Revenue Requirement			ABATE
9/30/1999	6100	WISCONSIN PUBLIC SERVICE COMMISSION	Surrebuttal	WI	9403-YI-100 6680-UM-100	Asset Cap			WIEG
9/3/1999	6100	WISCONSIN POWER AND LIGHT COMPANY	Direct	WI	9403-YI-100 6680-UM-100	Asset Cap			Wisconsin Industrial Energy Group
8/27/1999	7154	WEST VIRGINIA PUBLIC SERVICE COMMISSION	Surrebuttal	WV	98-0452-E-GI	Cash Flow			Weirton Steel Corporation
8/6/1999	7154	WEST VIRGINIA PUBLIC SERVICE COMMISSION	Rebuttal	WV	98-0452-E-GI	Stranded Cost			Weirton Steel Corporation
7/22/1999	7132	DETROIT EDISON COMPANY, THE	Direct	MI	U-11495	Revenue Requirement			ABATE
7/15/1999	7133	CONSUMERS ENERGY COMPANY	Direct	MI	U-11560	Revenue Requirement			ABATE
7/1/1999	7154	WEST VIRGINIA PUBLIC SERVICE COMMISSION	Direct	WV	98-0452-E-GI	Stranded Cost			Weirton Steel Corporation
5/1/1999	7079	COMMONWEALTH EDISON COMPANY	Rebuttal	IL	99-0117	Rate of Return			IIEC
5/1/1999	7077	AMERENCIPS/UE	Rebuttal	IL	99-0121	Rate of Return			IIEC
4/1/1999	7079	COMMONWEALTH EDISON COMPANY	Direct	IL	99-0117	Rate of Return			IIEC
4/1/1999	7078	CENTRAL ILLINOIS LIGHT COMPANY	Direct	IL	99-0119	Return on Equity			IIEC
4/1/1999	7077	AMERENCIPS/UE	Direct	IL	99-0121	Cost of Service			IIEC
12/1/1998	6627	ENTERGY GULF STATES INC	Supplemental Surrebuttal	LA	U-22092-SC	Financial Ratios			LEUG
10/1/1998	6873	GEORGIA POWER COMPANY	Direct	GA	9355-U	Cost of Service			Georgia Industrial Group
9/1/1998	6985	ILLINOIS COMMERCE COMMISSION	Direct	IL	98-0544	Financial Analysis			IIEC
9/1/1998	6985	ILLINOIS COMMERCE COMMISSION	Rebuttal	IL	98-0544	Financial Qualifications for Third Party Supplier			IIEC
9/1/1998	6933	GREEN MOUNTAIN POWER CORPORATION	Direct	VT	6107	Revenue Requirement			International Business Machines Corporation
9/1/1998	6847	WISCONSIN PUBLIC SERVICE CORPORATION	Direct	WI	6690-UR-111	Cost of Common Equity			WIEC
8/1/1998	6894	LACLEDE GAS COMPANY	Direct	MO	GR 98-374	Cost of Common Equity			St Louis Gas Users
6/1/1998	6628	LOUISIANA PULIC SERVICE COMMISSION	Surrebuttal	LA	U-20925	Financial Strength	Securitization		LEUG
6/1/1998	6627	LOUISIANA PULIC SERVICE COMMISSION	Surrebuttal	LA	U-22092	Financial Strength	Securitization		LEUG
5/1/1998	6898	SOUTH CAROLINA PIPELINE CORPORATION	Direct	SC	90-588-G	Cost of Common Equity			South Carolina Energy Users Committee

Brubaker & Associates, Inc.
Testimony Filed in Regulatory Proceedings
Michael P. Gorman

DATE	PROJECT	UTILITY	TYPE	STATE	DOCKET	SUBJECT 1	SUBJECT 2	SUBJECT 3	ON BEHALF OF
3/1/1998	6628	ENTERGY LOUISIANA	Direct	LA	U-20925	Financial Strength	Securitization Bonds		LEUG
3/1/1998	6627	ENTERGY GULF STATES INC	Direct	LA	U-22092	Financial Strength	Securitization Bonds		Louisiana Energy Users Group (LEUG)
1/1/1998	6819	WISCONSIN ELECTRIC POWER COMPANY	Direct	WI	6630-UR-110	Rate Case Filing			Wisconsin Industrial Energy Consumers (WIEC)
12/1/1997	6775	GREEN MOUNTAIN POWER CORPORATION	Surrebuttal	VT	5983	Return on Equity	Financial Integrity		International Business Machines Corporation
10/1/1997	6775	GREEN MOUNTAIN POWER CORPORATION	Direct	VT	5983	Cost of Common Equity			International Business Machines Corporation
9/1/1997	6761	CHATTANOOGA GAS COMPANY	Direct	TN	97-00982	Revenue Requirement			Associated Valley Industrial Intervention Group and Chattanooga Manuf Ass
9/1/1997	6708	ILLINOIS-AMERICAN WATER COMPANY	Direct	IL	97-1075	Capital Improvement Program			Illinois Industrial Water Consumers
9/1/1997	6646	ENTERGY TEXAS	Direct	TX	473-96-2285/16705	Financial Competitive Issues			TIEC
8/1/1997	6792	CONSUMERS ENERGY COMPANY	Direct	MI	Case No U-11453	Restructuring			Association of Businesses Advocating Tariff Equity (ABATE)
7/1/1997	6680	PUBLIC SERVICE COMPANY OF OKLAHOMA	Direct	OK	PUD960000214	Cost of Common Equity			OIEC
7/1/1997	6646	ENTERGY GULF STATES INC	Direct	TX	16705	Cost of Common Equity			TIEC
5/1/1997	6708	ILLINOIS-AMERICAN WATER COMPANY	Direct	IL	97-0102	Cost of Common Equity			Illinois Industrial Water Consumers
11/11/1996	6558	TEXAS-NEW MEXICO POWER COMPANY	Direct	TX	SOAH 473-96-0897	Stranded Cost Recovery			TIEC
10/10/1996	6626	CENTRAL ILLINOIS PUBLIC SERVICE COMPANY	Rebuttal	IL	96-0345	Cash Payment Recovery			IIEC
10/10/1996	6596	OKLAHOMA GAS AND ELECTRIC COMPANY	Direct	OK	PUD 960000116	Return on Equity			Oklahoma Industrial Energy Consumers (OIEC)
10/10/1996	6427	WESTERN RESOURCES INC./KANSAS GAS AND ELECTRIC CO	Direct	KS	193 306-U/193,307-U	Return on Equity			Kansas Industrial Consumers (KIC)
9/9/1996	6626	CENTRAL ILLINOIS PUBLIC SERVICE COMPANY	Direct	IL	96-0345	Coal Contract Restructuring			Illinois Industrial Energy Consumers (IIEC)
7/1/1996	6590	WYOMING INDUSTRIAL GAS COMPANY	Direct	WY	30012-GR-96-33	Rate of Return			Wyoming Industrial Gas Company
7/1/1996	6449	CENTRAL POWER AND LIGHT COMPANY	Direct	TX	14965	Stranded Cost			TIEC
6/1/1996	6488	LACLEDE GAS COMPANY	Direct	MO	GR-96-193	Return on Equity			Missouri Industrial Energy Consumers (MIEC)
4/1/1996	6464	PACIFIC POWER & LIGHT COMPANY	Direct	WY	20000-ER-95-99	Rate of Return			Wyoming Industrial Energy Consumers (WIEC)
2/1/1996	6449	CENTRAL POWER AND LIGHT COMPANY	Direct	TX	14965	Rate of Return			TIEC
1/1/1996	6415	CONSUMERS ILLINOIS WATER COMPANY	Rebuttal	IL	95-0342	Return on Equity			City of Kankakee
1/1/1996	6399	TUCSON ELECTRIC POWER COMPANY	Direct	AZ	U-1933-95-317	Deferred Cost			Jobs for Southern Arizona
1/1/1996	6355	GREEN MOUNTAIN POWER CORPORATION	Direct	VT	5857	Return on Equity			International Business Machines Corporation
11/1/1995	6415	CONSUMERS ILLINOIS WATER COMPANY	Direct	IL	95-0342	Cost of Common Equity			City of Kankakee
9/1/1995	6340	INTERSTATE POWER COMPANY	Rebuttal	IA	RPU-95-1	Rate of Return			Arcadian Corp Archer Daniels Midland Co , Quantum Chemical Corp
9/1/1995	6333	CHATTANOOGA GAS COMPANY	Rebuttal	TN	95-02116	Rate of Return			Associated Valley Industrial Intervention Group
9/1/1995	6333	CHATTANOOGA GAS COMPANY	Direct	TN	95-02116	Rate of Return			Associated Valley Industrial Intervention Group
9/1/1995	6108	SOUTH CAROLINA PIPELINE CORPORATION	Direct	SC	90 588-G	Rate of Return			South Carolina Energy Users Committee
7/1/1995	6340	INTERSTATE POWER COMPANY	Direct	IA	RPU-95-1	Rate of Return			Arcadian Corp Archer Daniels Midland Co , Quantum Chemical Corp
7/1/1995	6157	WEST TEXAS UTILITIES COMPANY	Direct	TX	13369	Rate of Return			TIEC
6/1/1995	6268	NORTH SHORE GAS COMPANY	Rebuttal	IL	95-0031	Cost of Common Equity			IIEC
6/1/1995	6267	THE PEOPLES GAS LIGHT AND COKE COMPANY	Rebuttal	IL	95-0032	Cost of Common Equity			IIEC and The Board of Regents of the University of Illinois
6/1/1995	6206	INDIANAPOLIS POWER & LIGHT COMPANY	Rebuttal	IN	39938	Return on Equity			IPL - Industrial Group
5/1/1995	6277	OKLAHOMA NATURAL GAS COMPANY	Direct	OK	940000477	Rate of Return			OIEC
4/1/1995	6268	NORTH SHORE GAS COMPANY	Direct	IL	95-0031	Cost of Common Equity			IIEC
4/1/1995	6267	THE PEOPLES GAS LIGHT AND COKE COMPANY	Direct	IL	95-0032	Cost of Common Equity			IIEC and The Board of Regents of the University of Illinois
4/1/1995	6206	INDIANAPOLIS POWER & LIGHT COMPANY	Direct	IN	39938	Return on Equity			IPL - Industrial Group

APPENDIX B

CONFIDENTIAL, FILED UNDER SEAL SUBJECT TO

PROTECTIVE ORDER

APPENDIX C

TENNESSEE AMERICAN WATER

Comparable Group - Water

Line	Water Company	INDEX-Ticker	% Water Revenue[1]	Bond Ratings S&P[1]	Bond Ratings Moody's[1]	Business Position Rating[2]	2003 Common Equity Ratios C.A Turner[1]	2003 Common Equity Ratios Value Line[3]
			(5)	(1)	(2)	(3)	(4)	(5)
1	American States Water Co.	(NYSE - AWR)	88%	A-	A2		50%	48 0%
2	Aqua America, Inc	(NYSE - WTR)	92%	AA-	NR		43%	48 6%
3	Artesian Resources Corp.	(NDQ - ARTNA)	96%	NR	NR		36%	52.7%
4	California Water Service Group	(NYSE - CWT)	97%	NR	A2	3	51%	47 0%
5	Connecticut Water Service, Inc.	(NDQ - CTWS)	92%	AA+	NR	2	53%	
6	Middlesex Water Company	(NDQ - MSEX)	87%	A+	NR	3	46%	
7	Pennichuck Corporation	(ASE - PNNW)	90%	NR	NR		48%	
8	SJW Corporation	(NDQ - SJW)	95%	NR	NR		55%	
9	Southwest Water Company	(NDQ - SWWC)	36%	NR	NR		63%	
10	York Water Company	(NDQ - YORW)	88%	NR	NR	2	50%	
11	**AVERAGE**		**86%**	**AA-**	**A2**	**3**	**50%**	**49%**

Sources.
[1] C. A. Turner Utility Report, December 1, 2004.
[2] Standard & Poor's Utilities & Prospectives; September 13, 2004.
[3] Value Line Investment Analyzer 3.0.

TENNESSEE AMERICAN WATER

CAPM Return Estimate

Line	Description	Historical Premium
1	Risk Free Rate[1]	5 8%
2	Risk Premium[2]	6 6%
3	Beta[3]	0 62
4	CAPM	9 9%
		Prospective Premium
5	Risk Free Rate[1]	5 8%
6	Risk Premium[2]	6 1%
7	Beta[3]	0 62
8	CAPM	9 6%
9	**CAPM AVERAGE**	**9.7%**

Sources·
[1] Blue Chip Financial Forcasts, December 1,2004, at pp 2
[2] SBBI, 2004 at pp 33 & 118
[3] Value Line Investment Analyzer 3 0.

TENNESSEE AMERICAN WATER

Constant Growth DCF Model

Line	Water Company	INDEX-Ticker	13-Week AVG Stock Price[1] (1)	AVG (%) Growth (2)	Annual Dividend[2] (3)	Adjusted Yield (4)	Constant Growth DCF (5)
1	American States Water Co.	(NYSE - AWR)	24.81	3.00%	0.88	3.67%	6.67%
2	Aqua America, Inc	(NYSE - WTR)	22 55	9.13%	0.52	2 52%	11 65%
3	Artesian Resources Corp.	(NDQ - ARTNA)	27.92	8.50%	0 84	3.26%	11.76%
4	California Water Service Group	(NYSE - CWT)	31 06	6.90%	1.13	3.90%	10.80%
5	Connecticut Water Service, Inc.[3]	(NDQ - CTWS)	26.13	N/A	0.84	N/A	N/A
6	Middlesex Water Company	(NDQ - MSEX)	18.52	5.50%	0.66	3.76%	9 26%
7	Pennichuck Corporation[3]	(ASE - PNNW)	25.06	N/A	0.84	N/A	N/A
8	SJW Corporation[3]	(NDQ - SJW)	35 34	N/A	1 02	N/A	N/A
9	Southwest Water Company	(NDQ - SWWC)	12 74	8.88%	0.21	1 81%	10 69%
10	York Water Company	(NDQ - YORW)	17.96	6.67%	0.58	3 45%	10.11%
11	**AVERAGE**		**24.21**	**6.94%**	**0.75**	**3.20%**	**10.13%**

Sources·
[1] http://finance yahoo.com, Historical Prices.
[2] Value Line Investment Analyzer 3 0
[3] Companies excluded from the Constant Growth DCF Model due to unavailable data.

TENNESSEE AMERICAN WATER

Growth Rate Estimates

Line	Water Company	INDEX-Ticker	Zacks Estimated Growth[1] (1)	Number of Estimates (2)	Reuters Estimated Growth[2] (3)	Number of Estimates (4)	Thomson Financial Growth[3] (5)	Number of Estimates (6)	AVG of Growth Rates (5)
1	American States Water Co.	(NYSE - AWR)	N/A	N/A	3.00%	2	3.00%	1	3 00%
2	Aqua America, Inc	(NYSE - WTR)	9.30%	4	8.50%	6	9.60%	5	9.13%
3	Artesian Resources Corp.	(NDQ - ARTNA)	8.50%	2	8.50%	2	8.50%	2	8.50%
4	California Water Service Group	(NYSE - CWT)	8 70%	4	6.00%	3	6.00%	3	6.90%
5	Connecticut Water Service, Inc.[4]	(NDQ - CTWS)							
6	Middlesex Water Company	(NDQ - MSEX)	6.00%	1	4.50%	2	6.00%	1	5.50%
7	Pennichuck Corporation[4]	(ASE - PNNW)							
8	SJW Corporation[4]	(NDQ - SJW)							
9	Southwest Water Company	(NDQ - SWWC)	8.30%	3	8.33%	3	10.00%	4	8.88%
10	York Water Company	(NDQ - YORW)	7.00%	1	6.00%	2	7.00%	1	6 67%
11	**AVERAGE**		**7.97%**	**3**	**6.40%**	**3**	**7.16%**	**2**	**6.94%**

Sources:

[1] www.zacksadvisors com, Detailed Research.

[2] www.investor.reuters.com, Earnings Estimates.

[3] http://ec thomsonfn.com, Earnings Estimates.

[4] Companies excluded from the Growth Rate Estimates due to unavailable data.

TENNESSEE AMERICAN WATER

Comparable Group Beta

Line	Water Company	INDEX-Ticker	Value Line Beta (1)
1	American States Water Co.	(NYSE - AWR)	0.70
2	Aqua America, Inc	(NYSE - WTR)	0.75
3	Artesian Resources Corp.	(NDQ - ARTNA)	0.55
4	California Water Service Group	(NYSE - CWT)	0.70
5	Connecticut Water Service, Inc.	(NDQ - CTWS)	0.65
6	Middlesex Water Company	(NDQ - MSEX)	0.60
7	Pennichuck Corporation	(ASE - PNNW)	0.50
8	SJW Corporation	(NDQ - SJW)	0.55
9	Southwest Water Company	(NDQ - SWWC)	0.65
10	York Water Company	(NDQ - YORW)	0.55
11	**AVERAGE**		**0.62**

Sources:
Value Line Investment Analyzer 3.0.

TENNESSEE AMERICAN WATER

Payout and ROE Ratios

Line	Utility	INDEX-Ticker	2003 Book Value P/Share (1)	3-5 Yr. Book Value P/S Projection (2)	2003 Dividends P/Share (3)	3-5 Yr. Dividends P/S Projection (4)	2003 Earnings P/Share (5)	3-5 Yr. Earnings P/S Projection (6)	2003 Payout Ratio (7)	3-5 Yr. Payout Ratio (8)	2003 ROE (9)	3-5 Yr. ROE (10)
1	American States Water Co	(NYSE - AWR)	13 92	17 50	0 88	0 96	0 72	2 00	122 2%	48 0%	5 2%	11 4%
2	Aqua America, Inc	(NYSE - WTR)	7 12	9 60	0 46	0 64	0 76	1 20	60 5%	53 3%	10 7%	12 5%
3	Artesian Resources Corp	(NDQ - ARTNA)	13 51		1 60		0 96		166 7%		7 1%	
4	California Water Service Group	(NYSE - CWT)	14 44	18 25	1 12	1 18	1 21	2 00	92 6%	59 0%	8 4%	11 0%
5	Connecticut Water Service, Inc	(NDQ - CTWS)	10 46		0 83		1 15		72 2%		11 0%	
6	Middlesex Water Company	(NDQ - MSEX)	7 60		0 65		0 61		106 6%		8 0%	
7	Pennichuck Corporation	(ASE - PNNW)	12 59		0 84		0 82		102 4%		6 5%	
8	SJW Corporation	(NDQ - SJW)	18 21		0 97		1 83		53 0%		10 0%	
9	Southwest Water Company	(NDQ - SWWC)	5 40		0 18		0 49		36 7%		9 1%	
10	York Water Company	(NDQ - YORW)	6 08		0 55		0 70		78 6%		11 5%	
11	**AVERAGE**											

Sources
Value Line Investment Analyzer 3 0

TENNESSEE AMERICAN WATER

13-Week Average Stock Price

American States Water Co (NYSE - AWR)

Date	Open	High	Low	AVG	Close	Volume
13-Dec-04	24 35	25 41	24 30	24 86	25 35	54,400
6-Dec-04	24 65	25 16	23 20	24 18	24 46	81,980
29-Nov-04	25 45	26 45	24 63	25 54	24 63	84,260
22-Nov-04	24 45	25 50	24 30	24 90	25 47	49,833
15-Nov-04	24 95	24 95	24 31	24 63	24 59	38,280
8-Nov-04	25 40	25 40	24 60	25 00	24 90	34,320
1-Nov-04	24 45	25 50	24 35	24 93	25 40	51,900
25-Oct-04	24 20	24 90	24 15	24 53	24 60	45,900
18-Oct-04	24 20	24 75	23 65	24 20	24 20	44,140
11-Oct-04	24 78	25 09	23 25	24 17	24 30	55,740
4-Oct-04	25 10	25 52	24 58	25 05	24 83	62,320
27-Sep-04	25 25	25 25	24 70	24 98	25 00	67,600
20-Sep-04	25 90	25 99	25 10	25 55	25 38	88,780
13 Week AVG				**24.81**		

Aqua America, Inc (NYSE - WTR)

Date	Open	High	Low	AVG	Close	Volume
13-Dec-04	23 65	24 00	23 46	23 73	24 00	152,900
6-Dec-04	23 70	23 99	23 09	23 54	23 43	190,320
29-Nov-04	23 70	23 90	23 00	23 45	23 28	145,380
22-Nov-04	23 08	23 89	22 88	23 39	23 71	171,975
15-Nov-04	23 63	23 89	23 00	23 45	23 08	212,420
8-Nov-04	22 90	23 50	22 60	23 05	23 44	262,040
1-Nov-04	21 90	23 00	21 50	22 25	22 90	181,780
25-Oct-04	20 96	21 86	20 77	21 32	21 86	138,500
18-Oct-04	21 59	21 84	20 97	21 41	21 04	119,220
11-Oct-04	21 65	22 03	21 01	21 52	21 59	103,340
4-Oct-04	22 50	22 50	21 66	22 08	21 80	119,020
27-Sep-04	21 97	22 48	21 64	22 06	22 25	113,080
20-Sep-04	22 00	22 13	21 71	21 92	21 92	118,880
13 Week AVG				**22.55**		

Artesian Resources Corp. (NDQ - ARTNA)

Date	Open	High	Low	AVG	Close	Volume
13-Dec-04	28 95	28 95	28 28	28 62	28 35	1,300
6-Dec-04	29 11	29 50	28 49	29 00	28 57	2,860
29-Nov-04	29 50	29 50	28 81	29 16	29 44	3,500
22-Nov-04	29 95	30 06	28 31	29 19	29 49	2,025
15-Nov-04	28 80	29 60	28 31	28 96	29 00	2,260
8-Nov-04	26 79	29 00	26 79	27 90	28 75	2,140
1-Nov-04	27 94	28 49	27 61	28 05	28 30	1,240
25-Oct-04	27 51	28 00	27 51	27 76	27 99	1,200
18-Oct-04	26 81	28 01	26 81	27 41	27 95	3,020
11-Oct-04	26 71	27 20	26 53	26 87	26 99	1,520
4-Oct-04	26 99	27 00	26 53	26 77	26 53	1,040
27-Sep-04	26 95	27 19	26 57	26 88	27 00	2,260
20-Sep-04	26 25	26 89	26 00	26 45	26 51	2,140
13 Week AVG				**27.92**		

California Water Service Group (NYSE - CWT)

Date	Open	High	Low	AVG	Close	Volume
13-Dec-04	35 15	37 10	34 94	36 02	37 10	107,600
6-Dec-04	34 30	34 57	32 73	33 65	34 55	55,500
29-Nov-04	34 15	35 37	34 15	34 76	34 36	61,280
22-Nov-04	32 25	34 20	31 75	32 98	33 90	55,425
15-Nov-04	31 05	31 39	30 40	30 90	31 23	34,820
8-Nov-04	30 60	31 25	30 28	30 77	31 12	31,780
1-Nov-04	29 97	30 84	29 63	30 24	30 40	43,860
25-Oct-04	28 15	29 95	28 15	29 05	29 49	29,740
18-Oct-04	29 15	29 27	28 20	28 74	28 20	36,320
11-Oct-04	29 10	29 75	28 25	29 00	29 24	26,340
4-Oct-04	29 57	29 88	29 10	29 49	29 11	32,080
27-Sep-04	29 15	29 51	28 60	29 06	29 48	36,340
20-Sep-04	29 20	29 45	28 92	29 19	29 32	28,160
13 Week AVG				**31.06**		

Connecticut Water Service, Inc.(NDQ - CTWS)

Date	Open	High	Low	AVG	Close	Volume
13-Dec-04	26 64	26 97	26 12	26 55	26 97	5,700
6-Dec-04	26 45	26 79	25 50	26 15	26 21	11,800
29-Nov-04	26 63	28 98	26 63	27 81	26 71	13,000
22-Nov-04	26 11	27 15	25 77	26 46	27 00	6,300
15-Nov-04	26 37	26 37	25 00	25 69	25 49	7,160
8-Nov-04	25 77	26 30	24 96	25 63	26 30	8,180
1-Nov-04	26 13	26 13	24 96	25 55	25 77	8,660
25-Oct-04	24 23	27 03	24 17	25 60	26 19	6,980
18-Oct-04	25 44	25 85	24 45	25 15	24 76	5,180
11-Oct-04	27 00	27 00	24 75	25 88	25 30	6,000
4-Oct-04	26 89	27 00	26 21	26 61	26 73	6,960
27-Sep-04	25 85	26 88	25 75	26 32	26 42	4,220
20-Sep-04	26 39	26 96	25 64	26 30	25 85	4,600
13 Week AVG				**26.13**		

Middlesex Water Company (NDQ - MSEX)

Date	Open	High	Low	AVG	Close	Volume
13-Dec-04	19 11	19 69	19 10	19 40	19 61	41,600
6-Dec-04	19 85	19 99	19 21	19 60	19 65	15,000
29-Nov-04	19 81	20 72	19 38	20 05	19 70	21,660
22-Nov-04	18 80	19 59	18 37	18 98	19 58	14,575
15-Nov-04	19 39	20 00	18 50	19 25	18 50	15,440
8-Nov-04	18 14	19 85	18 00	18 93	19 85	15,040
1-Nov-04	18 13	18 83	17 77	18 30	18 26	13,560
25-Oct-04	17 21	18 56	17 06	17 81	17 88	17,760
18-Oct-04	17 34	17 89	17 07	17 48	17 21	12,980
11-Oct-04	17 58	17 74	17 25	17 50	17 58	16,400
4-Oct-04	18 02	18 02	17 42	17 72	17 45	13,260
27-Sep-04	17 85	17 99	17 50	17 75	17 90	18,420
20-Sep-04	18 02	18 19	17 75	17 97	17 88	9,660
13 Week AVG				**18.52**		

Pennichuck Corporation (ASE - PNNW)

Date	Open	High	Low	AVG	Close	Volume
13-Dec-04	26 41	26 74	26 41	26 58	26 73	7,300
6-Dec-04	26 38	27 50	26 38	26 94	26 84	4,060
29-Nov-04	23 98	26 74	23 98	25 36	26 25	12,960
22-Nov-04	24 51	25 35	24 02	24 69	25 00	9,375
15-Nov-04	25 41	25 51	24 00	24 76	24 76	4,040
8-Nov-04	24 30	25 40	24 30	24 85	24 98	2,880
1-Nov-04	24 47	25 15	24 15	24 65	24 20	3,600
25-Oct-04	24 78	24 78	24 12	24 45	24 47	3,360
18-Oct-04	24 63	25 56	24 43	25 00	24 76	3,840
11-Oct-04	24 60	25 00	24 45	24 73	24 47	1,640
4-Oct-04	24 40	24 96	24 40	24 68	24 60	1,080
27-Sep-04	24 27	24 85	24 27	24 56	24 41	840
20-Sep-04	24 24	24 92	24 20	24 56	24 90	1,140
13 Week AVG				**25 06**		

SJW Corporation (NDQ - SJW)

Date	Open	High	Low	AVG	Close	Volume
13-Dec-04	37 55	37 85	37 43	37 64	37 85	5,200
6-Dec-04	37 70	37 70	36 86	37 28	37 43	5,460
29-Nov-04	38 80	38 90	37 70	38 30	37 80	20,100
22-Nov-04	36 50	39 29	36 20	37 75	38 80	11,075
15-Nov-04	36 40	36 68	36 04	36 36	36 56	4,200
8-Nov-04	33 52	36 32	33 52	34 92	36 32	5,600
1-Nov-04	33 82	33 83	32 64	33 24	33 47	6,840
25-Oct-04	33 90	34 22	33 85	34 04	33 86	3,880
18-Oct-04	34 00	34 36	33 90	34 13	33 90	2,380
11-Oct-04	34 25	34 85	33 30	34 08	34 08	4,040
4-Oct-04	34 10	35 25	34 00	34 63	34 35	4,120
27-Sep-04	33 15	34 23	33 00	33 62	34 22	4,620
20-Sep-04	34 10	34 10	32 85	33 48	33 00	5,360
13 week AVG				**35.34**		

Southwest Water Company (NDQ - SWWC)

Date	Open	High	Low	AVG	Close	Volume
13-Dec-04	13 00	13 30	13 00	13 15	13 24	39,600
6-Dec-04	13 30	13 34	12 86	13 10	13 18	34,160
29-Nov-04	13 08	13 93	12 91	13 42	13 20	100,720
22-Nov-04	12 54	13 12	12 54	12 83	13 06	51,675
15-Nov-04	13 10	13 10	12 62	12 86	12 69	43,540
8-Nov-04	12 93	13 08	12 40	12 74	13 05	46,380
1-Nov-04	13 07	13 10	12 50	12 80	13 00	48,820
25-Oct-04	12 15	13 09	12 15	12 62	12 86	42,260
18-Oct-04	12 80	12 85	12 15	12 50	12 15	33,240
11-Oct-04	12 40	13 25	12 33	12 79	12 66	51,520
4-Oct-04	12 63	12 63	12 12	12 38	12 41	42,340
27-Sep-04	12 00	12 50	12 00	12 25	12 50	50,160
20-Sep-04	12 30	12 30	11 95	12 13	12 04	41,420
13 Week AVG				**12 74**		

York Water Company (NDQ - YORW)

Date	Open	High	Low	AVG	Close	Volume
13-Dec-04	19 26	19 57	19 23	19 40	19 29	7,600
6-Dec-04	20 00	20 00	18 31	19 16	19 52	7,020
29-Nov-04	19 00	20 00	19 00	19 50	19 79	7,860
22-Nov-04	18 55	19 49	18 55	19 02	19 40	15,500
15-Nov-04	18 05	18 84	17 67	18 26	18 33	13,780
8-Nov-04	17 03	18 24	17 00	17 62	17 95	14,500
1-Nov-04	17 00	17 35	16 95	17 15	17 13	8,240
25-Oct-04	17 30	17 30	16 87	17 09	17 00	11,820
18-Oct-04	16 97	17 40	16 97	17 19	17 20	7,720
11-Oct-04	17 31	17 49	17 00	17 25	17 00	5,660
4-Oct-04	17 26	17 55	17 11	17 33	17 30	7,780
27-Sep-04	17 25	17 55	17 07	17 31	17 55	6,640
20-Sep-04	17 40	17 49	16 85	17 17	17 25	12,360
13 Week AVG				**17 96**		

Sources
The data is obtained from http //finance ahoo com

TENNESSEE AMERICAN WATER

Dividend Yield

Line	Water Company	INDEX-Ticker	Value Line Div. Yield 1/30/2004 (1)	Value Line Div. Yield 4/30/2004 (2)	Value Line Div. Yield 7/30/2004 (3)	Value Line Div. Yield 10/29/2004 (4)
1	American States Water Co.	(NYSE - AWR)	3.40%	3.70%	4.00%	3.70%
2	Aqua America, Inc	(NYSE - WTR)	2.20%	2.40%	2.50%	2.40%
3	California Water Service Group	(NYSE - CWT)	3.90%	3.80%	4.20%	4.00%
4	**Average**		**3.17%**	**3.30%**	**3.57%**	**3.37%**

The following list contains Standard & Poor's Ratings, Outlooks and Business Profiles for utilities This list, dated Sept 8 2004 reflects the most current ratings rankings, and outlooks Companies are grouped into five industry sub-sectors Within each sub-sector issuers are further ranked by corporate credit rating, outlook, business profile and within the same business profile, further ranked by relative strength with the first being the strongest, and the last being the weakest

A Standard & Poor's rating Outlook assesses the potential direction of an issuer's long-term debt rating over the intermediate to longer term In determining a rating Outlook, consideration is given to any changes in the economic and/or fundamental business conditions An Outlook is not necessarily a precursor of a rating change or future CreditWatch action "Positive" indicates that a rating may be raised, "Negative" means a rating may be lowered "Stable" indicates that ratings are not likely to change and "Developing" means ratings may be raised or lowered N M means not meaningful

Utility business profiles are categorized from 1 (strong) to 10 (weak) In order to determine a utility's business profile, Standard & Poor's analyzes the following qualitative business or operating characteristics typical of a utility markets and service area economy; competitive position fuel and power supply; operations, asset concentration, regulation, and management Issuer credit ratings, shown as long-term rating/outlook or CreditWatch/ short-term rating are local and foreign currency unless otherwise noted A dash — indicates not rated An asterisk "*" indicates that the utility was reviewed this week and its ranking position was updated

U.S. Utility and Power Companies

Company	Corporate Credit Rating	Bus. Prof.
1. Regulated Transmission and Distribution -Electric, Gas, and Water		
Baton Rouge Water Works Co (The)	AA/Stable/—	1
Nicor Gas Co	AA/Stable/A-1+	2
Nicor Inc	AA/Stable/A-1+	3
Washington Gas Light Co	AA-/Negative/A-1+	2
WGL Holdings Inc.	AA-/Negative/A-1+	3
New Jersey Natural Gas Co	A+/Stable/A-1	1
Aqua Pennsylvania	A+/Stable/—	2
KeySpan Energy Delivery Long Island	A+/Negative/—	1
KeySpan Energy Delivery New York	A+/Negative/—	1
Elizabethtown Water Co	A+/Negative/—	2
California Water Service Co	A+/Negative/—	3
Questar Gas Co	A+/Negative/—	3
Southern California Gas Co	A/Stable/A-1	1
Boston Edison Co	A/Stable/A-1	1
Commonwealth Electric Co	A/Stable/—	1
Cambridge Electric Light Co	A/Stable/—	1
NSTAR	A/Stable/A-1	1
Massachusetts Electric Co	A/Stable/A-1	1
Narragansett Electric Co	A/Stable/A-1	1
Northwest Natural Gas Co	A/Stable/A-1	1
Connecticut Water Service Inc	A/Stable/ —	2
Connecticut Water Co (The)	A/Stable/ —	2
Aquarion Co	A/Stable/—	2
Aquarion Water Co of Connecticut	A/Stable/—	2
NSTAR Gas Co	A/Stable/—	2
Piedmont Natural Gas Co Inc	A/Stable/—	2
National Grid USA	A/Stable/A-1	2
Consolidated Edison Co of New York Inc	A/Stable/A-1	2
Orange and Rockland Utilities Inc	A/Stable/A-1	2
Rockland Electric Co	A/Stable/—	2
Consolidated Edison Inc	A/Stable/A-1	2
Laclede Gas Co	A/Stable/A-1	3
Laclede Group Inc.	A/Stable/—	3
Atlantic City Sewerage Co	A/Stable/—	3
Niagara Mohawk Power Corp	A/Stable/—	3
Central Hudson Gas & Electric Co	A/Stable/—	3
American Water Capital Corp	A/Negative/	2
Boston Gas Co	A/Negative/—	2
Colonial Gas Co	A/Negative/—	2
Middlesex Water Co	A/Negative/—	3
York Water Co (The)	A-/Stable/—	2
United Water New Jersey	A-/Stable/—	4
United Waterworks	A-/Stable/—	4
Public Service Co of North Carolina Inc	A-/Stable/A-2	2
Wisconsin Gas Co	A-/Stable/A-2	2
North Shore Gas Co	A-/Stable/A-2	2
Peoples Gas Light & Coke Co	A-/Stable/A-2	2
ONEOK Inc	A-/Stable/A-2	6
Indiana Gas Co Inc	A-/Negative/—	1
Alabama Gas Corp	A-/Negative/—	2
Southern California Water Co	A-/Negative/—	3
American States Water Co	A-/Negative/—	3
Central Illinois Public Service Co	A-/Negative/—	3
PPL Electric Utilities Corp	A-/Negative/—	4
Commonwealth Edison Co	A-/Negative/A-2	4
PECO Energy Co	A-/Negative/A-2	4
Atlanta Gas Light Co	A-/CW-Neg/—	2
Cascade Natural Gas Corp	BBB+/Positive/—	2
South Jersey Gas Co	BBB+/Stable/—	2
Baltimore Gas & Electric Co	BBB+/Stable/A-2	3
Western Massachusetts Electric Co	BBB+/Negative/—	1
Connecticut Natural Gas Corp	BBB+/Negative/—	3
Southern Connecticut Gas Co	BBB+/Negative/—	3
Central Maine Power Co	BBB+/Negative/—	3
Atlantic City Electric Co	BBB+/Negative/A-2	3
Potomac Electric Power Co	BBB+/Negative/A-2	3
Delmarva Power & Light Co	BBB+/Negative/A-2	3
Yankee Gas Services Co	BBB+/Negative/—	3
Connecticut Light & Power Co	BBB+/Negative/—	3
UGI Utilities Inc	BBB+/Negative/—	4
Bay State Gas Co	BBB/Stable/—	2
AEP Texas Central Co	BBB/Stable/—	2
AEP Texas North Co	BBB/Stable/—	2
Columbus Southern Power Co	BBB/Stable/—	3
Ohio Power Co	BBB/Stable/—	3
Oncor Electric Delivery Co	BBB/Negative/—	2
Southern Union Co	BBB/Negative/—	3
CenterPoint Energy Houston Electric LLC	BBB/Negative/—	3
CenterPoint Energy Resources Corp	BBB/Negative/—	3
Public Service Electric & Gas Co	BBB/Negative/A-3	3
Duquesne Light Co	BBB/Negative/—	4
Duquesne Light Holdings Inc	BBB/Negative/ —	5
TXU Gas Co	BBB/CW-Dev/—	3
Southwest Gas Corp	BBB-/Stable/—	3
Jersey Central Power & Light Co	BBB-/Stable/—	4
Metropolitan Edison Co	BBB-/Stable/—	4
Pennsylvania Electric Co	BBB-/Stable/—	4
AmeriGas Partners LP	BB+/Stable/—	7
Texas-New Mexico Power Co	BB+/CW-Neg/—	4

Back to Table of Contents
Next Page

WATER COMPANIES

COMPANY	OPER REV $ MILL (1)	% WAT REV	NET PLANT $ MILL	NET PLANT PER $ REV (1)	S&P BOND RATING	MOODY'S BOND RATING	COMMON EQUITY RATIO (3)	% RETURN ON BOOK VALUE: COMMON EQUITY (4)	% RETURN ON BOOK VALUE: TOTAL CAPITAL	REGULATION: ALLOWED ROE	REGULATION: ORDER DATE
American States Water Co (NYSE-AWR)	225.4	88	575.1	2.55	A-	A2	50	6.0	6.3	10.00	4Q/99
Aqua America, Inc (NYSE-WTR)	427.8	92	1,748.7	4.09	AA-	NR	43	11.6	8.0	10.15	
Artesian Resources Corp (NDQ-ARTNA)	38.4	96	176.3	4.58	NR	NR	36	7.6	7.1	10.50	04/03
California Water Service Group (NYSE-CWT)	315.8	97	693.6	2.20	NR	A2	51	11.0	8.6	9.70	
Connecticut Water Service, Inc (NDQ-CTWS)	52.5	92	192.2	3.66	AA+	NR	53	11.4	8.6	12.70	
Middlesex Water Company (NDQ-MSEX)	69.0	87	227.2	3.29	A+	NR	46	8.3	6.4	10.38	
Pennichuck Corporation (NDQ-PNNW)	21.3	90	64.8	3.03	NR	NR	48	1.5	4.1	10.33	
SJW Corporation (ASE-SJW)	163.6	95	284.3	1.74	NR	NR	55	8.9	7.7	9.95	04/01
Southwest Water Company (NDQ-SWWC)	184.7	36	206.8	1.12	NR	NR	63	6.8	6.8	9.84	05/03
York Water Company (NDQ-YORW)	21.7	88	122.9	5.66	NR	NR	50	11.6	9.3	-	06/03
AVERAGE							50	8.5	7.3	10.39	

Tennessee 40-45

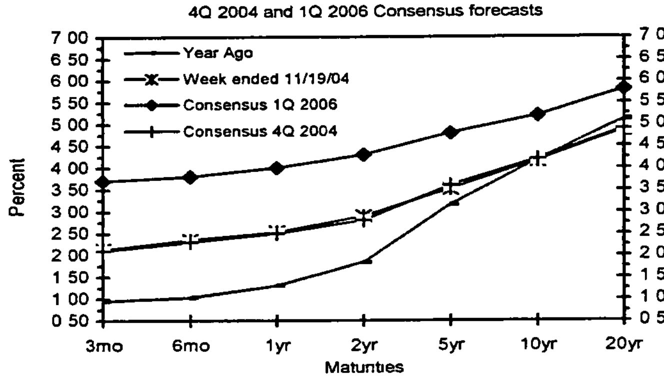
Consensus Forecasts Of U.S. Interest Rates And Key Assumptions[1]

	History								Consensus Forecasts-Quarterly Avg.					
	Average For Week Ending				Average For Month			Latest Q	4Q	1Q	2Q	3Q	4Q	1Q
Interest Rates	Nov 19	Nov 12	Nov 5	Oct 29	Oct	Sep	Aug	3Q 2004	2004	2005	2005	2005	2005	2006
Federal Funds Rate	2 00	1.79	1 78	1 74	1 76	1 61	1 43	1 43	2.0	2.4	2.7	3.1	3.4	3.7
Prime Rate	5 00	4 79	4 75	4.75	4 75	4 75	4 42	4.47	5.0	5.4	5.7	6.1	6.4	6.7
LIBOR, 3-mo.	2.32	2 28	2.20	2 14	2 08	1 89	1 73	1 74	2.2	2.6	3.0	3.3	3.7	3.9
Commercial Paper, 1-mo.	2 02	2 00	1 92	1 85	1 79	1 67	1 48	1 48	2.0	2.5	2.8	3.2	3.5	3.8
Treasury bill, 3-mo	2 13	2 08	1 99	1 91	1.79	1 68	1.50	1.51	2.1	2.4	2.8	3.1	3.4	3.7
Treasury bill, 6-mo.	2 35	2 30	2 21	2 12	2 05	1 91	1 76	1 79	2.3	2.7	3.0	3.3	3.6	3.8
Treasury bill, 1 yr	2 53	2 47	2 35	2.27	2 23	2 12	2.02	2 08	2.5	2.9	3.2	3.6	3.8	4.0
Treasury note, 2 yr	2 89	2 82	2 65	2 57	2 58	2 53	2 51	2.56	2.8	3.2	3.5	3.8	4.1	4.3
Treasury note, 5 yr	3.52	3 53	3.39	3 30	3 35	3 36	3 47	3 51	3.6	3.9	4.2	4.4	4.6	4.8
Treasury note, 10 yr.	4.17	4.22	4 12	4 05	4 10	4.13	4 28	4.30	4.2	4.5	4.8	5.0	5.1	5.2
Treasury note, 20 yr.	4 88	4 95	4.85	4 79	4 85	4 89	5.07	5 07	4.9	5.2	5.4	5.5	5.7	5.8
Corporate Aaa bond	5 48	5 59	5 50	5 42	5.47	5 46	5 65	5 64	5.6	5.8	6.0	6.2	6.4	6.5
Corporate Baa bond	6 18	6 25	6 19	6 15	6 21	6 27	6 46	6 45	6.3	6.6	6.8	6.9	7.1	7.2
State & Local bonds	4 52	4.58	4 45	4 44	4 49	4 56	4.70	4 71	4.6	4.8	4.9	5.1	5.2	5.2
Home mortgage rate	5.74	5 76	5.70	5 64	5 72	5.76	5 87	5 90	5.8	6.0	6.3	6.4	6.6	6.7
	History								Consensus Forecasts-Quarterly Avg.					
	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q
Key Assumptions	2002	2003	2003	2003	2003	2004	2004	2004	2004	2005	2005	2005	2005	2006
Major Currency Index	100 0	95.1	90 8	90 7	87 8	85 3	88.0	86.5	82.4	81.0	80.3	80.1	81.0	81.3
Real GDP	0 7	1.9	4.1	7 4	4.2	4 5	3 3	3 7	3.7	3.3	3.6	3.6	3.5	3.3
GDP Price Index	2 0	2.7	1.1	1 4	1 6	2 8	3 2	1.3	2.1	2.1	2.0	2.1	2.1	2.2
Consumer Price Index	2 0	3 8	0 7	2 4	0 7	3.5	4 8	1 9	2.9	2.3	2.3	2.4	2.4	2.5

[1]Individual panel members' forecasts are on pages 4 through 9 Historical data for interest rates except LIBOR is from Federal Reserve Release (FRSR) H.15 LIBOR quotes available from *The Wall Street Journal* Definitions reported here are same as those in FRSR H.15 Treasury yields are reported on a constant maturity basis Historical data for the U S Federal Reserve Board's Major Currency Index is from FRSR H 10 and G 5 Historical data for Real GDP and GDP Chained Price Index are from the Bureau of Economic Analysis (BEA) Consumer Price Index (CPI) history is from the Department of Labor's Bureau of Labor Statistics (BLS)

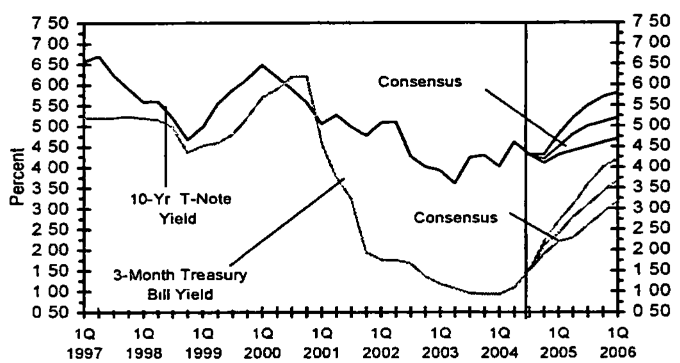
U.S. Treasury Yield Curve

Week ended November 19, 2004 and Year Ago vs 4Q 2004 and 1Q 2006 Consensus forecasts



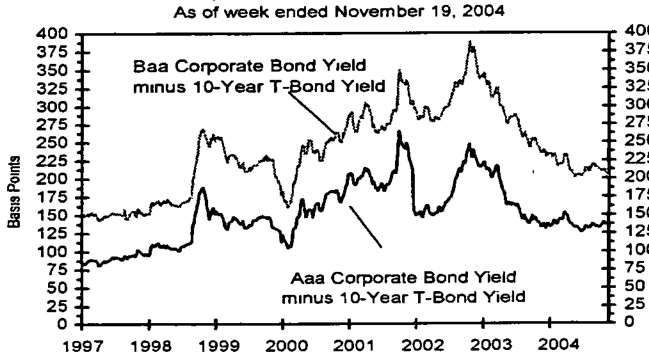
U.S. 3-Mo. T-Bills & 10-Yr. T-Note Yield

(Quarterly Average) History Forecast



Corporate Bond Spreads

As of week ended November 19, 2004



U.S. Treasury Yield Curve

As of week ended November 19, 2004

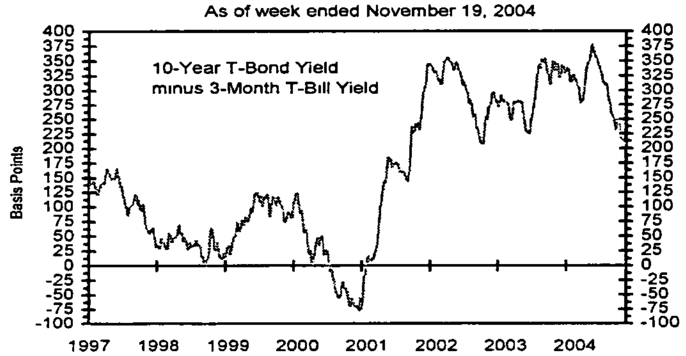
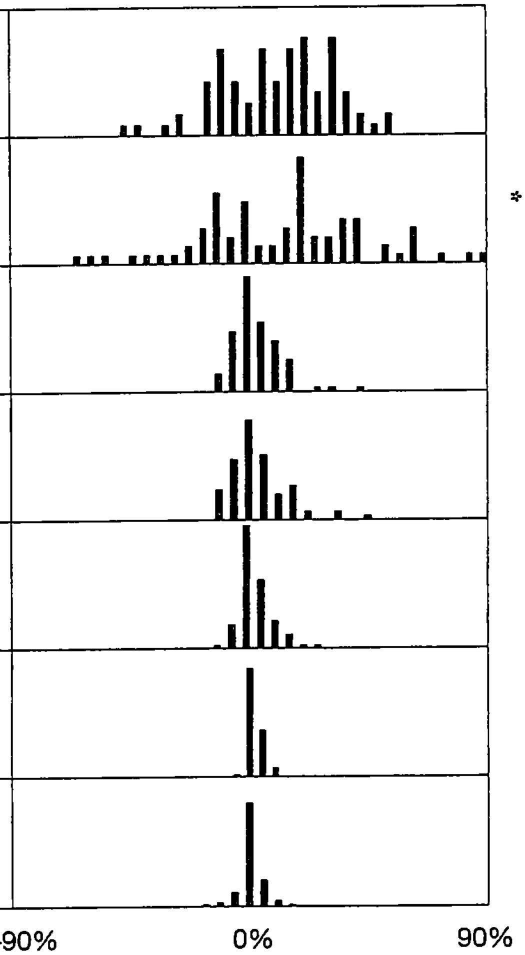


Table 2-1

Basic Series: Summary Statistics of Annual Total Returns

from 1926 to 2003

Series	Geometric Mean	Arithmetic Mean	Standard Deviation	Distribution
Large Company Stocks	10.4%	12.4%	20.4%	
Small Company Stocks	12.7	17.5	33.3	
Long-Term Corporate Bonds	5.9	6.2	8.6	
Long-Term Government	5.4	5.8	9.4	
Intermediate-Term Government	5.4	5.5	5.7	
U.S. Treasury Bills	3.7	3.8	3.1	
Inflation	3.0	3.1	4.3	



*The 1933 Small Company Stocks Total Return was 142 9 percent

Inflation-adjusted basic series summary statistics are presented in Table 6-8. Note that the real rate of interest is close to zero (0.7 percent) on average. For the 78-year period, the geometric and arithmetic means are lower by the amount of inflation than those of the nominal series.

The standard deviations of large company stock and small company stock returns remain approximately the same after adjusting for inflation, while inflation-adjusted bonds and bills are more volatile (i.e., have higher standard deviations).

Table 6-8

Inflation-Adjusted Series

Summary Statistics of Annual Returns from 1926 to 2003

Series	Geometric Mean	Arithmetic Mean	Standard Deviation	Serial Correlation
Inflation-Adjusted Large Company Stocks	7 2%	9 2%	20 5%	0 02
Inflation-Adjusted Small Company Stocks	9 3	14 1	32 7	0 03
Inflation-Adjusted Long-Term Corporate Bonds	2 8	3 2	9 8	0 19
Inflation-Adjusted Long-Term Government Bonds	2 3	2 8	10 5	0 02
Inflation-Adjusted Intermediate-Term Government Bonds	2 3	2 5	6 9	0 23
Inflation-Adjusted U S T-Bills (Real Riskless Rates of Returns)	0 7	0 8	4 0	0 67

Rolling Period Standard Deviations

Rolling period standard deviations are obtained by rolling a view window of fixed length along each time series and computing the standard deviation for the asset class for each window of time. They are useful for examining the volatility or riskiness of returns for holding periods similar to those actually experienced by investors. Graph 6-2 graphically depicts the volatility. Monthly data are used to maximize the number of data points included in the standard deviation computation.

The upper graph places the 60-month rolling standard deviation for large company stocks, small company stocks, and long-term government bonds on the same scale. It is interesting to see the relatively high standard deviation for small company stocks and large company stocks in the 1930s, with an apparent lessening of volatility for 60-month holding periods during the 1980s. Note also how the standard deviation for long-term government bonds reaches the level of both common stock asset classes during part of the 1980s.

The lower graph places the 60-month rolling standard deviation for long- and intermediate-term government bonds, and Treasury bills on the same scale.

AMER. STATES WATER NYSE-AWR

RECENT PRICE	24.09	P/E RATIO	17.3 (Trailing 26.5; Median 16.0)	RELATIVE P/E RATIO	0.99	DIV'D YLD	3.7%	VALUE LINE

TIMELINESS 4 Raised 11/7/03

SAFETY 3 New 2/4/00

TECHNICAL 3 Raised 8/20/04

BETA .70 (1.00 = Market)

High	16.3	14.7	14.0	16.1	17.1	19.5	26.5	25.3	26.4	29.0	29.0	26.8	
Low	13.1	10.2	10.5	12.5	13.5	14.1	14.8	16.7	19.0	20.3	21.6	20.8	

Target Price Range

2007	2008	2009

2007-09 PROJECTIONS

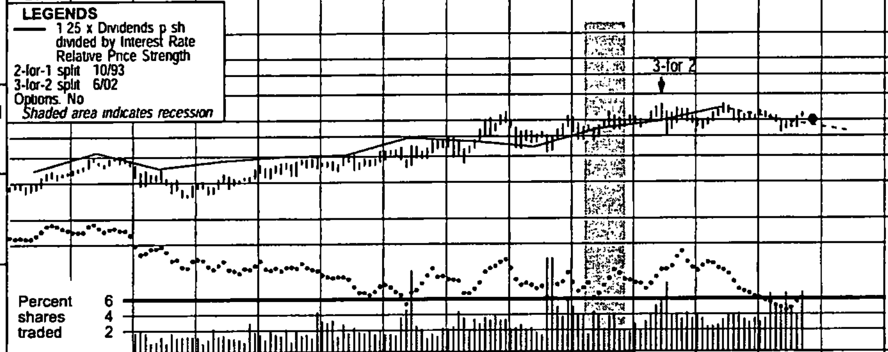
	Price	Gain	Ann'l Total Return
High	30	(+25%)	9%
Low	20	(-15%)	Nil

Insider Decisions

	D	J	F	M	A	M	J	J	A
to Buy	0	0	0	0	0	0	0	0	0
Options	0	0	0	0	0	0	0	0	0
to Sell	0	0	0	0	0	0	0	0	0

Institutional Decisions

	4Q2003	1Q2004	2Q2004
to Buy	45	47	45
to Sell	31	33	35
Hld's(000)	5663	5623	5584



% TOT. RETURN 9/04

	THIS STOCK	VL ARITH. INDEX
1 yr	9.6	18.8
3 yr	11.5	55.9
5 yr	33.9	63.9

1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	© VALUE LINE PUB., INC.	07-09
8.58	9.12	9.58	9.15	10.10	9.27	10.43	11.03	11.37	11.44	11.02	12.91	12.17	13.06	13.78	13.98	*13.75*	*15.00*	Revenues per sh	*15.55*
1.13	1.44	1.49	1.78	1.81	1.67	1.68	1.75	1.75	1.85	2.04	2.26	2.20	2.53	2.54	2.08	*2.60*	*2.90*	"Cash Flow" per sh	*3.40*
.65	.92	.94	1.19	1.15	1.11	.95	1.03	1.13	1.04	1.08	1.19	1.28	1.35	1.34	.72	*1.20*	*1.50*	Earnings per sh A	*2.00*
.67	.69	.72	.73	.77	.79	.80	.81	.82	.83	.84	.85	.86	.87	.87	.88	*.88*	*.90*	Div'd Decl'd per sh B■	*.96*
2.39	2.46	2.53	2.77	2.31	1.90	2.43	2.19	2.40	2.58	3.11	4.30	3.03	3.18	2.68	3.76	*3.65*	*4.05*	Cap'l Spending per sh	*3.60*
7.07	7.31	7.54	8.39	8.85	9.95	10.07	10.29	11.01	11.24	11.48	11.82	12.74	13.22	14.05	13.97	*14.65*	*15.35*	Book Value per sh	*17.50*
9.35	9.39	9.43	9.91	9.96	11.71	11.77	11.77	13.33	13.44	13.44	13.44	15.12	15.12	15.18	15.21	*16.75*	*17.25*	Common Shs Outst'g C	*19.00*
14.2	9.7	10.2	8.8	10.6	13.4	12.8	11.6	12.6	14.5	15.5	17.1	15.9	16.7	18.3	31.9	*Bold figures are*		Avg Ann'l P/E Ratio	*13.0*
1.18	.73	.76	.56	.64	.79	.84	.78	.79	.84	.81	.97	1.03	.86	1.00	1.85	*Value Line*		Relative P/E Ratio	*.85*
7.4%	7.7%	7.5%	7.0%	6.3%	5.3%	6.6%	6.7%	5.8%	5.5%	5.0%	4.2%	4.2%	3.9%	3.6%	3.5%	*estimates*		Avg Ann'l Div'd Yield	*3.8%*
						122.7	129.8	151.5	153.8	148.1	173.4	184.0	197.5	209.2	212.7	*230*	*255*	Revenues ($mill)	*300*
						11.3	12.2	13.5	14.1	14.6	16.1	18.0	20.4	20.3	11.9	*21.0*	*26.5*	Net Profit ($mill)	*38.0*
						43.9%	41.9%	43.3%	41.1%	40.9%	46.0%	45.7%	43.0%	38.9%	43.5%	*40.0%*	*40.0%*	Income Tax Rate	*40.0%*
						--	--	--	--	--	--	--	--	--	--	*Nil*	*Nil*	AFUDC % to Net Profit	*Nil*
						43.5%	46.6%	41.9%	43.0%	43.6%	51.0%	47.5%	54.9%	52.0%	52.0%	*51.0%*	*51.0%*	Long-Term Debt Ratio	*52.0%*
						55.5%	52.5%	57.3%	56.3%	55.7%	48.4%	51.9%	44.7%	48.0%	48.0%	*50.0%*	*49.0%*	Common Equity Ratio	*49.0%*
						213.5	230.6	256.0	268.4	277.1	328.2	371.1	447.6	444.4	442.3	*490*	*545*	Total Capital ($mill)	*700*
						314.9	335.0	357.8	383.6	414.8	449.6	509.1	539.8	563.3	602.3	*660*	*715*	Net Plant ($mill)	*850*
						7.1%	7.2%	6.9%	6.9%	7.0%	6.6%	6.4%	6.1%	6.5%	4.6%	*6.0%*	*6.5%*	Return on Total Cap'l	*7.0%*
						9.4%	9.9%	9.0%	9.2%	9.4%	10.0%	9.2%	10.1%	9.5%	5.6%	*9.0%*	*9.5%*	Return on Shr. Equity	*10.5%*
						9.5%	10.0%	9.0%	9.2%	9.4%	10.1%	9.3%	10.1%	9.5%	5.6%	*9.0%*	*9.5%*	Return on Com Equity	*10.5%*
						1.6%	2.1%	2.4%	1.8%	2.1%	2.9%	3.0%	3.6%	3.3%	NMF	*3.0%*	*3.5%*	Retained to Com Eq	*5.5%*
						84%	79%	73%	80%	78%	72%	68%	65%	65%	113%	*67%*	*58%*	All Div'ds to Net Prof	*48%*

CAPITAL STRUCTURE as of 6/30/04
Total Debt $284.3 mill **Due in 5 Yrs** $60.0 mill
LT Debt $229.5 mill **LT Interest** $16.5 mill
(Total interest coverage 2.0x)

Leases, Uncapitalized None
Pension Assets-12/03 $46.7 mill
Oblig $58.9 mill
Pfd Stock None **Pfd Div'd** None

Common Stock 15,268,587 shs
as of 8/9/04
MARKET CAP. $375 million (Small Cap)

CURRENT POSITION ($MILL.)	2002	2003	6/30/04
Cash Assets	18.4	12.8	7.0
Receivables	10.8	11.8	12.0
Inventory (Avg Cst)	.9	1.4	1.5
Other	21.7	32.4	23.6
Current Assets	51.8	58.4	44.1
Accts Payable	11.6	18.8	15.5
Debt Due	48.3	56.8	54.8
Other	19.6	20.3	22.5
Current Liab	79.5	95.90	92.8
Fix. Chg. Cov.	285%	255%	*200%*

ANNUAL RATES of change (per sh)	Past 10 Yrs	Past 5 Yrs	Est'd '01-'03 to '07-'09
Revenues	3.5%	4.0%	*3.0%*
"Cash Flow"	3.0%	5.0%	*7.0%*
Earnings	--	1.5%	*9.5%*
Dividends	1.5%	1.0%	*1.5%*
Book Value	4.5%	4.0%	*4.0%*

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun. 30	Sep. 30	Dec. 31	Full Year
2001	40.3	49.9	59.4	47.9	197.5
2002	44.5	52.8	61.6	50.3	209.2
2003	46.7	51.8	63.7	50.5	212.7
2004	46.7	59.3	*69.0*	*55.0*	*230*
2005	*53.0*	*66.0*	*76.0*	*60.0*	*255*

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun. 30	Sep. 30	Dec. 31	Full Year
2001	.21	.33	.63	.18	1.35
2002	.25	.36	.50	.23	1.34
2003	.20	.13	.51	d.12	.72
2004	.08	.30	*.56*	*.26*	*1.20*
2005	*.27*	*.34*	*.61*	*.28*	*1.50*

Cal-endar	QUARTERLY DIVIDENDS PAID B■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2000	.213	.213	.213	.217	.86
2001	.217	.217	.217	.217	.87
2002	.217	.217	.217	.221	.87
2003	.221	.221	.221	.221	.88
2004	.221	.221	.221		

BUSINESS: American States Water Co. operates as a holding company. Through its principal subsidiary, Southern California Water Company, it supplies water to 75 communities in 10 counties. Service areas include the greater metropolitan areas of Los Angeles and Orange Counties. The company also provides electric utility services to approximately 22,000 customers in the city of Big Bear Lake and in areas of San Bernardino County. Acquired Chaparral City Water of Arizona (10/00), 11,400 customers. Has about 520 employees. Off. & dir. own less than 1% of common stock (4/04 Proxy). Chairman: Lloyd Ross. President & CEO: Floyd Wicks. Incorporated: CA. Add.: 630 East Foothill Boulevard, San Dimas, CA 91773. Tel.: 909-394-3600. Web: www.aswater.com.

American States Water is benefiting from an improving regulatory environment. The company reported second-quarter earnings of $0.30 a share (excluding non recurring items totaling $0.14), more than double the prior-year tally, primarily due to rate increases warranted by the California Public Utilities Commission (CPUC). Indeed, the board authorized an $8.1 increase in annual revenues for the company's Region III service area. In addition, the order allows for an additional $4.7 million in aggregate increases in 2004 and 2005.

More recent decisions should boost profitability in the second half. In August, AWR was authorized to increase rates in Region I and II, as well. The CPUC granted Region II $15.8 million in rate relief to be implemented incrementally over the next three years, including $5.2 million in 2004, as the higher rates are retroactive to February 14. Too, three service areas in Region I were authorized a $382,100 increase in annual revenues retroactive to the start of the year. Although these decisions will undoubtedly provide a much needed top-line boost, they also suggest that the CPUC's regulatory process is becoming more timely and reasonable in its decision-making process. In all, we look for AWR to increase earnings by more than 50% in 2004.

Capital constraints may limit further gains, though. Faced with increasingly stringent regulatory and infrastructure requirements, American has looked to the equity market to fund recent improvements. The company sold approximately 1.4 million shares at the end of September, netting nearly $36 million, and more offerings are likely on the way. As a result, despite brighter top-line prospects, we look for the company's earnings growth rate, to begin subsiding somewhat in 2005. AWR will probably utilize additional offerings to seek out takeover targets in the fragmented water utility industry.

Still, American shares probably do not appeal to most investors. They are untimely for year-ahead performance and offer below-average appreciation potential out to 2007-2009. That said, though, income-minded investors may find the issue of interest, for its dividend yield.

Andre J. Costanza *October 29, 2004*

(A) Primary earnings. Excludes nonrecurring gains: '91, 73¢; '92, 13¢; '04, 14¢. Next earnings report due late Jan.

(B) Dividends historically paid in early-March, June, September, December. ■ Div'd reinvestment plan available.

(C) In millions, adjusted for splits.

Company's Financial Strength	B+
Stock's Price Stability	85
Price Growth Persistence	80
Earnings Predictability	70

AQUA AMERICA NYSE-WTR

RECENT PRICE	21.29	P/E RATIO	24.5 (Trailing: 26.9 / Median: 20.0)	RELATIVE P/E RATIO	1.40	DIV'D YLD	2.4%	VALUE LINE

TIMELINESS 4 Lowered 6/4/04

SAFETY 3 Lowered 8/1/03

TECHNICAL 3 Raised 8/20/04

BETA .75 (1.00 = Market)

	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
High	5.3	5.0	5.5	7.6	11.4	15.4	15.4	16.0	19.7	20.0	22.4	22.8	
Low	4.0	4.4	4.4	5.2	5.9	9.7	10.1	8.4	12.5	12.8	15.8	18.9	

Target Price Range 2007 | 2008 | 2009

2007-09 PROJECTIONS

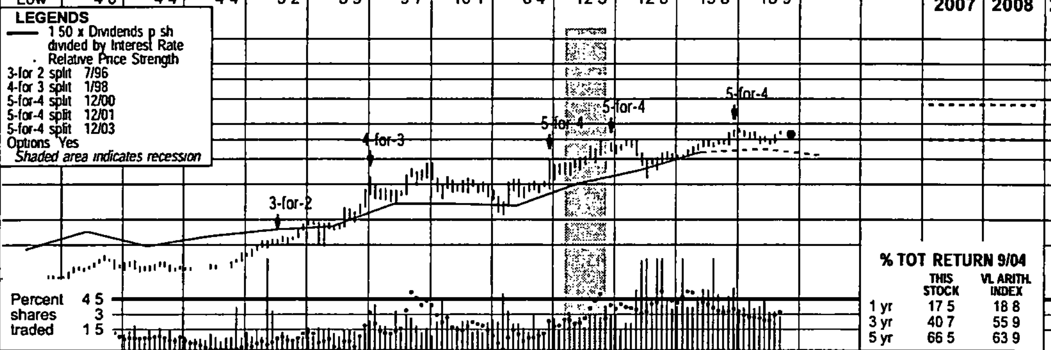
	Price	Gain	Ann'l Total Return
High	30	(+40%)	11%
Low	20	(-5%)	2%

Insider Decisions

	D	J	F	M	A	M	J	J	A
to Buy	0	0	0	1	0	0	1	0	0
Options	0	0	0	0	0	1	0	0	0
to Sell	0	0	0	0	0	2	1	0	1

Institutional Decisions

	4Q2003	1Q2004	2Q2004
to Buy	85	93	90
to Sell	86	73	62
Hld's(000)	26673	26637	26345



% TOT RETURN 9/04

	THIS STOCK	VL ARITH. INDEX
1 yr	17.5	18.8
3 yr	40.7	55.9
5 yr	66.5	63.9

1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	© VALUE LINE PUB., INC.	07-09
4.45	4.53	2.70	2.85	2.43	2.27	2.42	2.45	2.48	2.69	2.79	3.21	3.29	3.59	3.79	3.97	**4.65**	**4.85**	Revenues per sh	**6.00**
.66	.65	.58	.59	.52	.56	.56	.63	.67	.74	.81	.96	1.01	1.15	1.26	1.28	**1.45**	**1.60**	"Cash Flow" per sh	**2.00**
.30	.27	.33	.33	.31	.33	.35	.39	.40	.46	.53	.56	.62	.68	.72	.76	**.85**	**.95**	Earnings per sh A	**1.20**
.24	.24	.26	.26	.27	.27	.28	.29	.30	.32	.34	.36	.38	.40	.43	.46	**.49**	**.52**	Div'd Decl'd per sh B■	**.64**
.88	1.15	1.01	.72	.80	.63	.61	.69	.64	.77	1.09	1.20	1.55	1.45	1.60	1.76	**1.60**	**1.55**	Cap'l Spending per sh	**1.50**
2.88	2.92	2.80	2.76	2.79	3.05	3.21	3.28	3.59	3.79	4.28	4.57	5.13	5.53	5.81	7.12	**7.55**	**7.95**	Book Value per sh D	**9.60**
28.27	29.45	30.48	31.06	38.40	44.55	44.83	47.81	49.31	50.60	54.15	80.10	83.87	85.48	84.90	92.59	**95.00**	**98.00**	Common Shs Outst'g C	**100.00**
12.3	12.9	10.2	10.8	12.5	14.4	13.5	12.0	15.6	17.8	22.5	21.2	18.2	23.6	23.6	24.5	*Bold figures are*		Avg Ann'l P/E Ratio	**21.0**
1.02	.98	.76	.69	.76	.85	.89	.80	.98	1.03	1.17	1.21	1.18	1.21	1.29	1.42	*Value Line*		Relative P/E Ratio	**1.40**
6.5%	6.9%	7.7%	7.2%	6.8%	5.9%	6.0%	6.2%	4.9%	3.9%	2.9%	3.0%	3.3%	2.5%	2.5%	2.5%	*estimates*		Avg Ann'l Div'd Yield	**2.6%**

CAPITAL STRUCTURE as of 6/30/04
Total Debt $963.3 mill. Due in 5 Yrs $230.0 mill.
LT Debt $770.5 mill. LT Interest $45.0 mill.
(Total interest coverage 3.5x)

Pension Assets-12/03 $108.7 mill.
Oblig. $150.1 mill.

Pfd Stock None

Common Stock 93,012,163 shares as of 7/28/04

MARKET CAP $2.0 billion (Mid Cap)

1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	© VALUE LINE PUB., INC.	07-09
108.6	117.0	122.5	136.2	151.0	257.3	275.5	307.3	322.0	367.2	**440**	**475**	Revenues ($mill)	**600**
15.6	19.0	19.8	23.2	28.8	45.0	50.7	58.5	62.7	67.3	**80.0**	**95.0**	Net Profit ($mill)	**125**
42.5%	40.4%	41.4%	40.6%	40.5%	38.4%	38.9%	39.3%	38.5%	39.3%	**40.0%**	**40.0%**	Income Tax Rate	**40.0%**
8%	1.6%	1.3%	4.0%	4.3%	4.4%	5.3%	2.1%	2.2%	3.2%	**3.5%**	**3.5%**	AFUDC % to Net Profit	**4.0%**
50.2%	51.9%	54.1%	54.4%	52.7%	52.9%	52.0%	52.2%	54.2%	51.4%	**53.5%**	**54.5%**	Long-Term Debt Ratio	**54.0%**
47.4%	46.4%	44.0%	44.8%	46.6%	46.7%	47.8%	47.7%	45.8%	48.6%	**46.5%**	**45.5%**	Common Equity Ratio	**46.0%**
303.1	338.0	401.7	427.2	496.6	782.7	901.1	990.4	1076.2	1355.7	**1550**	**1725**	Total Capital ($mill)	**2100**
385.7	436.9	502.9	534.5	609.8	1135.4	1251.4	1368.1	1490.8	1824.3	**1925**	**2025**	Net Plant ($mill)	**2300**
7.0%	7.7%	6.8%	7.4%	7.6%	7.6%	7.4%	7.8%	7.6%	6.4%	**6.5%**	**7.0%**	Return on Total Cap'l	**7.5%**
10.4%	11.7%	10.7%	11.9%	12.3%	12.2%	11.7%	12.3%	12.7%	10.2%	**11.0%**	**12.0%**	Return on Shr. Equity	**13.0%**
10.3%	11.7%	11.2%	12.0%	12.4%	12.3%	11.7%	12.4%	12.7%	10.2%	**11.0%**	**12.0%**	Return on Com Equity	**13.0%**
2.1%	3.5%	2.8%	3.6%	4.5%	4.3%	4.7%	5.1%	5.2%	4.2%	**5.0%**	**5.5%**	Retained to Com Eq	**6.0%**
81%	71%	75%	70%	64%	65%	60%	59%	59%	59%	**57%**	**54%**	All Div'ds to Net Prof	**51%**

CURRENT POSITION ($MILL.)	2002	2003	6/30/04
Cash Assets	49.7	39.2	35.8
Receivables	57.7	62.3	67.6
Inventory (AvgCst)	4.6	5.8	7.2
Other	2.7	5.1	5.6
Current Assets	114.7	112.4	116.2
Accts Payable	31.1	32.3	13.1
Debt Due	149.4	135.8	192.8
Other	46.0	63.9	66.6
Current Liab.	226.5	232.0	272.5
Fix. Chg. Cov.	347%	344%	331%

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '01-'03 to '07-'09
Revenues	4.0%	7.5%	8.0%
"Cash Flow"	8.5%	10.5%	8.5%
Earnings	8.5%	9.5%	9.0%
Dividends	5.0%	6.0%	7.0%
Book Value	8.0%	9.5%	7.5%

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2001	70.2	77.3	84.7	75.1	307.3
2002	71.7	76.6	91.9	81.8	322.0
2003	80.5	83.4	102.1	101.2	367.2
2004	99.8	106.5	**118.7**	**115**	**440**
2005	**105**	**115**	**130**	**125**	**475**

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2001	.14	.18	.22	.14	.68
2002	.14	.16	.25	.17	.72
2003	.15	.18	.24	.19	.76
2004	.17	.19	**.25**	**.24**	**.85**
2005	**.19**	**.23**	**.27**	**.26**	**.95**

Cal-endar	QUARTERLY DIVIDENDS PAID B■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2000	.092	.092	.092	.099	.38
2001	.099	.099	.099	.106	.40
2002	.106	.106	.106	.112	.43
2003	.112	.112	.112	.12	.46
2004	.12	.12	.12	.13	

BUSINESS Aqua America, Inc. is the holding company for water and wastewater utilities that serve approximately 2.5 million residents in Pennsylvania, Ohio, New Jersey, Illinois, Maine, North Carolina, Texas, Florida, Kentucky, and five other states. Divested three of four non-water businesses in '91, telemarketing group in '93, and others. Acquired Consumers Water, 4/99, AquaSource, 7/03, and others. Water supply revenues '03: residential, 59%, commercial, 17%, industrial & other, 24%. Officers and directors own 1.4% of the common stock (4/04 Proxy). Chairman & Chief Executive Officer: Nicholas DeBenedictis. Incorporated: Pennsylvania. Address: 762 West Lancaster Avenue, Bryn Mawr, Pennsylvania 19010. Telephone: 610-525-1400. Internet: www.aquaamerica.com.

Aqua America probably realized moderate growth in the recently completed third quarter. Much of the increase will likely be from acquisitions, as the second-quarter purchases of Heater Utilities and a number of Florida water systems should be consolidated into results. Also, a number of states, including Texas, Pennsylvania, and New Jersey, have approved rate hikes in the 5% to 10% range, which should go into effect at various times throughout the second half of the year. However, results may well be tempered by the wetness during the quarter in much of the company's operating territory due to frequent hurricanes and tropical storms. Still, we expect moderate per-share increases over third- and fourth-quarter results from a year ago.

The company is further expanding through acquisitions. Most recently, Aqua has purchased a number of small units, mostly in Pennsylvania, to quietly broaden its customer base. Although management is confident in its ability to grow internally in the southern states, it may have to seek out larger acquisitions in northern regions to meet its 7% revenue growth target. All told, we expect the top line to expand by $35 million in 2005.

Aqua's management team gives it a competitive advantage. In the recent Pennsylvania rate case, WTR was awarded 10.6%, 0.6% above the judge's decision, by the water utility commission because of management's strong performance with quality and acquisitions. Furthermore, in North Carolina, the commission has allowed the company to add a portion of its goodwill impairment from the Heater acquisition to its rate base for every additional water system purchased in the state. This apparent leverage should come in handy during upcoming rate negotiations in a number of other states.

These shares carry a Below-Average Timeliness rank. They are also already trading within our 3- to 5-year Price Target Range. The stock's limited long-term growth prospects are a consequence of the industry's regulated nature. However, management has decided to raise the dividend for the December period, to $0.13, and we expect future rises to keep the company's earnings payout above 50%.

Matthew B. V. Albrecht *October 29, 2004*

(A) Primary shares outstanding through '96, diluted thereafter. Excl. nonrec. gains (losses): '90, (38¢), '91, (34¢), '92, (38¢), '99, (11¢), '00, 2¢, '01, 2¢, '02, 5¢, '03, 4¢. Excl. gain from disc. operations: '96, 2¢. Next earnings report due early February. (B) Dividends historically paid in early March, June, Sept. & Dec. ■ Div'd reinvestment plan available (5% discount). (C) In millions, adjusted for stock splits. (D) Incl. deferred charges. In '03: $34.3 mill., $0.37/sh.

Company's Financial Strength	B+
Stock's Price Stability	85
Price Growth Persistence	95
Earnings Predictability	100

Artesian Res Corp — NDQ - ARTNA

PRICING/EARNINGS	
RECENT PRICE	29.4
P/E RATIO	-
Trailing:	29 0
Median:	-
REL. P/E RATIO	1.4

RATINGS	
Company Fin. Strength	-
Stock's Price Stability	95
Price growth Persistance	95
Earnings Predictability	70

% TOT. RET. 11/2004

	This Stock	VL Arith. Index
1 yr.	14.2	17.2
3 yr.	18.9	13.4
5 yr.	16.1	11 9

RANKING

Performance	3	Raised 2004-11-05
Safety	2	Raised 2003-12-05
Technical	3	Lowered 2004-09-24
BETA	0.55	(1.00 = Market)

BUSINESS PROFILE

Business description is unavailable

Artesian Res Corp — NDQ - ARTNA

1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	Value Lin
-	-	20.9	22.3	25.5	26 8	27.6	32.0	34 6	36.3	-	Revenue
-	-	7.4	8.0	9.5	10.3	12.0	31.8	34.4	36 3	-	Operatin
-	-	35.4%	35.7%	37.3%	38.6%	43 5%	99.5%	99 6%	100 0%	-	Operatin
-	-	2.2	2 3	2.0	2.3	2.5	2.8	3.2	3.6	-	Deprec($
-	-	1 7	2.0	2.7	3.0	2.5	3 3	4 2	3 9	-	Earnings
-	-	1.7	2.0	2.7	3 0	2.5	3.3	4.2	3 9	-	Net Profi
-	-	39 9%	39 0%	40.0%	39.7%	39.8%	39.7%	40.4%	37.9%	-	Income T
-	-	7 9%	8.9%	10 7%	11.1%	8.9%	10 4%	12.0%	10.8%	-	Net Profi
-	-	-0 3	-0.4	-8.5	-10.5	-3.1	-18.0	2.4	-10.5	-	Work.Ca
-	-	26.3	32.1	32.0	34.5	50.7	49 4	64.0	80.6	-	Long-Ter
-	-	26.6	27.2	28.4	32.8	33.1	34.6	51.3	52 7	-	Shr.Equi

QUARTERLY SALES ($m)					
Calendar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2001	7	8	8	8	32
2002	7	8	9	8	34
2003	8	9	9	9	36
2004	8	10	10	-	-
2005	-	-	-	-	-
EARNINGS PER SHARE					
Calendar	**Mar.31**	**Jun.30**	**Sep.30**	**Dec.31**	**Full Year**
2001	0.08	0.29	0.47	0.22	1.05
2002	0 17	0.19	0 39	0.39	1.14
2003	0.18	0.31	0.26	0.22	0.97
2004	0.18	0.24	0.36	**0.30**	**1.08**
2005	**0.17**	**0.30**	**0.53**	-	-
QUARTERLY DIVIDENDS PAID					
Calendar	**Mar.31**	**Jun.30**	**Sep.30**	**Dec.31**	**Full Year**
2000	0.18	0.18	0 18	0.18	0.73
2001	0 18	0.18	0.19	0 19	0 74
2002	0.19	0.19	0 19	0.19	0 77
2003	0.19	0.19	0.20	1.01	1.60
2004	0.20	0.21	-	-	-

Artesian Res Corp — NDQ - ARTNA

1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	Value Lin
-	-	7.94	8.31	9.40	8 92	9 12	10.45	8.96	9.30	-	Revenue
-	-	1.42	1.56	1.72	1.73	1.63	2 00	1.91	1.92	-	Cash Flo
-	-	0 71	0.71	0.97	0.97	0.78	1.05	1 14	0.96	-	Earnings
-	-	0 60	0.61	0 65	0 71	0.73	0.74	0.77	1.60	-	Div'ds De
-	-	3 07	4.18	5.29	5.11	4 76	6.98	4 77	6 30	-	Cap'l Spe
-	-	9.68	9.80	10.21	10.69	10.78	11.17	13 25	13.51	-	Book Val
-	-	2.6	2.7	2.7	3 0	3 0	3.1	3.9	3 9	-	Common
-	-	-	-	15.0	16.9	20.7	16.6	17.3	24.7	-	Avg Ann'
-	-	-	-	0.78	0 96	1.35	0.85	0.94	1.41	-	Relative I
-	-	-	-	4.5%	4 3%	4.5%	4.2%	3.9%	6.7%	-	Average
-	-	4 7%	5.1%	7 1%	6 9%	5 3%	6.1%	5.6%	-	-	Return o
-	-	6.2%	7.3%	9.6%	9.1%	7.4%	9.6%	8.1%	7.4%	-	Return o
-	-	1 2%	1.1%	3.3%	2.5%	0 6%	3 0%	2 8%	1.4%	-	Retained
-	-	81%	85%	66%	72%	92%	69%	65%	81%	-	All Div'ds
-	-	99.7	107.9	119.4	132.5	144.4	163 5	183 1	216.3	-	Total Ass
-	-	0.1	0.1	0.1	0.1	0.1	0.1	0.0	0.1	-	Preferrec
-	-	1.3	1.6	1.7	2.1	2 2	2.2	2 7	3.1	-	Common
-	-	25.5	26.3	27.7	32.1	32.6	34.2	51.2	52.7	-	Common
-	-	1 1	0.9	0.8	0.7	0 6	0.5	0 1	-	-	Preferrec
-	-	2.2	2.6	2.7	3.0	3 0	3.0	3.5	3.9	-	Average
-	-	-	-	-	-	0 4	0.5	0.5	0.5	*0.6*	Beta
-	-	-	-	-	-	0 2	0.2	0.2	0.3	*0 2*	Alpha
-	-	-	-	-	-	0 5	0.5	0.4	0.4	*0 3*	Standard

CALIFORNIA WATER NYSE-CWT

RECENT PRICE 28.53 | P/E RATIO 16.6 (Trailing 17.7 / Median 17 0) | RELATIVE P/E RATIO 0.95 | DIV'D YLD 4.0% | VALUE LINE

TIMELINESS 3 Raised 8/6/04

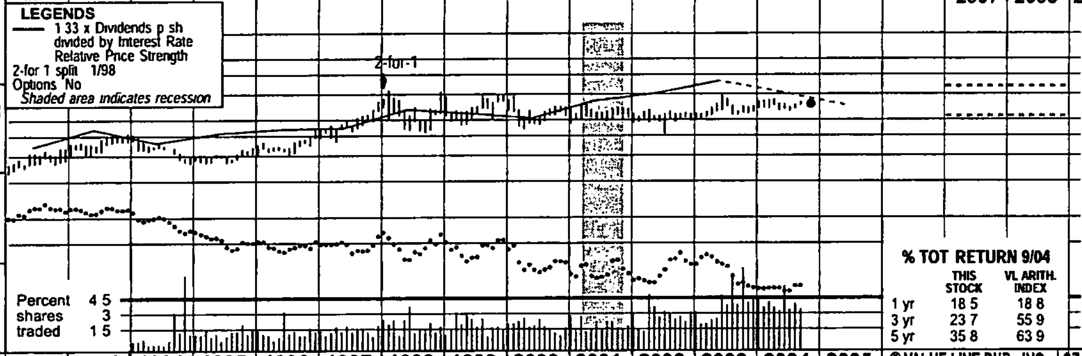
SAFETY 2 Lowered 8/11/95

TECHNICAL 3 Lowered 7/23/04

BETA 70 (1 00 = Market)

	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
High	20 6	20 5	17 6	21 9	29 6	33 8	32 0	31 4	28 6	26 9	31 4	30 2
Low	16 1	14 7	14 8	16 3	18 6	20 8	22 6	21 5	22 9	20 5	23 7	26 1

Target Price Range 2007 | 2008 | 2009



2007-09 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	35	(+25%)	8%
Low	25	(-10%)	1%

Insider Decisions

	D	J	F	M	A	M	J	J	A
to Buy	1	0	0	0	0	1	0	0	0
Options	0	0	0	0	0	0	0	0	0
to Sell	0	0	0	0	0	0	0	0	0

Institutional Decisions

	4Q2003	1Q2004	2Q2004
to Buy	40	42	40
to Sell	15	19	30
Hld's(000)	3465	3785	4047

Percent shares traded 4 5 / 3 / 1 5

% TOT RETURN 9/04

	THIS STOCK	VL ARITH. INDEX
1 yr	18 5	18 8
3 yr	23 7	55 9
5 yr	35 8	63 9

1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	© VALUE LINE PUB., INC.	07-09
10 03	10 33	10 93	11 18	12 29	13 34	12 59	13 17	14 48	15 48	14 76	15 96	16 16	16 26	17 33	16 371	**18 00**	**19 00**	Revenues per sh	**20 65**
1 87	1 89	1 97	1 98	1 92	2 25	2 02	2 07	2 50	2 92	2 60	2 75	2 52	2 20	2 65	2 51	**3.20**	**3 30**	"Cash Flow" per sh	**3 60**
1.23	1.20	1 25	1 21	1 09	1 35	1.22	1 17	1 51	1 83	1 45	1 53	1 31	94	1 25	1 21	**1.70**	**1 75**	Earnings per sh A	**2 00**
80	84	87	90	93	96	99	1 02	1 04	1 06	1 07	1 09	1 10	1 12	1 12	1 12	**1 13**	**1 13**	Div'd Decl'd per sh B ■	**1 18**
2 12	2 40	2 36	3 03	3 09	2 53	2 26	2 17	2 83	2 61	2 74	3 44	2 45	4 09	5 82	4 39	**3 25**	**3.65**	Cap'l Spending per sh	**3.90**
9 30	9 66	10 04	10 35	10 51	10 90	11 56	11 72	12 22	13 00	13 38	13 43	12 90	12 95	13 12	14 44	**15 80**	**16 60**	Book Value per sh C	**18 25**
11 34	11 38	11 38	11 38	11 38	11 38	12 49	12 54	12 62	12 62	12 62	12 94	15 15	15 18	15 18	16 93	**18 35**	**18 70**	Common Shs Outst'g D	**23 00**
11 5	10 6	10 4	11 2	14 1	13 6	14 1	13 7	11 9	12 6	17 8	17 8	19 6	27 1	19 8	22 1	**Bold figures are**		Avg Ann'l P/E Ratio	**16 0**
95	80	77	72	86	80	92	92	75	73	93	1 01	1 27	1 39	1 08	1 28	**Value Line**		Relative P/E Ratio	**1 05**
5 7%	6 6%	6 7%	6 6%	6 1%	5 2%	5 8%	6 4%	5 8%	4 6%	4.2%	4 0%	4 3%	4 4%	4 5%	4.2%	**estimates**		Avg Ann'l Div'd Yield	**4.0%**

CAPITAL STRUCTURE as of 6/30/04
Total Debt $272 9 mill **Due in 5 Yrs** $10 7 mill
LT Debt $272 0 mill **LT Interest** $17 0 mill

(LT interest earned 2 8x, total int. cov 2 7x)

Pension Assets-12/03 $88 4 mill **Oblig** $63 2 mill
Pfd Stock $3 5 mill **Pfd Div'd** $ 15 mill
139,000 shares, 4 4% cumulative ($25 par)

Common Stock 18,345,496 shs
as of 8/4/04
MARKET CAP. $525 million (Small Cap)

1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005		07-09
157 3	165 1	182 8	195 3	186 3	206 4	244 8	246 8	263.2	277 1	**330**	**355**	Revenues ($mill)	**475**
14 4	14 7	19 1	23 3	18 4	19 9	20 0	14 4	19 1	19 4	**31 0**	**32.5**	Net Profit ($mill)	**45 0**
40 0%	40 1%	38 9%	37 4%	36 4%	37 9%	42 3%	39 4%	39 7%	39 9%	**40.0%**	**40.0%**	Income Tax Rate	**40 0%**
--	--	--	--	--	--	--	--	--	--	**Nil**	**Nil**	AFUDC % to Net Profit	**Nil**
46 6%	49 2%	47 4%	45 4%	44 2%	46 9%	48 9%	50 3%	55 3%	52 3%	**50 0%**	**50 0%**	Long-Term Debt Ratio	**49 0%**
52 2%	49 7%	51 4%	53 5%	54 7%	52 0%	50 2%	48 8%	44 0%	47 0%	**49 0%**	**49 0%**	Common Equity Ratio	**50.0%**
276 9	296 0	299 9	306 7	308 6	333 8	388 8	402 7	453 1	520 3	**580**	**610**	Total Capital ($mill)	**840**
407 9	422.2	443 6	460 4	478 3	515 4	582 0	624 3	697 0	759 5	**815**	**865**	Net Plant ($mill)	**985**
7 1%	6 8%	8 3%	9 4%	7 8%	7 8%	6 8%	5 3%	5 9%	5 6%	**7 0%**	**7 0%**	Return on Total Cap'l	**7 0%**
9 7%	9 8%	12 1%	13 9%	10 7%	11 2%	10 0%	7 2%	9 4%	7 8%	**10 5%**	**10 5%**	Return on Shr Equity	**11 0%**
9 9%	9 9%	12 3%	14 1%	10 8%	11 4%	10 1%	7 2%	9 5%	7 9%	**10.5%**	**10 5%**	Return on Com Equity	**11 0%**
1 9%	1.2%	3 8%	6 0%	2 8%	3 5%	1 8%	NMF	1 0%	7%	**3 5%**	**4 0%**	Retained to Com Eq	**4 5%**
81%	88%	69%	58%	74%	70%	82%	119%	90%	91%	**67%**	**64%**	All Div'ds to Net Prof	**60%**

CURRENT POSITION ($MILL.)	2002	2003	6/30/04
Cash Assets	1 1	2 9	24 1
Other	41 9	40 6	60 0
Current Assets	43 0	43 5	84 1
Accts Payable	23 7	23 8	28 6
Debt Due	24 8	7 3	9
Other	43 0	32 5	36 4
Current Liab	91 5	63 6	65 9
Fix Chg Cov	250%	218%	202%

ANNUAL RATES of change (per sh)	Past 10 Yrs	Past 5 Yrs	Est'd '01-'03 to '07-'09
Revenues	3 0%	2 0%	3 5%
"Cash Flow"	2 0%	-1 5%	6 5%
Earnings	- 5%	-6 5%	10 0%
Dividends	2 0%	1 0%	1 0%
Book Value	2 5%	1 0%	5 0%

Cal-endar	QUARTERLY REVENUES ($ mill) Mar.31	Jun.30	Sep.30	Dec 31	Full Year
2001	47 0	67 0	76 3	56 5	246 8
2002	51 7	69 2	81 4	60 9	263 2
2003	51 3	68 0	88 2	69 6	277 1
2004	60 2	88 9	**100**	**80 9**	**330**
2005	**70.0**	**95 0**	**105**	**85 0**	**355**

Cal-endar	EARNINGS PER SHARE A E Mar 31	Jun 30	Sep 30	Dec 31	Full Year
2001	01	34	39	20	94
2002	12	43	50	20	1 25
2003	d 05	30	53	41	1 21
2004	08	59	**.70**	**33**	**1 70**
2005	**.10**	**.56**	**73**	**36**	**1 75**

Cal-endar	QUARTERLY DIVIDENDS PAID B ■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2000	275	275	.275	275	1 10
2001	279	279	279	279	1 12
2002	28	28	28	28	1 12
2003	281	281	281	281	1 12
2004	.283	283	283	283	

BUSINESS California Water Service Group provides regulated and nonregulated water service to over 2 million people (461,200 customers) in 98 communities in California, Washington, and New Mexico Main service areas San Francisco Bay area, Sacramento Valley, Salinas Valley, San Joaquin Valley & parts of Los Angeles Acquired National Utility Company (5/04), Rio Grande Corp (11/00) Revenue breakdown, '03 residential, 70%, business, 18%, public authorities, 5%, industrial, 4%, other, 3% '03 reported deprec rate 2 2% Has about 815 employees Chairman Robert W Foy President & CEO Peter C Nelson Inc Delaware Address 1720 North First Street, San Jose, California 95112-4598 Telephone 408-367-8200 Internet www calwater com

California Water Service Group appears to be on the road to recovery. The company reported second-quarter earnings of $0 59, nearly double last year's figure, and $0 18 above our estimate Revenues increased 31%, as hot and dry weather prompted higher usage rates, as well as new customer growth However, the bulk of the upside was a result of a favorable rate order from the California Public Utilities Commission (CPUC), which added almost $10 million Further gains were offset by higher prices from wholesalers, though, as Cal was forced to purchase about half of its supply

We are adding a dime to our 2004 earnings estimate, and now expect Cal to earn $1.70 a share. Although usage rates will likely decline as we head into the cooler winter months, more timely rate decisions ought to drive favorable second-half earnings comparisons The CPUC, which has been a stumbling block in recent years, appears to be settling cases in a more timely fashion of late In fact, the board recently approved a $1 1 million increase in annual revenues for the Salinas district

Additional rate case decisions augur well for Cal heading forward Cal is expected to file a general rate case for one-third of its districts, which covers approximately 40% of its customer base In addition, it expects a decision on another case totaling almost $8 0 million

. . .but stricter regulatory laws may limit profits. The costs of meeting regulatory guidelines continue to increase and it doesn't seem as though they will moderate in the coming years Indeed, the growing threats of terrorist activity on U S. drinking systems ought to keep infrastructure maintenance costs elevated Additional equity offerings will likely be necessary, given the company's cash requirements Thus, we look for gains to be tempered over the next couple of years

Cal shares may appeal to income-minded investors. CWT's dividend yield is tops among the water utility group However, others will want to take a pass as these untimely shares hold little gains appeal out to late decade Cal's cash strain may also impede it from participating in the industry's consolidation theme

Andre J Costanza *October 29, 2004*

(A) Basic EPS Excl nonrecurring gain (loss) '00, (7¢), '01, 4¢, Q2 '02, 8¢ Next earnings report due late Jan

(B) Dividends historically paid in mid-Feb , May, Aug , Nov ■ Div'd reinvestment plan available

(C) Incl deferred charges In '03 $38 0 mill , $2 25/sh
(D) In millions, adjusted for split
(E) May not total due to change in shares

Company's Financial Strength	B++
Stock's Price Stability	95
Price Growth Persistence	90
Earnings Predictability	70

CONN. WATER SERVICES NDQ–CTWS

RECENT PRICE	TRAILING P/E RATIO	RELATIVE P/E RATIO	DIV'D YLD
25.19	20.2	1.05	3.3%

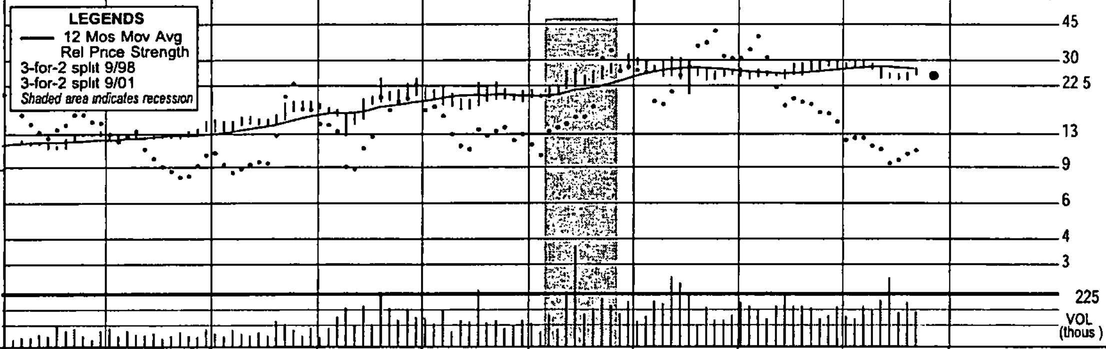
VALUE LINE

RANKS

PERFORMANCE	3	Average
Technical	3	Average
SAFETY	3	Average
BETA 65	(1 00 = Market)	

Financial Strength	B++
Price Stability	85
Price Growth Persistence	75
Earnings Predictability	95

	1996	1997	1998	1999	2000	2001	2002	2003	2004	
High	13 56	15 11	19 00	24 67	23 50	32 21	31 09	30 41	29 76	High
Low	11 00	12 22	13 33	12 67	17 00	19 50	20 35	24 00	23 83	Low



© VALUE LINE PUBLISHING, INC	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005/2006
SALES PER SH	5 69	5 67	5 58	5 87	5 70	5 93	5 77	5 91	–	
"CASH FLOW" PER SH	1 46	1 51	1 59	1 65	1 73	1 78	1 78	1 89	–	
EARNINGS PER SH	97	1 00	1 02	1 03	1 09	1 13	1 12	1 15	*1.30* A,B	*1.27* C/NA
DIV'DS DECL'D PER SH	76	77	78	79	79	80	81	83	–	
CAP'L SPENDING PER SH	1 62	1 99	1 12	1 42	1 43	1 86	1 98	1 49	–	
BOOK VALUE PER SH	8 03	8 26	8 52	8 61	8 92	9 25	10 06	10 46	–	
COMMON SHS OUTST'G (MILL)	6 78	6 79	6 80	7 26	7 28	7 65	7 94	7 97	–	
AVG ANN'L P/E RATIO	12 5	12 9	15 5	18 2	18 2	21 5	24 3	23 5	*19 4*	*19 8/NA*
RELATIVE P/E RATIO	78	74	81	1 04	1 18	1.10	1 33	1 34	–	
AVG ANN'L DIV'D YIELD	6 2%	6 0%	4 9%	4 2%	4 0%	3 3%	3 0%	3 0%	–	
SALES ($MILL)	38 6	38 5	37 9	42 6	41 5	45 4	45 8	47 1	–	*Bold figures are consensus earnings estimates and, using the recent prices, P/E ratios.*
OPERATING MARGIN	44 9%	45 5%	46 2%	48 7%	48 8%	56 1%	57 7%	52 1%	–	
DEPRECIATION ($MILL)	3 3	3 5	3 9	4 5	4 7	5 0	5 4	5 9	–	
NET PROFIT ($MILL)	6 6	6 8	7 0	7 5	8 0	8 7	8 8	9 2	–	
INCOME TAX RATE	37 0%	35 1%	34 3%	40 1%	35 7%	36 1%	33 8%	17 9%	–	
NET PROFIT MARGIN	17 1%	17 7%	18 4%	17 6%	19 2%	19 1%	19 2%	19 5%	–	
WORKING CAP'L ($MILL)	d7 9	d10 4	d3 7	d3 8	3	d3 3	d5 1	d3 9	–	
LONG-TERM DEBT ($MILL)	54 4	54 5	62 5	65 4	64 7	64 0	64 8	64 8	–	
SHR. EQUITY ($MILL)	55 2	56 8	58 7	63 3	65 7	71 6	80 7	84 2	–	
RETURN ON TOTAL CAP'L	7 6%	7 7%	7 3%	7 4%	7 6%	7 9%	7 4%	7 5%	–	
RETURN ON SHR. EQUITY	12 0%	12 0%	11 9%	11 8%	12 1%	12 1%	10 9%	10 9%	–	
RETAINED TO COM EQ	2 7%	2 8%	2 8%	3 1%	3 2%	3 6%	3 1%	3 2%	–	
ALL DIV'DS TO NET PROF	78%	77%	76%	74%	74%	71%	72%	71%	–	

[A] No of analysts changing earn est in last 16 days. 0 up, 0 down, consensus 5-year earnings growth not available [B] Based upon one analyst s estimate [C] Based upon one analyst's estimate

ANNUAL RATES

of change (per share)	5 Yrs.	1 Yr
Sales	1 0%	2 5%
"Cash Flow"	3 5%	6 5%
Earnings	2 5%	2 5%
Dividends	1 0%	1 5%
Book Value	3 5%	4 0%

Fiscal Year	QUARTERLY SALES ($mill) 1Q	2Q	3Q	4Q	Full Year
12/31/02	10 3	10 7	13 8	11 0	45 8
12/31/03	10 9	10 8	13 7	11 7	47 1
12/31/04	10 9	11 9			
12/31/05					

Fiscal Year	EARNINGS PER SHARE 1Q	2Q	3Q	4Q	Full Year
12/31/01	30	25	38	20	1 13
12/31/02	19	24	50	19	1 12
12/31/03	26	15	48	26	1 15
12/31/04	25	26	*53*	*26*	
12/31/05	*.26*				

Cal-endar	QUARTERLY DIVIDENDS PAID 1Q	2Q	3Q	4Q	Full Year
2001	20	20	202	202	80
2002	202	202	205	205	81
2003	205	205	208	208	83
2004	208	208	21		

INSTITUTIONAL DECISIONS

	4Q'03	1Q'04	2Q'04
to Buy	22	20	18
to Sell	14	8	15
Hld's(000)	1278	1365	1375

ASSETS ($mill)	2002	2003	6/30/04
Cash Assets	5	1 1	7
Receivables	8 8	8 9	9 2
Inventory (Avg cost)	1 0	9	1 0
Other	1	3	9
Current Assets	10 4	11 2	11 8
Property, Plant & Equip, at cost	321 5	331 5	--
Accum Depreciation	88 8	92 6	--
Net Property	232 7	238 9	238 9
Other	21 7	27 4	28 6
Total Assets	264 8	277 5	279 3
LIABILITIES ($mill)			
Accts Payable	6 5	5 4	2 0
Debt Due	7 2	10 0	9 0
Other	1 8	- 3	5
Current Liab	15 5	15 1	11 5

LONG-TERM DEBT AND EQUITY as of 6/30/04

Total Debt $75 5 mill **Due in 5 Yrs** NA
LT Debt $66 5 mill
Including Cap Leases NA
(44% of Cap'l)

Leases, Uncapitalized Annual rentals NA

Pension Liability None in '03 vs None in '02

Pfd Stock $ 8 mill **Pfd Div'd Paid** NMF
(1% of Cap'l)

Common Stock 8,003,328 shares
(55% of Cap'l)

INDUSTRY: Water Utility

BUSINESS: Connecticut Water Services, Inc acts as the parent company of The Connecticut Water Co and other subsidiaries, which supply water for residential, commercial, industrial, and municipal purposes in Connecticut Sales and distributions are affected by seasonal weather fluctuations throughout the year Profitability is dependent on numerous factors, such as the quantity of rainfall and temperature in a given period of time, industrial demand, prevailing rates of interest for short-term and long-term borrowings, energy rates, and compliance with environmental and water-quality regulations Connecticut Water owns and operates 10 water filtration treatment plants, including the Guilford Well, Rockville, Westbrook Well, MacKenzie, Hunt Well Field, Stafford Springs, and Reynolds Bridge Has 195 employees Chairman, C E O & President. Marshall T Chiaraluce Inc : CT Address 93 West Main Street, Clinton, CT 06413 Tel (860) 669-8636 Internet http //www ctwater com

A O

October 29, 2004

TOTAL SHAREHOLDER RETURN

Dividends plus appreciation as of 9/30/2004

3 Mos.	6 Mos.	1 Yr	3 Yrs.	5 Yrs
3 25%	-5 37%	1 51%	4 98%	57 43%

Conn. Water Services — NDQ - CTWS

PRICING/EARNINGS

RECENT PRICE	26.1
P/E RATIO	-
Trailing:	21.3
Median:	16.0
REL. P/E RATIO	1.0

RATINGS

Company Fin Strength	B++
Stock's Price Stability	85
Price growth Persistance	80
Earnings Predictability	95

% TOT. RET. 11/2004

	This Stock	VL Arith. Index
1 yr.	-1.4	17.2
3 yr.	2.6	13 4
5 yr.	7.5	11.9

RANKING

Performance	3	Raised 2003-11-21
Safety	3	Lowered 2002-9-6
Technical	3	Raised 2003-05-09
BETA	0.65	(1.00 = Market)

BUSINESS PROFILE

Business description is unavailable

Conn. Water Services — NDQ - CTWS

1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	Value Lin
38.1	39.3	38 6	38 5	37.9	42.6	41.5	45 4	45.8	47 1	-	Revenue
23.2	23 9	17.3	17.5	17.5	20.7	20.2	25 5	26 5	24.5	-	Operatin
60 9%	60.8%	44.9%	45.5%	46.2%	48.7%	48.8%	56.1%	57.7%	52.1%	-	Operatin
3.1	3 2	3.3	3.5	3.8	4.5	4.7	5 0	5.4	5.9	-	Deprec($
5 9	6.4	6.6	6 8	7 0	7.5	8.0	8 4	8.8	9.2	-	Earnings
5 9	6.4	6 6	6 8	7 0	7 5	8 0	8.7	8.8	9.2	-	Net Profi
44.7%	43.8%	37 0%	35.1%	34.3%	40.1%	35 7%	36.1%	33.8%	17.9%	-	Income T
15 4%	16.2%	17.1%	17 7%	18.4%	17.6%	19 2%	19.1%	19 2%	19.5%	-	Net Profi
-4 1	-4.7	-7 9	-10 4	-3.6	-3 8	0 3	-3.2	-5.1	-3 9	-	Work.Ca
54.6	54 5	54 4	54.5	62.5	65 4	64.7	64.0	64.8	64.8	-	Long-Ter
48 8	52.6	55 2	56 8	58.7	63.3	65.7	71.6	80.7	84.2	-	Shr.Equi

QUARTERLY SALES ($m)					
Calendar	**Mar.31**	**Jun.30**	**Sep.30**	**Dec.31**	**Full Year**
2001	10	11	13	10	45
2002	10	10	13	11	45
2003	10	10	13	11	47
2004	10	11	13	-	-
2005	-	-	-	-	-
EARNINGS PER SHARE					
Calendar	**Mar.31**	**Jun.30**	**Sep.30**	**Dec.31**	**Full Year**
2001	0.30	0.25	0.38	0 20	1.13
2002	0.19	0.24	0 50	0.19	1.12
2003	0 26	0.15	0.48	0.26	1 15
2004	0 25	0.26	0.47	**0.26**	**1.24**
2005	**0.26**	**0.20**	**0.55**	-	-
QUARTERLY DIVIDENDS PAID					
Calendar	**Mar.31**	**Jun.30**	**Sep.30**	**Dec.31**	**Full Year**
2000	0 20	0.20	0 20	0 20	0.80
2001	0.20	0.20	0.20	0.20	0.80
2002	0 20	0.20	0 20	0.20	0.81
2003	0.20	0 20	0 21	0.21	0.83
2004	0.21	0 21	0.21	-	-

Conn. Water Services — NDQ - CTWS

1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	Value Lin
5.90	5 88	5.69	5.67	5 58	5.87	5.70	5.93	5.77	5.91	-	Revenue
1.38	1.42	1.46	1.51	1.59	1.65	1.73	1.78	1.77	1.89	-	Cash Flo
0 92	0 96	0.97	1.00	1 02	1 03	1.09	1.13	1.12	1.15	-	Earnings
0.73	0.75	0.76	0.77	0.78	0.79	0.79	0.80	0.81	0 82	-	Div'ds De
1.01	1 38	1 62	1.99	1.12	1.42	1.43	1.86	1.98	1.50	-	Cap'l Spe
7.43	7 74	8 03	8.26	8.52	8.61	8.92	9.25	10 06	10 46	-	Book Val
6 5	6.7	6 8	6.8	6.8	7.3	7.3	7.6	7.9	8.0	-	Common
11.9	11.7	12.5	12 9	15.5	18.2	18.2	21.5	24.3	23.5	-	Avg Ann'
0.78	0 78	0.78	0 74	0.80	1.03	1.18	1.10	1.33	1 34	-	Relative I
6 7%	6.6%	6 2%	6.0%	4.9%	4 2%	4.0%	3.3%	3.0%	3.0%	-	Average
7.6%	7.8%	7.6%	7.7%	7 3%	7 4%	7.6%	7.9%	7 4%	7 5%	-	Return oi
12.1%	12.1%	12 0%	12.0%	11.9%	11.8%	12.1%	12.1%	10.9%	10.9%	-	Return oi
2.4%	2.7%	2.7%	2.8%	2.8%	3.1%	3.2%	3.6%	3 1%	3 2%	-	Retained
80%	77%	77%	77%	76%	74%	73%	70%	71%	71%	-	All Div'ds
171 2	176.5	184.6	189.3	194.6	210.9	215 4	231.7	264.8	277.5	-	Total Ass
0.0	0.0	0 0	0 0	0.0	0.0	0.0	0 0	0.0	0.0	-	Preferrec
4 7	4 9	5.1	5 2	5.3	5.5	5 8	6.1	6.3	6.5	-	Common Div
48.0	51.8	54.4	56 1	58 0	62.5	64.9	70.8	79.9	83.3	-	Common eq
0 8	0.8	0 8	0.8	0 8	0.8	0.8	0.8	0.9	0.8	-	Preferrec
6.3	6.6	6.7	6.8	6.8	7.3	7.3	7.6	7 7	8.0	-	Average
0 6	0.5	0 4	0.4	0 4	0.4	0.4	0.4	0.6	0 6	0 6	Beta
0 0	0.1	0.1	-0 0	0.0	0 2	0 2	0 3	0.3	0.2	0 0	Alpha
0.4	0.4	0.4	0 4	0.4	0.4	0 4	0 5	0.5	0.5	0 4	Standard

MIDDLESEX WATER NDQ-MSEX

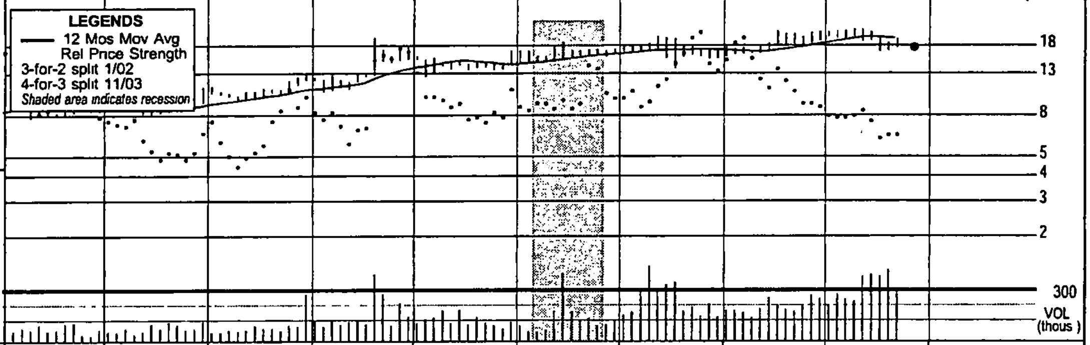
RECENT PRICE	TRAILING P/E RATIO	RELATIVE P/E RATIO	DIV'D YLD	VALUE LINE
17.60	30.3	1.57	3.9%	

	1996	1997	1998	1999	2000	2001	2002	2003	2004	
High	9 63	11 25	12 88	19 75	16 97	18 73	20 04	21 23	21 81	High
Low	7 75	8 19	9 63	10 50	12 50	14 69	13 73	15 77	16 65	Low

RANKS

PERFORMANCE	3	Average
Technical	3	Average
SAFETY	2	Above Average
BETA	60	(1 00 = Market)

Financial Strength	B++
Price Stability	95
Price Growth Persistence	70
Earnings Predictability	70



© VALUE LINE PUBLISHING, INC	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005/2006
SALES PER SH	4 52	4 72	4 39	5 35	5 39	5 87	5 98	6 12	--	
"CASH FLOW" PER SH	94	1 02	1 02	1 19	99	1 18	1 20	1 15	--	
EARNINGS PER SH	60	67	71	76	51	66	73	61	67 A,B	74 C/NA
DIV'DS DECL'D PER SH	55	57	58	60	61	62	63	65	--	
CAP'L SPENDING PER SH	73	1 20	2 68	2 33	1 32	1 25	1 59	1 87	--	
BOOK VALUE PER SH	5 85	6 00	6 80	6 95	6 98	7 11	7 39	7 60	--	
COMMON SHS OUTST'G (MILL)	8 41	8 54	9 82	10 00	10 11	10 17	10 36	10 48	--	
AVG ANN'L P/E RATIO	14 4	13 4	15 2	17 6	28 7	24 6	23 5	30 0	26 3	23 8/NA
RELATIVE P/E RATIO	90	77	79	1 00	1 87	1 26	1 28	1 71	--	
AVG ANN'L DIV'D YIELD	6 4%	6 3%	5 4%	4 4%	4 2%	3 8%	3 7%	3 5%	--	
SALES ($MILL)	38 0	40 3	43 1	53 5	54 5	59 6	61 9	64 1	--	*Bold figures*
OPERATING MARGIN	36 0%	37 2%	37 0%	33 9%	32 2%	47 2%	47 1%	44 0%	--	*are consensus*
DEPRECIATION ($MILL)	2 9	3 1	3 8	4 3	4 9	5 3	5 0	5 6	--	*earnings*
NET PROFIT ($MILL)	5 2	5 9	6 5	7 9	5 3	7 0	7 8	6 6	--	*estimates*
INCOME TAX RATE	32 8%	34 9%	31 5%	28 8%	33 1%	34 8%	33 3%	32 8%	--	*and, using the*
NET PROFIT MARGIN	13 6%	14 5%	15 1%	14 7%	9 7%	11 7%	12 5%	10 3%	--	*recent prices,*
WORKING CAP'L ($MILL)	2 0	d2 9	14 6	6 8	d2 7	d 9	d9 3	d13 3	--	*P/E ratios.*
LONG-TERM DEBT ($MILL)	53 0	52 9	78 0	82 3	81 1	88 1	87 5	97 4	--	
SHR EQUITY ($MILL)	51 9	56 2	71 7	74 6	74 7	76 4	80 6	83 7	--	
RETURN ON TOTAL CAP'L	6 4%	6 8%	5 7%	6 4%	4 9%	5 6%	6 0%	5 0%	--	
RETURN ON SHR. EQUITY	10 0%	10 4%	9 1%	10 6%	7 1%	9 1%	9 6%	7 9%	--	
RETAINED TO COM EQ	8%	1 7%	1 8%	2 5%	NMF	5%	1 3%	NMF	--	
ALL DIV'DS TO NET PROF	92%	85%	81%	78%	121%	94%	87%	106%	--	

[A] No of analysts changing earn est in last 16 days 0 up, 0 down, consensus 5-year earnings growth 6 0% per year [B] Based upon one analyst's estimate [C] Based upon one analyst's estimate

ANNUAL RATES

of change (per share)	5 Yrs.	1 Yr
Sales	5 5%	2 5%
"Cash Flow"	3 5%	-5 0%
Earnings	0 5%	-16 0%
Dividends	2 5%	2 5%
Book Value	3 5%	3 0%

Fiscal Year	QUARTERLY SALES ($mill) 1Q	2Q	3Q	4Q	Full Year
12/31/02	14 3	15 5	17 0	15 1	61 9
12/31/03	15 0	16 0	17 6	15 5	64 1
12/31/04	15 9	17 8			
12/31/05					

Fiscal Year	EARNINGS PER SHARE 1Q	2Q	3Q	4Q	Full Year
12/31/01	08	18	23	17	66
12/31/02	12	18	24	19	73
12/31/03	11	17	22	11	61
12/31/04	09	16			
12/31/05					

Cal-endar	QUARTERLY DIVIDENDS PAID 1Q	2Q	3Q	4Q	Full Year
2001	155	155	155	158	62
2002	158	158	158	161	64
2003	161	161	161	165	65
2004	165	165	165		

INSTITUTIONAL DECISIONS

	4Q'03	1Q'04	2Q'04
to Buy	24	17	19
to Sell	14	15	13
Hld's(000)	1705	1749	1911

ASSETS ($mill)	2002	2003	6/30/04
Cash Assets	2 9	3 0	3 0
Receivables	9 2	5 7	10 6
Inventory (Avg cost)	1 2	1 4	1 6
Other	7 0	4 3	1 3
Current Assets	20 3	14 4	16 5
Property, Plant & Equip, at cost	259 3	278 4	--
Accum Depreciation	47 9	47 5	--
Net Property	211 4	230 9	237 5
Other	12 9	17 9	17 0
Total Assets	244 6	263 2	271 0
LIABILITIES ($mill)			
Accts Payable	2 1	4 8	5 4
Debt Due	18 3	13 6	5 6
Other	9 2	9 3	10 0
Current Liab	29 6	27 7	21 0

LONG-TERM DEBT AND EQUITY as of 6/30/04

Total Debt $103 9 mill **Due in 5 Yrs** NA
LT Debt $98 3 mill
Including Cap Leases NA
(50% of Cap'l)

Leases, Uncapitalized Annual rentals NA

Pension Liability $5 1 mill in '03 vs $5 3 mill in '02

Pfd Stock $4 1 mill **Pfd Div'd Paid** $ 3 mill
(2% of Cap'l)

Common Stock 11,309,496 shares
(48% of Cap'l)

INDUSTRY: Water Utility

BUSINESS: Middlesex Water Company, through its subsidiaries, engages in the ownership and operation of regulated water utility systems in central and southern New Jersey, and in Delaware, as well as a regulated wastewater utility in southern New Jersey Its New Jersey water utility system (the Middlesex System) provides water services to retail customers in central New Jersey The Middlesex System also provides water service under contract to municipalities in central New Jersey The company operates the water supply system and wastewater system for the city of Perth Amboy in New Jersey in partnership with its subsidiary, Utility Service Affiliates (Perth Amboy), Inc. Its other New Jersey subsidiaries provide water and wastewater services to residents in Southampton Township The company's Delaware subsidiaries, comprising Tidewater Utilities, Inc and Southern Shores Water Company, LLC, offer water services to retail customers in New Castle, Kent, and Sussex Counties Has 209 employees C E O & President J Richard Tompkins Inc NJ. Address 1500 Ronson Road, Iselin, NJ 08830 Tel (732) 634-1500 Internet http.//www middlesexwater com A O

October 29, 2004

TOTAL SHAREHOLDER RETURN
Dividends plus appreciation as of 9/30/2004

3 Mos	6 Mos	1 Yr.	3 Yrs	5 Yrs
-6 78%	-11 85%	0 42%	20 29%	42 79%

Pennichuck Corp — NDQ - PNNW

PRICING/EARNINGS

RECENT PRICE	26.6
P/E RATIO	-
Trailing:	62 6
Median.	-
REL. P/E RATIO	3 0

RATINGS

Company Fin. Strength	-
Stock's Price Stability	80
Price growth Persistance	65
Earnings Predictability	55

% TOT. RET. 11/2004

	This Stock	VL Arith. Index
1 yr.	-7.2	17 2
3 yr.	7.2	13.4
5 yr.	9.3	11.9

RANKING

Performance	4	Lowered 2004-12-10
Safety	3	
Technical	3	Raised 2004-10-15
BETA	0.50	(1.00 = Market)

BUSINESS PROFILE

Business: Pennichuck Corporation, with its wholly owned subsidiaries, Pennichuck Water Works, Inc ; Pennichuck East Utility, Inc.; and Pittsfield Aqueduct Company, Inc., engages primarily in the collection, storage, treatment, distribution, and sale of potable water throughout southern and central New Hampshire. Pennichuck is franchised by the NHPUC to gather and distribute water in the city of Nashua, New Hampshire and in portions of the towns of Amherst, Bedford, Derry, Epping, Hollis, Merrimack, Milford, and Plaistow, New Hampshire. Pennichuck has transmission mains which directly interconnect its core system in Nashua with the surrounding towns of Amherst, Hudson, Merrimack, and Milford. Its core system, which services nearly 21,900 customers, accounts for 95% of Pennichuck's revenues. Its franchises in the remaining towns consist of stand-alone satellite water systems serving over 1,900 customers. Has 82 employees. Chairman: John Kreick Inc.: NH. Address: 25 Manchester Street, Merrimack, NH 03054. Tel.: (603) 882-5191. Internet: http://www pennichuck com.

Middlesex Water — NDQ - MSEX

1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	Value Lin
4.48	4.56	4.52	4.72	4 39	5 35	5 39	5.86	5.98	6.12	-	Revenue
0.99	1.01	0.94	1.02	1.02	1.19	0 99	1.18	1.20	1.15	-	Cash Flo
0 67	0.68	0.60	0.67	0.70	0.76	0.50	0.66	0 73	0.61	-	Earnings
0 52	0.54	0 55	0.56	0 57	0.60	0.61	0 62	0.63	0 65	-	Div'ds De
0.74	1 08	0.73	1.20	2.68	2 33	1.32	1.25	1.59	1 87	-	Cap'l Spe
5 56	5.74	5 85	6 00	6.80	6.95	6.98	7.11	7 39	7.60	-	Book Val
8.1	8.3	8.4	8.5	9.8	10.0	10.1	10.2	10.4	10.5	-	Common
13.8	12.2	14.4	13 4	15.2	17.6	28 7	24 6	23 5	30 0	-	Avg Ann'
0.91	0 82	0.90	0.77	0.79	1 00	1.87	1.26	1.28	1.71	-	Relative
5.7%	6.5%	6.4%	6.3%	5.3%	4.4%	4.2%	3.8%	3.7%	3.5%	-	Average
7.1%	6 9%	6.4%	6.8%	5.7%	6.4%	4.9%	5.6%	6.0%	5.0%	-	Return oi
11.5%	11.3%	10.0%	10.4%	9.1%	10.6%	7 1%	9.1%	9.6%	7.9%	-	Return oi
2 4%	2.4%	0.8%	1.7%	1.8%	2.5%	-1.5%	0.5%	1.3%	-0.5%	-	Retained
80%	80%	92%	85%	81%	78%	120%	94%	87%	106%	-	All Div'ds
132.4	144.8	148 7	159.8	203 5	215.0	219.4	236.4	244.6	263.2	-	Total Ass
0.2	0.2	0.2	0 2	0.3	0.3	0.3	0.3	0.3	0.3	-	Preferrec
4 2	4 4	4.6	4 8	5.0	5.9	6.2	6.3	6.5	6.8	-	Common
44 8	47.6	49 2	51.2	66 7	69.6	70.6	72.3	76 5	79.6	-	Common
2.8	2.7	2.7	5.0	5.0	5.0	4.1	4.1	4 1	4.1	-	Preferrec
8.0	8.2	8 3	8.5	8.7	9.9	10 0	10.1	10.3	10 5	-	Average
0.3	0.4	0 4	0 4	0 5	0.4	0.4	0.4	0 6	0 6	*0.6*	Beta
0.1	0.1	0.1	0.0	0.0	0.1	0 2	0 2	0 2	0.2	*0 1*	Alpha
0 4	0 4	0 4	0.4	0.4	0 4	0.4	0.4	0 4	0 4	*0.3*	Standard

Pennichuck Corp — NDQ - PNNW

1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	Value Lin
-	-	-	-	-	-	10 07	9.53	9.79	8.93	-	Revenue
-	-	-	-	-	-	2.92	2.79	2.67	2 04	-	Cash Flo
-	-	-	-	-	-	1.56	1 52	1.51	0 82	-	Earnings
-	-	-	-	-	-	0.73	0 76	0.78	0 84	-	Div'ds De
-	-	-	-	-	-	3.29	3.44	2.20	3.00	-	Cap'l Spe
-	-	-	-	-	-	12.17	12.81	12.73	12.59	-	Book Val
-	-	-	-	-	-	2.3	2.4	2.4	2.4	-	Common
-	-	-	-	-	-	-	14.5	18.1	30.4	-	Avg Ann'
-	-	-	-	-	-	-	0.74	0.99	1.73	-	Relative I
-	-	-	-	-	-	-	3.4%	2.9%	3 4%	-	Average
-	-	-	-	-	-	8.4%	8.0%	8.0%	5.1%	-	Return oi
-	-	-	-	-	-	12.9%	11.8%	11.8%	6 5%	-	Return oi
-	-	-	-	-	-	6.9%	5.9%	5.5%	-0.1%	-	Retained
-	-	-	-	-	-	46%	50%	53%	101%	-	All Div'ds
-	-	-	-	-	-	82.9	87.8	91.0	97 2	-	Total Ass
-	-	-	-	-	-	-	-	-	-	-	Preferrec
-	-	-	-	-	-	1.7	1 8	1.9	2.0	-	Common
-	-	-	-	-	-	28 6	30 6	30 4	30.2	-	Common
-	-	-	-	-	-	-	-	-	-	-	Preferrec
-	-	-	-	-	-	2.4	2.4	2.4	2.4	-	Average
-	-	-	-	-	-	-	0.3	0.5	0 4	*0.5*	Beta
-	-	-	-	-	-	-	0.3	0.3	0 2	*0.1*	Alpha
-	-	-	-	-	-	-	0.6	0.5	0.5	*0.4*	Standard

Pennichuck Corp — NDQ - PNNW

1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	Value Lin
-	-	-	-	-	-	23.7	22.8	23 4	21.4	-	Revenue
-	-	-	-	-	-	12.4	11.6	10 4	8.1	-	Operatin
-	-	-	-	-	-	52.3%	51.0%	44 5%	37.9%	-	Operatin
-	-	-	-	-	-	3.2	3 0	2.8	2 9	-	Deprec($
-	-	-	-	-	-	3 7	3.6	2.3	1 2	-	Earnings
-	-	-	-	-	-	3.7	3.6	3.6	2 0	-	Net Profi
-	-	-	-	-	-	38.7%	39.1%	37.2%	38.9%	-	Income T
-	-	-	-	-	-	15.6%	15 9%	15.4%	9.2%	-	Net Profi
-	-	-	-	-	-	6.0	3.5	4.5	0.4	-	Work.Ca
-	-	-	-	-	-	26 9	27.1	26 9	26.9	-	Long-Ter
-	-	-	-	-	-	28.6	30.6	30 4	30.2	-	Shr.Equi

QUARTERLY SALES ($m)					
Calendar	**Mar.31**	**Jun.30**	**Sep.30**	**Dec.31**	**Full Year**
2001	4	5	5	7	22
2002	6	5	6	5	23
2003	4	5	6	4	21
2004	4	5	6	-	-
2005	-	-	-	-	-
EARNINGS PER SHARE					
Calendar	**Mar.31**	**Jun.30**	**Sep.30**	**Dec.31**	**Full Year**
2001	0 17	0.41	0.42	0 52	1 52
2002	0.26	0.08	0.60	0.57	1.51
2003	0.13	0 16	0.43	0.10	0.82
2004	-0.01	0.09	0.24	**0.39**	**0.71**
2005	-	-	-	-	-
QUARTERLY DIVIDENDS PAID					
Calendar	**Mar.31**	**Jun.30**	**Sep.30**	**Dec.31**	**Full Year**
2000	-	-	-	-	-
2001	0.19	0.19	0.19	0.20	0.76
2002	0.19	0.19	0.19	0.19	0 78
2003	0.21	0.21	0.21	0.21	0.84
2004	0.00	0.00	0 00	-	-

SJW CORP. AMEX-SJW

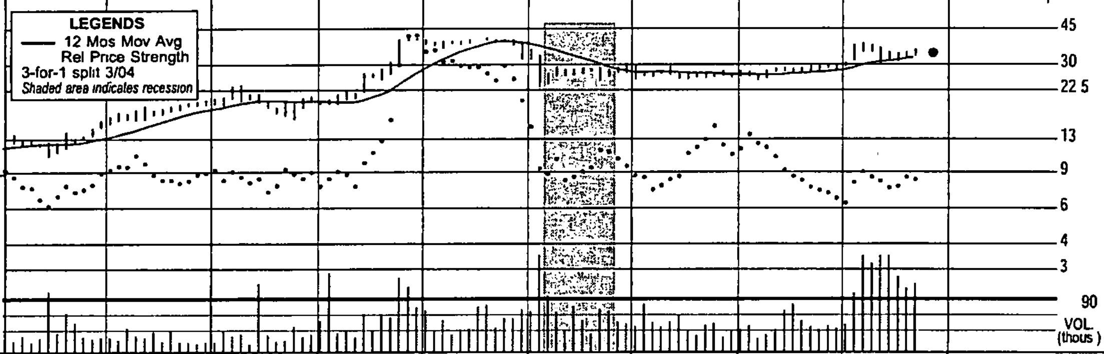
RECENT PRICE	TRAILING P/E RATIO	RELATIVE P/E RATIO	DIV'D YLD	VALUE LINE
34.10	20.1	1.05	3.0%	

RANKS

PERFORMANCE **3** *Average*
Technical **3** *Average*
SAFETY **2** *Above Average*
BETA 55 (1 00 = Market)

Financial Strength B++
Price Stability 95
Price Growth Persistence 65
Earnings Predictability 75

	1996	1997	1998	1999	2000	2001	2002	2003	2004	
High	16 08	20 17	23 83	40 33	40 67	35 67	30 13	29 90	38 25	
Low	10 67	15 33	16 17	19 08	31 67	23 17	25 33	25 13	29 21	



© VALUE LINE PUBLISHING, INC.	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005/2006
SALES PER SH	10 79	11 57	11 16	12 81	13 48	14 90	15 94	16 39	–	
"CASH FLOW" PER SH	2 86	2 53	2 52	2 86	2 46	2 98	3 09	3 50	–	
EARNINGS PER SH	1 92	1 60	1 51	1 73	1 17	1 53	1 56	1 83	*1.77*[A,B]	*2 06*[C]*/NA*
DIV'DS DECL'D PER SH	74	76	78	80	82	86	92	97	–	
CAP'L SPENDING PER SH	2 11	2 54	3 62	3 53	3 77	5 25	4 12	6 82	–	
BOOK VALUE PER SH	12 62	14 04	15 06	15 75	15 80	16 35	16 80	18 21	–	
COMMON SHS OUTST'G (MILL)	9 51	9 51	9 50	9 14	9 14	9 14	9 14	9 14	–	
AVG ANN'L P/E RATIO	6 8	11 2	13 1	15 5	33 1	18 5	17 3	15 4	*19 3*	*16.6/NA*
RELATIVE P/E RATIO	43	65	68	88	2 15	95	94	88	–	
AVG ANN'L DIV'D YIELD	5 7%	4 3%	3 9%	3 0%	2 1%	3 0%	3 4%	3 5%	–	
SALES ($MILL)	102 6	110 1	106 0	117 0	123 2	136 1	145 7	149 7	–	*Bold figures are consensus earnings estimates and, using the recent prices, P/E ratios.*
OPERATING MARGIN	34 4%	34 8%	36 0%	33 2%	30 2%	64 4%	63 7%	56 0%	–	
DEPRECIATION ($MILL)	8 7	8 9	9 6	10 2	11 9	13 2	14 0	15 2	–	
NET PROFIT ($MILL)	18 6	15 2	14 4	15 9	10 7	14 0	14 2	16 7	–	
INCOME TAX RATE	32 8%	39 9%	40 2%	35 9%	41 0%	34 5%	40 4%	36 2%	–	
NET PROFIT MARGIN	18 1%	13 8%	13 6%	13 6%	8 7%	10 3%	9 8%	11 2%	–	
WORKING CAP'L ($MILL)	11 9	7 0	9 4	d3 0	d11 4	d3 8	d4 9	12 0	–	
LONG-TERM DEBT ($MILL)	75 0	75 0	90 0	90 0	90 0	110 0	110 0	139 6	–	
SHR EQUITY ($MILL)	120 0	133 6	143 2	143 9	144 3	149 4	153 5	166 4	–	
RETURN ON TOTAL CAP'L	11 0%	8 7%	7 4%	8 2%	5 9%	6 7%	6 9%	6 9%	–	
RETURN ON SHR EQUITY	15 5%	11 4%	10 1%	11 0%	7 4%	9 4%	9 3%	10 0%	–	
RETAINED TO COM EQ	9 5%	6 0%	4 9%	5 9%	2 2%	4 1%	3 8%	4 7%	–	
ALL DIV'DS TO NET PROF	39%	48%	52%	46%	70%	56%	59%	53%	–	

[A]No of analysts changing earn est in last 16 days 0 up, 0 down, consensus 5-year earnings growth not available [B]Based upon one analyst's estimate [C]Based upon one analyst's estimate

ANNUAL RATES

of change (per share)	5 Yrs.	1 Yr
Sales	7 0%	3 0%
"Cash Flow"	4 0%	13 0%
Earnings	-0 5%	17 0%
Dividends	4 0%	5 5%
Book Value	4 0%	8 5%

Fiscal Year	QUARTERLY SALES ($mill) 1Q	2Q	3Q	4Q	Full Year
12/31/02	27 7	38 7	46 2	33 1	145 7
12/31/03	27 8	38 0	49 3	34 6	149 7
12/31/04	31 1	45 6			
12/31/05					

Fiscal Year	EARNINGS PER SHARE 1Q	2Q	3Q	4Q	Full Year
12/31/01	07	46	70	30	1 53
12/31/02	19	44	63	30	1 56
12/31/03	37	48	65	33	1 83
12/31/04	19	53	*70*	*35*	
12/31/05	*.21*				

Cal-endar	QUARTERLY DIVIDENDS PAID 1Q	2Q	3Q	4Q	Full Year
2001	205	.217	217	217	86
2002	23	23	23	23	92
2003	243	243	243	243	97
2004	255	255	255		

INSTITUTIONAL DECISIONS

	4Q'03	1Q'04	2Q'04
to Buy	20	25	17
to Sell	15	11	23
Hld's(000)	723	2195	2222

ASSETS ($mill)	2002	2003	6/30/04
Cash Assets	3	10 0	5 3
Receivables	13 9	13 7	22 5
Inventory	5	5	0
Other	4 0	2 9	1 9
Current Assets	18 7	27 1	29 7
Property, Plant & Equip, at cost	552 4	603 5	- -
Accum Depreciation	161 6	175 0	- -
Net Property	390 8	428 5	452 0
Other	43 7	56 1	47 8
Total Assets	453 2	511 7	529 5
LIABILITIES ($mill)			
Accts Payable	4	2 2	5 4
Debt Due	11 5	2	1
Other	11 7	12 7	18 3
Current Liab	23 6	15 1	23 8

LONG-TERM DEBT AND EQUITY as of 6/30/04

Total Debt $144 0 mill **Due in 5 Yrs** NA
LT Debt $143 9 mill
Including Cap Leases NA
(46% of Cap'l)

Leases, Uncapitalized Annual rentals NA

Pension Liability None in '03 vs None in '02

Pfd Stock None **Pfd Div'd Paid** None

Common Stock 9,138,841 shares
(54% of Cap'l)

INDUSTRY: Water Utility

BUSINESS: SJW Corp operates as the holding company of San Jose Water Company, SJW Land Company, and Crystal Choice Water Service, LLC San Jose Water provides water service to a population of approximately one million people in an area comprising 138 square miles in the metropolitan San Jose area. Its principal business consists of the production, purchase, storage, purification, distribution, and retail sale of water It also provides nonregulated water-related services under agreements with municipalities SJW Land owns and operates parking facilities, which are located adjacent to San Jose Water's headquarters and the HP Pavilion in San Jose, California It also owns commercial buildings and other undeveloped land, primarily in the metropolitan San Jose area, and a 70% limited partnership interest in 444 West Santa Clara Street, L P, a real estate limited partnership that owns and operates an office building Has 301 employees Chairman Drew Gibson. Inc CA Address 374 West Santa Clara Street, San Jose, CA 95196 Tel (408) 279-7800 Internet http //www sjwater com

A Z

October 29, 2004

TOTAL SHAREHOLDER RETURN
Dividends plus appreciation as of 9/30/2004

3 Mos.	6 Mos.	1 Yr.	3 Yrs.	5 Yrs.
-2 88%	-3 98%	20 04%	31 55%	25 21%

SJW Corp. — AMS - SJW

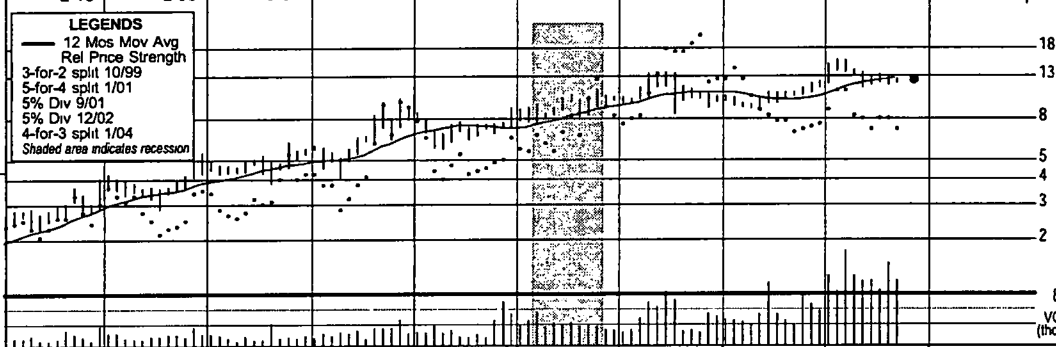
1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	Value Lin
10.19	9 99	10.79	11.57	11.16	12.81	13.48	14.90	15 94	16.39	-	**Revenue**
1.76	1.97	2.86	2.53	2 53	2 86	2 46	2.98	3.09	3.50	-	**Cash Flo**
1.02	1.18	1.92	1.60	1.51	1 73	1.17	1.53	1.56	1.83	-	**Earnings**
0.70	0.70	0.74	0.76	0.78	0.80	0.82	0.86	0.92	0.97	-	**Div'ds De**
1.78	1 92	2.11	2 54	3.62	3 54	3.77	5.25	4.11	6.82	-	**Cap'l Spe**
10.67	11.16	12 62	14.04	15.06	15.75	15 80	16.35	16.80	18 21	-	**Book Val**
9.8	9.8	9.5	9.5	9.5	9.1	9.1	9.1	9.1	9.1	-	**Common**
12.0	9.9	6 8	11.2	13.1	15.5	33.1	18.5	17.3	15.4	-	**Avg Ann'**
0.79	0.66	0 42	0.64	0 68	0.89	2 15	0.95	0.94	0.88	-	**Relative I**
5 7%	6.0%	5.7%	4.3%	3.9%	3.0%	2.1%	3.0%	3.4%	3.5%	-	**Average**
7 5%	7.5%	11.0%	8.7%	7.4%	8.2%	5.9%	6.7%	6 9%	6.9%	-	**Return o**
9 5%	10.6%	15.5%	11.4%	10.1%	11.0%	7.4%	9.4%	9.3%	10.0%	-	**Return o**
2.9%	4.2%	9.5%	6.0%	4.9%	5.9%	2.2%	4.1%	3.8%	4.7%	-	**Retained**
68%	60%	38%	47%	51%	46%	70%	55%	59%	53%	-	**All Div'ds**
262 5	280.5	296.5	323.2	359 4	372.4	391.9	431.0	453.2	511.7	-	**Total Ass**
-	-	-	-	-	-	-	-	-	-	-	**Preferrec**
6.8	7.0	7.2	7.2	7 4	7.4	7.5	7 8	8 4	8.9	-	**Common**
104.1	108.8	120.0	133.6	143.1	143.9	144.3	149.4	153.5	166.4	-	**Common**
-	-	-	-	-	-	-	-	-	-	-	**Preferrec**
9.8	9.8	9.7	9.5	9.5	9.2	9.1	9.1	9.1	9.1	-	**Average**
0.5	0.4	0.4	0.4	0.5	0.5	0.5	0.5	0 6	0.5	*0.6*	**Beta**
0.1	0.1	0.1	0.1	0.1	0.2	0.4	0.3	0.1	0.2	*0.1*	**Alpha**
0.3	0.3	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	*0 3*	**Standard**

SOUTHWEST WATER NDQ–SWWC

RECENT PRICE	12.43	TRAILING P/E RATIO	24.4	RELATIVE P/E RATIO	1.27	DIV'D YLD	1.6%	VALUE LINE

RANKS	4 08 2 16	5 46 2 83	6 17 3 81	10 14 4 01	9 12 5 65	11 28 7 65	13 64 8 43	12 38 8 96	15 79 11 36	High Low

PERFORMANCE	3	*Average*	
Technical	3	*Average*	
SAFETY	3	*Average*	
BETA	65		(1 00 = Market)
Financial Strength	B+		
Price Stability	75		
Price Growth Persistence	95		
Earnings Predictability	85		



© VALUE LINE PUBLISHING, INC	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005/2006
SALES PER SH	5 86	6 19	6 20	6 79	8 25	8 99	10 05	11 79	--	
"CASH FLOW" PER SH	51	59	65	72	84	95	95	1 00	--	
EARNINGS PER SH	17	23	28	34	42	46	44	49	***50*** [A,B]	***55*** [C]*/NA*
DIV'DS DECL'D PER SH	09	10	11	12	14	15	16	18	--	
CAP'L SPENDING PER SH	1 04	82	87	58	61	1 17	1 97	1 25	--	
BOOK VALUE PER SH	2 65	2 78	2 98	3 36	3 79	4 23	4 71	5 40	--	
COMMON SHS OUTST'G (MILL)	11 29	11 47	11 63	11 90	12 69	12 86	13 01	14 67	--	
AVG ANN'L P/E RATIO	16 6	16 9	17 2	19 6	17 0	19 8	24 8	21 2	***24 9***	***22 6/NA***
RELATIVE P/E RATIO	1 04	97	89	1 12	1 11	1 01	1 35	1 21	--	
AVG ANN'L DIV'D YIELD	3 4%	2 7%	2 3%	1 8%	2 0%	1 7%	1 5%	1 7%	--	
SALES ($MILL)	66 2	71 0	72 2	80 9	104 7	115 5	130 8	173 0	--	***Bold figures***
OPERATING MARGIN	14 6%	16 0%	17 1%	17 0%	16 1%	90 8%	90 8%	12 9%	--	***are consensus***
DEPRECIATION ($MILL)	3 9	4 2	4 3	4 5	5 3	6 1	6 4	7 5	--	***earnings***
NET PROFIT ($MILL)	1 9	2 6	3 4	4 2	5 4	6 2	6 0	7 2	--	***estimates***
INCOME TAX RATE	41 8%	41 6%	39 5%	39 0%	37 0%	36 0%	34 9%	35 9%	--	***and, using the***
NET PROFIT MARGIN	2 9%	3 7%	4 6%	5 2%	5 1%	5 4%	4 6%	4 2%	--	***recent prices,***
WORKING CAP'L ($MILL)	d4 1	d6 7	d2 7	1 7	1 2	4 8	d1 8	4 0	--	***P/E ratios.***
LONG-TERM DEBT ($MILL)	30 7	29 8	33 4	33 5	46 4	58 1	81 0	73 1	--	
SHR. EQUITY ($MILL)	30 4	32 4	35 1	40 5	48 6	55 0	61 8	79 7	--	
RETURN ON TOTAL CAP'L	5 5%	6 8%	7 1%	7 6%	7 6%	7 6%	5 8%	6 2%	--	
RETURN ON SHR. EQUITY	6 3%	8 0%	9 5%	10 3%	11 1%	11 4%	9 7%	9 0%	--	
RETAINED TO COM EQ	2 9%	4 5%	6 0%	7 0%	7 8%	7 8%	6 3%	5 8%	--	
ALL DIV'DS TO NET PROF	55%	45%	38%	33%	31%	32%	36%	36%	--	

[A]No of analysts changing earn est in last 16 days 0 up, 0 down, consensus 5-year earnings growth 8 3% per year [B]Based upon 4 analysts' estimates. [C]Based upon 4 analysts' estimates.

ANNUAL RATES

of change (per share)	5 Yrs	1 Yr
Sales	11 0%	17 5%
"Cash Flow"	10 5%	5 5%
Earnings	15 5%	12 5%
Dividends	10 5%	10 5%
Book Value	11 5%	14 5%

Fiscal Year	QUARTERLY SALES ($mill) 1Q	2Q	3Q	4Q	Full Year
12/31/02	28 2	32 7	34 6	35 3	130 8
12/31/03	36 1	41 5	51 4	44 0	173 0
12/31/04	39 7	45 7			
12/31/05					

Fiscal Year	EARNINGS PER SHARE 1Q	2Q	3Q	4Q	Full Year
12/31/01	04	13	17	12	46
12/31/02	04	12	14	14	44
12/31/03	d 01	14	23	13	49
12/31/04	--	15	***23***	***13***	
12/31/05	***02***				

Cal-endar	QUARTERLY DIVIDENDS PAID 1Q	2Q	3Q	4Q	Full Year
2001	038	038	038	038	15
2002	04	04	04	04	16
2003	044	044	044	048	18
2004	048	048	048	053	20

INSTITUTIONAL DECISIONS

	4Q'03	1Q'04	2Q'04
to Buy	32	33	26
to Sell	14	22	27
Hld's(000)	3590	3915	3985

ASSETS ($mill)	2002	2003	6/30/04
Cash Assets	1 6	5 4	1 9
Receivables	16 7	19 8	25 5
Inventory	0	0	0
Other	11 5	10 2	11 9
Current Assets	29 8	35 4	39 3
Property, Plant & Equip, at cost	265 9	287 4	--
Accum Depreciation	62 0	67 9	--
Net Property	203 9	219 5	227 7
Other	35 0	41 3	44 8
Total Assets	268 7	296 2	311 8
LIABILITIES ($mill)			
Accts Payable	11 4	11 4	8 2
Debt Due	2 0	2 7	4 1
Other	18 2	17 3	17 1
Current Liab	31 6	31 4	29 4

LONG-TERM DEBT AND EQUITY as of 6/30/04

Total Debt $64 9 mill Due in 5 Yrs. NA
LT Debt $60 8 mill
Including Cap Leases NA (37% of Cap'l)

Leases, Uncapitalized Annual rentals NA

Pension Liability None in '03 vs None in '02

Pfd Stock None Pfd Div'd Paid None

Common Stock 16,568,295 shares (63% of Cap'l)

INDUSTRY: Water Utility

BUSINESS: Southwest Water Co operates as a regulated public water utility company in the United States It has two segments, Services and Utility The Services segment provides water and wastewater facility maintenance services, equipment maintenance and repair, sewer pipeline cleaning, billing and collection services, and state-certified water and wastewater laboratory analysis on a contract basis It primarily operates in Texas, New Mexico, California, Colorado, Alabama, Mississippi, and Georgia This segment also provides utility billing services for multiple family housing units. The Utility segment owns and operates rate-regulated public water utilities in California, New Mexico, and Texas, as well as owns and manages wastewater facilities in New Mexico and Texas In July, the company acquired a Texas utility consisting of 86 water systems and 11 wastewater systems from Tecon Water Holdings, L P for approximately $63 million Has about 1400 employees Chairman, C E O. & President. Anton C. Garnier. Inc. DE Address One Wilshire Building, 624 S Grand Avenue, Ste 2900, Los Angeles, CA 90017 Tel (213) 929-1800 Internet: http //www swwc com. *A Z*

October 29, 2004

TOTAL SHAREHOLDER RETURN

Dividends plus appreciation as of 9/30/2004

3 Mos	6 Mos	1 Yr	3 Yrs	5 Yrs
-1 76%	-9 65%	17 61%	26 90%	74 08%

Southwest Water — NDQ - SWWC

1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	Value Lin
4.63	5 33	5 86	6.19	6.20	6 79	8 25	8.99	10.05	11.79	-	Revenue
0.42	0.48	0.51	0 59	0 65	0.72	0.84	0.95	0 95	1.00	-	Cash Flo
0.09	0.13	0.17	0 23	0.28	0.34	0.42	0.46	0.44	0.49	-	Earnings
0.09	0.09	0.09	0.10	0.11	0.12	0.14	0.15	0.16	0.18	-	Div'ds De
0.79	0.93	1 04	0 82	0 87	0.58	0.61	1.17	1.97	1 25	-	Cap'l Spe
2.55	2.70	2.65	2 78	2.98	3.36	3.79	4 24	4.71	5 40	-	Book Val
11.0	10.6	11.3	11.5	11.6	11.9	12.7	12.9	13.0	14.7	-	Common
22 4	14.6	16.5	16.9	17.3	19.6	17.0	19.8	24 8	21.2	-	Avg Ann'
1.47	0.98	1.03	0.98	0 90	1.12	1.10	1.01	1.36	1.21	-	Relative I
4 2%	4.7%	3.4%	2.7%	2.3%	1.8%	2 0%	1.7%	1.5%	1.7%	-	Average
4.4%	5.3%	5.5%	6.8%	7.1%	7.6%	7.6%	-	-	6.2%	-	Return o
3.7%	4.9%	6.3%	8.0%	9 5%	10.3%	11.1%	11.4%	9.7%	9.0%	-	Return o
0.3%	1.5%	2 9%	4.5%	6.0%	7.0%	7.8%	7 8%	6.3%	5.8%	-	Retained
93%	69%	54%	44%	37%	33%	30%	31%	35%	35%	-	All Div'ds
86.8	97.5	111.4	123.1	129.9	142.9	196.6	225.2	268.7	296.2	-	Total Ass
0 0	0.0	0.0	0 0	0 0	0.0	0.0	0.0	0.0	0.0	-	Preferrec
1.0	1 0	1.0	1.1	1 2	1.4	1.6	2 0	2 1	2 5	-	Common
28.0	28.7	29 9	31.9	34.6	40 0	48.1	54.4	61.3	79.2	-	Common
0.5	0.5	0.5	0.5	0.5	0.5	0 5	0.5	0 5	0 5	-	Preferrec
11.0	11.1	11.3	11 4	11.6	11.8	12 2	12.7	13 0	14.0	-	Average
0.4	0 4	0 6	0.6	0.6	0.6	0.5	0.4	0.6	0.6	*0 6*	Beta
-0.2	-0.3	-0.2	-0.0	0.2	0 4	0 4	0.4	0.4	0 3	*0 2*	Alpha
0.7	0.7	0.8	0.8	0 8	0.7	0.7	0 6	0 6	0.5	*0.4*	Standard

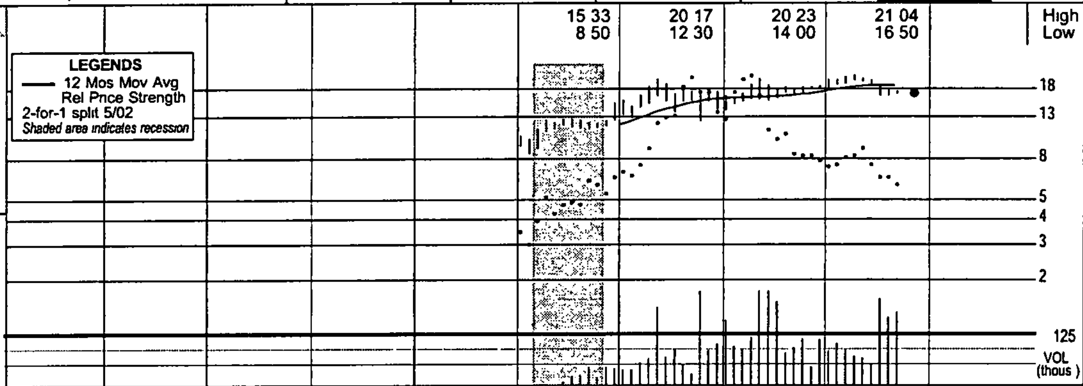
YORK WATER CO NDQ–YORW

RECENT PRICE 17.10 | TRAILING P/E RATIO 20.6 | RELATIVE P/E RATIO 1.07 | DIV'D YLD 3.3% | VALUE LINE

RANKS

PERFORMANCE	2	Above Average
Technical	3	Average
SAFETY	3	Average
BETA 55		(1 00 = Market)

Financial Strength	B+
Price Stability	70
Price Growth Persistence	NMF
Earnings Predictability	NMF



© VALUE LINE PUBLISHING, INC	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005/2006
REVENUES PER SH	--	--	--	--	6 07	3 08	3 07	3 25	--	
"CASH FLOW" PER SH	--	--	--	--	1 79	88	86	97	--	
EARNINGS PER SH	--	--	--	--	1 24	65	60	70	75^A,B	77^C/NA
DIV'D DECL'D PER SH	--	--	--	--	98	51	53	55	--	
CAP'L SPENDING PER SH	--	--	--	--	2 11	1 12	99	1 61	--	
BOOK VALUE PER SH	--	--	--	--	10 66	5 69	5 85	6 08	--	
COMMON SHS OUTST'G (MILL)	--	--	--	--	3 04	6 31	6 36	6 42	--	
AVG ANN'L P/E RATIO	--	--	--	--	--	17 9	26 9	24 5	22 8	22 2/NA
RELATIVE P/E RATIO	--	--	--	--	--	92	1 47	1 40	--	
AVG ANN'L DIV'D YIELD	--	--	--	--	--	4 3%	3 3%	3 2%	--	
REVENUES ($MILL)	--	--	--	--	18 5	19 4	19 6	20 9	--	*Bold figures*
NET PROFIT ($MILL)	--	--	--	--	3 8	4 0	3 8	4 4	--	*are consensus*
INCOME TAX RATE	--	--	--	--	35 7%	35 8%	34 9%	34 8%	--	*earnings*
AFUDC % TO NET PROFIT	--	--	--	--	1 5%	2 2%	3 7%	--	--	*estimates*
LONG-TERM DEBT RATIO	--	--	--	--	50 2%	47 7%	46 7%	43 4%	--	*and, using the*
COMMON EQUITY RATIO	--	--	--	--	49 8%	52 3%	53 3%	56 6%	--	*recent prices,*
TOTAL CAPITAL ($MILL)	--	--	--	--	65 2	68 6	69 9	69 0	--	*P/E ratios.*
NET PLANT ($MILL)	--	--	--	--	97 0	102 3	106 7	116 5	--	
RETURN ON TOTAL CAP'L	--	--	--	--	7 9%	7 9%	7 4%	8 5%	--	
RETURN ON SHR. EQUITY	--	--	--	--	11 6%	11 2%	10 2%	11 4%	--	
RETURN ON COM EQUITY	--	--	--	--	11 6%	11 2%	10 2%	11 4%	--	
RETAINED TO COM EQ	--	--	--	--	2 5%	2 5%	1 3%	2 6%	--	
ALL DIV'DS TO NET PROF	--	--	--	--	78%	78%	88%	77%	--	

[A]No of analysts changing earn est in last 16 days 0 up, 0 down, consensus 5-year earnings growth 7 0% per year [B]Based upon one analyst's estimate [C]Based upon one analyst's estimate

ANNUAL RATES

of change (per share)	5 Yrs	1 Yr
Revenues	--	6 0%
"Cash Flow"	--	13 0%
Earnings	--	16 5%
Dividends	--	5 0%
Book Value	--	4 0%

Fiscal Year	QUARTERLY SALES ($mill) 1Q	2Q	3Q	4Q	Full Year
12/31/02	4 7	4 9	5 3	4 7	19 6
12/31/03	4 8	5 0	5 8	5 3	20 9
12/31/04	5 4	5 5			
12/31/05					

Fiscal Year	EARNINGS PER SHARE 1Q	2Q	3Q	4Q	Full Year
12/31/01	13	14	23	15	65
12/31/02	14	15	18	13	60
12/31/03	12	16	24	18	70
12/31/04	25	16			
12/31/05					

Cal-endar	QUARTERLY DIVIDENDS PAID 1Q	2Q	3Q	4Q	Full Year
2001	125	125	125	125	50
2002	13	13	13	13	52
2003	135	135	135	135	54
2004	145	145	145	145	58

INSTITUTIONAL DECISIONS

	4Q'03	1Q'04	2Q'04
to Buy	5	2	1
to Sell	4	4	6
Hld's(000)	683	661	541

ASSETS ($mill)	2002	2003	6/30/04
Cash Assets	0	0	0
Receivables	2 8	3 2	3 2
Inventory	5	6	7
Other	4	3	7
Current Assets	3 7	4 1	4 6
Property, Plant & Equip, at cost	127 7	139 1	--
Accum Depreciation	21 0	22 6	--
Net Property	106 7	116 5	130 9
Other	8 0	6 9	7 3
Total Assets	118 4	127 5	142 8
LIABILITIES ($mill)			
Accts Payable	7	1 7	3 0
Debt Due	2 8	9 9	14 4
Other	2 0	2 4	2 2
Current Liab	5 5	14 0	19 6

LONG-TERM DEBT AND EQUITY as of 6/30/04

Total Debt $50 0 mill **Due in 5 Yrs** NA
LT Debt $35 6 mill
Including Cap Leases NA (47% of Cap'l)

Leases, Uncapitalized Annual rentals NA

Pension Liability None in '03 vs $1 7 mill in '02

Pfd Stock None **Pfd Div'd Paid** None

Common Stock 6,444,689 shares (53% of Cap'l)

INDUSTRY: Water Utility

BUSINESS: York Water Company engages in the impounding, purification, and distribution of water in York County, Pennsylvania The company has two reservoirs, Lake Williams and Lake Redman, which together hold up to 2 75 billion gallons of water It supplies water for domestic, commercial, industrial, and fire protection purposes The company serves approximately 149,000 people in 31 municipalities in York County, Pennsylvania It supplies through the company's own distribution system to the city of York, the boroughs of North York, West York, Manchester, Mount Wolf, New Salem; Hallam, Jacobus, Loganville, Yorkana, Seven Valleys; East Prospect, Jefferson, Glen Rock, New Freedom, Railroad, and portions of the townships of Manchester, East Manchester, West Manchester, North Codorus, Shrewsbury, North Hopewell, Hopewell, Springettsbury, Spring Garden, Conewago, Springfield, York, Hellam, Windsor, Lower Windsor, Dover, and Jackson. Has 92 employees CEO & President William Morris Inc PA Address 130 East Market Street, York, PA 17401 Tel . (717) 845-3601 Internet http //www yorkwater com *AZ*

October 29, 2004

TOTAL SHAREHOLDER RETURN

Dividends plus appreciation as of 9/30/2004

3 Mos	6 Mos	1 Yr	3 Yrs	5 Yrs
-5 21%	-13 50%	5 12%	56 16%	102 10%

York Water Co — NDQ - YORW

1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	Value Lin
-	-	-	-	-	-	6 07	3.08	3.07	3 25	-	Revenue
-	-	-	-	-	-	1.78	0.88	0.86	0 97	-	Cash Flo
-	-	-	-	-	-	1.25	0.65	0.60	0.70	-	Earnings
-	-	-	-	-	-	0.98	0.50	0.52	0.55	-	Div'ds De
-	-	-	-	-	-	2.11	1.13	0.99	1 61	-	Cap'l Spe
-	-	-	-	-	-	10 66	5.69	5 85	6.08	-	Book Val
-	-	-	-	-	-	3 0	6.3	6.4	6.4	-	Common
-	-	-	-	-	-	-	17.9	26 9	24.5	-	Avg Ann'
-	-	-	-	-	-	-	0 92	1.47	1.40	-	Relative I
-	-	-	-	-	-	-	4.3%	3.3%	3 2%	-	Average
-	-	-	-	-	-	7 9%	7.9%	7.4%	8.4%	-	Return on
-	-	-	-	-	-	11.6%	11.2%	10 2%	11.4%	-	Return on
-	-	-	-	-	-	2.5%	2.5%	1.3%	2.6%	-	Retained
-	-	-	-	-	-	78%	78%	87%	77%	-	All Div'ds
-	-	-	-	-	-	116.4	113.4	118.4	127.5	-	Total Ass
-	-	-	-	-	-	-	-	-	-	-	Preferred
-	-	-	-	-	-	3 0	3.1	3 3	3.4	-	Common
-	-	-	-	-	-	32.4	35.9	37.2	39.1	-	Common
-	-	-	-	-	-	-	-	-	-	-	Preferred
-	-	-	-	-	-	3.0	6.2	6 3	6.4	-	Average
-	-	-	-	-	-	-	-	-	0.5	0 6	Beta
-	-	-	-	-	-	-	-	-	0.4	0 3	Alpha
-	-	-	-	-	-	-	-	-	0 6	0 4	Standard

Wade

AMER. STATES WATER NYSE-AWR

RECENT PRICE	P/E RATIO		RELATIVE P/E RATIO	DIV'D YLD	VALUE LINE
24.26	22.3	(Trailing: 31.1 Median: 16.0)	1.16	3.7%	1422

TIMELINESS **4** Raised 11/7/03

SAFETY **3** New 2/4/00

TECHNICAL **3** Raised 3/12/04

BETA 65 (1 00 = Market)

	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
High	16 3	14 7	14 0	16 1	17 1	19 5	26 5	25 3	26 4	29 0	29 0	26 8
Low	13 1	10 2	10 5	12 5	13 5	14 1	14 8	16 7	19 0	20 3	21 6	23 5

2007-09 PROJECTIONS

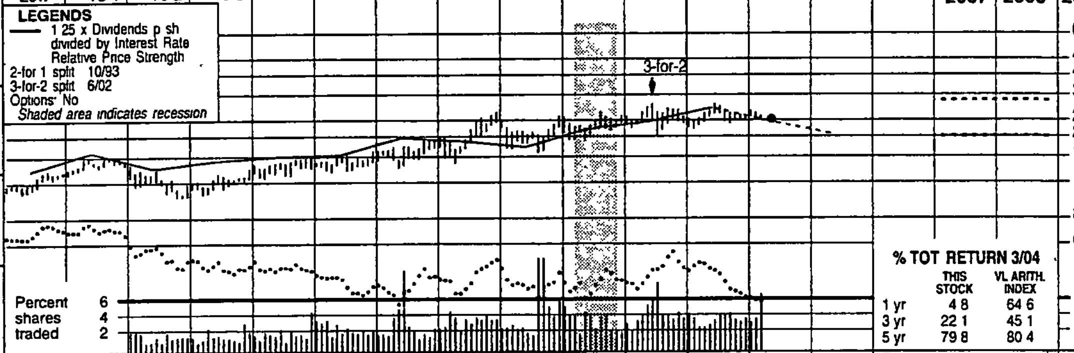
	Price	Gain	Ann'l Total Return
High	30	(+25%)	9%
Low	20	(-20%)	Nil

Insider Decisions

	J	J	A	S	O	N	D	J	F
to Buy	0	0	2	0	0	1	0	0	0
Options	0	0	0	0	0	0	0	0	0
to Sell	0	0	0	0	0	0	0	0	0

Institutional Decisions

	2Q2003	3Q2003	4Q2003
to Buy	43	34	45
to Sell	29	48	31
Hld's(000)	5547	5522	5663



1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	© VALUE LINE PUB., INC.	07-09
8 58	9 12	9 58	9 15	10 10	9.27	10 43	11 03	11 37	11 44	11 02	12 91	12 17	13 06	13 78	13 98	14.05	15 00	Revenues per sh	16 10
1 13	1 44	1 49	1 78	1 81	1 67	1 68	1 75	1 75	1 85	2.04	2.26	2.20	2 53	2 54	2 08	2.70	2.90	"Cash Flow" per sh	3.60
65	92	94	1 19	1 15	1 11	95	1 03	1 13	1 04	1 08	1 19	1.28	1 35	1 34	78	1.45	1.55	Earnings per sh A	2 00
67	69	72	73	77	79	80	81	82	83	84	85	86	87	87	88	.88	.90	Div'd Decl'd per sh B■	.96
2 39	2 46	2 53	2 77	2 31	1 90	2.43	2 19	2 40	2.58	3 11	4 30	3 03	3 18	2 68	3 76	4.25	4.45	Cap'l Spending per sh	3 45
7 07	7 31	7 54	8 39	8 85	9 95	10 07	10.29	11 01	11.24	11 48	11 82	12 74	13 22	14 05	13 97	15.50	16.75	Book Value per sh	17.50
9 35	9 39	9 43	9 91	9 96	11 71	11 77	11 77	13 33	13 44	13 44	13 44	15 12	15 12	15 18	15 21	16.75	17 00	Common Shs Outst'g C	18 00
14 2	9 7	10.2	8 8	10 6	13 4	12 8	11 6	12 6	14 5	15 5	17 1	15 9	16 7	18 3	31 9	Bold figures are Value Line estimates		Avg Ann'l P/E Ratio	13 0
1 18	73	76	56	.64	79	84	78	79	84	81	97	1 03	86	1 00	1 85			Relative P/E Ratio	.85
7 4%	7 7%	7 5%	7 0%	6 3%	5 3%	6 6%	6 7%	5 8%	5 5%	5 0%	4 2%	4 2%	3 9%	3 6%	3 5%			Avg Ann'l Div'd Yield	3.9%
						122 7	129 8	151 5	153 8	148 1	173 4	184 0	197 5	209.2	212 7	235	255	Revenues ($mill)	295
						11 3	12 2	13 5	14 1	14 6	16 1	18 0	20 4	20 3	11 9	24.5	26.5	Net Profit ($mill)	36 0
						43 9%	41 9%	43 3%	41 1%	40 9%	46 0%	45 7%	43 0%	38 9%	43.5%	40.0%	40.0%	Income Tax Rate	40 0%
						--	--	--	--	--	--	--	--	--	--	Nil	Nil	AFUDC % to Net Profit	Nil
						43 5%	46 6%	41 9%	43 0%	43 6%	51 0%	47 5%	54 9%	52 0%	52 0%	46.0%	47.0%	Long-Term Debt Ratio	51 0%
						55 5%	52 5%	57 3%	56 3%	55 7%	48 4%	51 9%	44 7%	48 0%	48 0%	54 0%	53.0%	Common Equity Ratio	49 0%
						213 5	230 6	256 0	268 4	277 1	328.2	371 1	447 6	444 4	442.3	485	535	Total Capital ($mill)	660
						314 9	335 0	357 8	383 6	414 8	449 6	509 1	539 8	563 3	602 3	660	715	Net Plant ($mill)	850
						7 1%	7 2%	6 9%	6 9%	7 0%	6 6%	6 4%	6 1%	6 5%	4 6%	7.0%	6.5%	Return on Total Cap'l	6.5%
						9 4%	9 9%	9 0%	9.2%	9 4%	10 0%	9 2%	10 1%	9 5%	5 6%	9 5%	9.5%	Return on Shr. Equity	11.5%
						9 5%	10 0%	9 0%	9.2%	9 4%	10 1%	9 3%	10 1%	9 5%	5 6%	9 5%	9.5%	Return on Com Equity	11 5%
						1 6%	2.1%	2 4%	1 8%	2 1%	2 9%	3 0%	3 6%	3 3%	NMF	3.5%	3.5%	Retained to Com Eq	3 0%
						84%	79%	73%	80%	78%	72%	68%	65%	65%	113%	62%	58%	All Div'ds to Net Prof	48%

CAPITAL STRUCTURE as of 12/31/03
Total Debt $286 6 mill Due in 5 Yrs $59 6 mill
LT Debt $229 8 mill LT Interest $16 0 mill
(Total interest coverage 2 2x)

Leases, Uncapitalized: None
Pension Assets-12/03 $46 7 mill
Oblig $58 9 mill
Pfd Stock None Pfd Div'd None

Common Stock 15,233,227 shs
as of 3/18/04
MARKET CAP. $375 million (Small Cap)

CURRENT POSITION ($MILL.)	2001	2002	12/31/03
Cash Assets	30 5	18 4	12 8
Receivables	10 6	10 8	11 8
Inventory (Avg Cst)	1 0	9	1 4
Other	45 7	21 7	32 4
Current Assets	87 8	51 8	58 4
Accts Payable	13 9	11 6	18 8
Debt Due	20 8	48 3	56 8
Other	28 9	19 6	20 3
Current Liab	63 6	79 5	95 90
Fix Chg Cov	327%	285%	237%

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '01-'03 to '07-'09
Revenues	3 5%	4 0%	3 0%
"Cash Flow"	3 0%	5 0%	7 0%
Earnings	--	1 5%	9 5%
Dividends	1 5%	1 0%	1 5%
Book Value	4 5%	4 0%	4 0%

Calendar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun 30	Sep. 30	Dec. 31	Full Year
2001	40 3	49 9	59 4	47 9	197 5
2002	44 5	52 8	61 6	50 3	209 2
2003	46 7	51.8	63 7	50 5	212 7
2004	49 0	60 0	69.0	57.0	235
2005	53 0	66 0	76.0	60.0	255

Calendar	EARNINGS PER SHARE A Mar.31	Jun. 30	Sep. 30	Dec. 31	Full Year
2001	21	33	63	18	1 35
2002	25	36	50	.23	1 34
2003	20	13	51	d 12	78
2004	.25	.36	.60	.24	1.45
2005	.27	.38	.63	.27	1.55

Calendar	QUARTERLY DIVIDENDS PAID B■ Mar 31	Jun.30	Sep.30	Dec.31	Full Year
2000	213	213	.213	217	86
2001	217	217	.217	217	87
2002	217	217	217	221	87
2003	221	221	221	221	88
2004	221				

BUSINESS: American States Water Co operates as a holding company Through its principal subsidiary, Southern California Water Company, it supplies water to 75 communities in 10 counties. Service areas include the greater metropolitan areas of Los Angeles and Orange Counties The company also provides electric utility services to approximately 22,000 customers in the city of Big Bear Lake and in areas of San Bernardino County Acquired Chaparral City Water of Arizona (10/00), 11,400 customers Has about 520 employees Off & dir own less than 1% of common stock (4/04 Proxy) Chairman Lloyd Ross President & CEO Floyd Wicks Incorporated CA. Add 630 East Foothill Boulevard, San Dimas, CA 91773 Tel. 909-394-3600 Web www aswater com

American States Water Company struggled throughout 2003. Harsh weather conditions and disappointing regulatory decisions caused earnings to plummet by approximately 42% on a year-over year-basis. Management announced that it included a pre tax charge of $6.3 million in its fourth-quarter results to reflect a decision handed down by the California Public Utilities Commission (CPUC). The charge relates to the CPUC's order requiring that the company's Southern California Water subsidiary refund, with interest, 70% of revenues received from the lease of certain of its water rights to the city of Folsom, California.

An additional equity offering is probably in the works. Realizing the pressing need to maintain and improve current facilities, given the increased regulatory and security measures being implemented, AWR plans to issue about $30 million in stock in the coming months.

Nevertheless, we expect a solid recovery in 2004. We look for a double-digit revenue advance this year, thanks to better weather conditions and more favorable regulatory decisions. American recently announced that the CPUC authorized an annualized increase of approximately $8.1 million, or 12.1%, in revenues for SCW's Region III service area. The decision also authorized additional rate increases, effective during the next two years totaling $4.7 million. And we believe that more favorable decisions are likely to follow shortly , as Governor Schwarzenegger's new administration has emphasized the importance in making swifter rulings. Therefore, despite the dilutive nature of the pending share issuance, we believe that a better regulatory environment will help American rebound and post earnings of $1.45 and $1.55, respectively in 2004 and 2005.

American shares offer very little appeal at this juncture. Although we believe that the rapid growth of the Californian population and a more favorable regulatory environment will result in solid share-net advances out to 2007-2009, these untimely shares already reflect the gains we foresee. In addition, investors looking for increased income have better options elsewhere.

Andre J. Costanza *April 30, 2004*

(A) Primary earnings Excludes nonrecurring gains '91, 73¢, '92, 13¢ Next earnings report due late July

(B) Dividends historically paid in early-March, June, September, December ■ Div'd reinvestment plan available

(C) In millions, adjusted for splits

Company's Financial Strength	B+
Stock's Price Stability	85
Price Growth Persistence	70
Earnings Predictability	85

Werde

AQUA AMERICA NYSE-WTR

RECENT PRICE 20.62 | P/E RATIO 24.5 (Trailing: 27.1; Median: 20.0) | RELATIVE P/E RATIO 1.27 | DIV'D YLD 2.4% | VALUE LINE 1423

TIMELINESS 3 Lowered 2/1/02

SAFETY 3 Lowered 8/1/03

TECHNICAL 3 Raised 1/30/04

BETA 75 (1 00 = Market)

High	5 3	5 0	5 5	7 6	11 4	15 4	15 4	16 0	19 7	20 0	22 4	22 8
Low	4 0	4 4	4 4	5 2	5 9	9 7	10 1	8 4	12 5	12 8	15 8	20 0

2007-09 PROJECTIONS

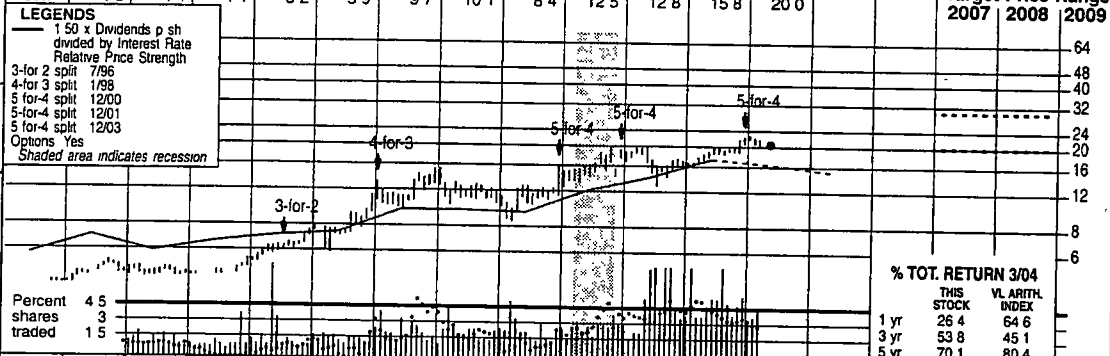
	Price	Gain	Ann'l Total Return
High	30	(+45%)	11%
Low	20	(-5%)	2%

Insider Decisions

	J	J	A	S	O	N	D	J	F
to Buy	0	0	0	0	0	0	0	0	0
Options	0	0	0	1	0	2	0	0	0
to Sell	0	0	0	1	0	1	0	0	0

Institutional Decisions

	2Q2003	3Q2003	4Q2003
to Buy	83	93	85
to Sell	59	57	86
Hld's(000)	29526	23569	26673



% TOT. RETURN 3/04

	THIS STOCK	VL ARITH. INDEX
1 yr	26 4	64 6
3 yr	53 8	45 1
5 yr	70 1	80 4

1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	© VALUE LINE PUB., INC.	07-09
4 45	4 53	2 70	2 85	2 43	2 27	2 42	2 45	2 48	2 69	2 79	3 21	3 29	3 59	3 79	3 97	*4.55*	*5 00*	Revenues per sh	*6 35*
66	65	58	59	52	56	56	63	67	74	81	96	1 01	1 15	1 26	1 28	*1.45*	*1 60*	"Cash Flow" per sh	*2.10*
30	27	33	33	31	33	35	39	40	46	53	56	62	68	72	76	*85*	*.95*	Earnings per sh A	*1.25*
24	24	.26	.26	.27	27	.28	29	30	32	34	36	38	40	43	46	*.49*	*.53*	Div'd Decl'd per sh B■	*.65*
88	1 15	1 01	72	80	63	61	69	64	77	1 09	1 20	1 55	1 45	1 60	1 76	*1.85*	*1 95*	Cap'l Spending per sh	*2.30*
2 88	2 92	2 80	2 76	2 79	3 05	3.21	3 28	3 59	3 79	4 28	4 57	5 13	5 53	5 81	7 12	*7.90*	*8 90*	Book Value per sh	*11 80*
28 27	29 45	30 48	31 06	38 40	44 55	44 83	47 81	49 31	50 60	54 15	80 10	83 87	85 48	84 90	92 59	*97.00*	*100 00*	Common Shs Outst'g C	*110.00*
12 3	12 9	10 2	10 8	12 5	14 4	13 5	12 0	15 6	17 8	22 5	21.2	18.2	23 6	23 6	24 5	*Bold figures are*		Avg Ann'l P/E Ratio	*21.0*
1 02	98	76	69	76	85	89	80	98	1 03	1 17	1 21	1 18	1 21	1 29	1 42	*Value Line*		Relative P/E Ratio	*1.40*
6 5%	6 9%	7 7%	7.2%	6 8%	5 9%	6 0%	6 2%	4 9%	3 9%	2 9%	3 0%	3 3%	2 5%	2.5%	2 5%	*estimates*		Avg Ann'l Div'd Yield	*2.6%*
						108 6	117 0	122 5	136 2	151 0	257 3	275 5	307 3	322.0	367.2	*440*	*500*	Revenues ($mill)	*700*
						15 6	19 0	19 8	23 2	28 8	45 0	50 7	58 5	62 7	67 3	*85.0*	*95.0*	Net Profit ($mill)	*140*
						42 5%	40 4%	41 4%	40 6%	40 5%	38 4%	38 9%	39 3%	38 5%	39 3%	*40.0%*	*40.0%*	Income Tax Rate	*40 0%*
						8%	1 6%	--	--	-	--	--	--	--	--	*Nil*	*Nil*	AFUDC % to Net Profit	*Nil*
						50 2%	51 9%	54 1%	54 4%	52 7%	52 9%	52 0%	52 2%	54 2%	51 4%	*52.0%*	*52.0%*	Long-Term Debt Ratio	*52.0%*
						47 4%	46 4%	44 0%	44 8%	46 6%	46 7%	47 8%	47 7%	45 8%	48 6%	*48.0%*	*48.0%*	Common Equity Ratio	*48 0%*
						303 1	338 0	401 7	427 2	496 6	782.7	901 1	990 4	1076.2	1355 7	*1600*	*1850*	Total Capital ($mill)	*2700*
						385 7	436 9	502 9	534 5	609 8	1135 4	1251 4	1368 1	1490 8	1824 3	*2100*	*2300*	Net Plant ($mill)	*3100*
						7 0%	7 7%	6 8%	7 4%	7 6%	7 6%	7 4%	7 8%	7 6%	6 4%	*7.0%*	*7 0%*	Return on Total Cap'l	*7.0%*
						10 4%	11 7%	10 7%	11 9%	12 3%	12.2%	11 7%	12 3%	12 7%	10 2%	*11.0%*	*11 0%*	Return on Shr. Equity	*11.0%*
						10 3%	11 7%	11.2%	12 0%	12 4%	12 3%	11 7%	12.4%	12 7%	10 2%	*11.0%*	*11 0%*	Return on Com Equity	*11.0%*
						2 1%	3 5%	2 8%	3 6%	4 5%	4 3%	4 7%	5 1%	5 2%	4 2%	*5 0%*	*5.0%*	Retained to Com Eq D	*5.5%*
						81%	71%	75%	70%	64%	65%	60%	59%	59%	59%	*56%*	*56%*	All Div'ds to Net Prof	*51%*

CAPITAL STRUCTURE as of 12/31/03
Total Debt $832 5 mill **Due in 5 Yrs** $225 0 mill
LT Debt $696 7 mill **LT Interest** $40 0 mill
(Total interest coverage 3 5x)

Pension Assets-12/03 $108 7 mill **Oblig** $150 1 mill

Pfd Stock None

Common Stock 92,589,035 shares

MARKET CAP $1 9 billion (Mid Cap)

CURRENT POSITION ($MILL.)	2001	2002	12/31/03
Cash Assets	20 8	49 7	39 2
Receivables	56 3	57 7	62 3
Inventory (AvgCst)	4 4	4 6	5 8
Other	8 1	2 7	5 1
Current Assets	89 6	114 7	112 4
Accts Payable	27 7	31 1	32 3
Debt Due	124 6	149 4	135 8
Other	50 3	46 0	63 9
Current Liab	202 6	226 5	232 0
Fix Chg Cov	335%	347%	344%

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '01-'03 to '07-'09
Revenues	4 0%	7 5%	*9 0%*
"Cash Flow"	8 5%	10 5%	*9 5%*
Earnings	8 5%	9 5%	*9.5%*
Dividends	5 0%	6 0%	*7 0%*
Book Value	8 0%	9 5%	*11 5%*

Calendar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep 30	Dec.31	Full Year
2001	70 2	77 3	84 7	75 1	307 3
2002	71 7	76 6	91 9	81 8	322 0
2003	80 5	83 4	102 1	101 2	367 2
2004	*100*	*105*	*120*	*115*	*440*
2005	*115*	*120*	*135*	*130*	*500*

Calendar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep 30	Dec.31	Full Year
2001	14	18	22	14	68
2002	14	16	25	17	72
2003	15	18	24	19	76
2004	*.19*	*.21*	*.25*	*.20*	*.85*
2005	*.20*	*.23*	*.28*	*.24*	*.95*

Calendar	QUARTERLY DIVIDENDS PAID B ■ Mar.31	Jun.30	Sep.30	Dec 31	Full Year
2000	092	092	092	099	38
2001	099	099	099	106	40
2002	106	106	106	112	43
2003	112	112	112	12	46
2004	12				

BUSINESS. Aqua America, Inc is the holding company for water and wastewater utilities that serve approximately 2 5 million residents in Pennsylvania, Ohio, New Jersey, Illinois, Maine, North Carolina, Texas, Florida, Kentucky, and five other states Divested three of four non-water businesses in '91, telemarketing group in '93, and others Acquired Consumers Water, 4/99, AquaSource, 7/03, and others Water supply revenues '03 residential, 59%, commercial, 17%, industrial & other, 24% Officers and directors own 1 4% of the common stock (4/04 Proxy) Chairman & Chief Executive Officer Nicholas DeBenedictis. Incorporated Pennsylvania. Address 762 West Lancaster Avenue, Bryn Mawr, Pennsylvania 19010 Telephone 610-525-1400 Internet www aquaamerica.com

We believe that Aqua America will generate good results this year. The water provider should benefit nicely from a number of acquisitions conducted over the past year, the largest being AquaSource, which added roughly 130,000 accounts. (Management is in the midst of purchasing Heater Utilities, a water and wastewater system with approximately 50,000 customers in North Carolina.) Moreover, we're assuming that Aqua America's results will be aided by a return to normal weather patterns (Last year, consumption was held back, to a certain degree, by above-average rainfall and cooler temperatures) That said, share net could well rise to $0.85 in 2004. Further expansion in operating margins ought to enable the bottom line to advance to $0 95 next year

The company remains an active participant in the ongoing consolidation within the water-service industry. The cost and technical expertise required for compliance with quality standards for drinking water have risen to the point where a number of the many small water suppliers in the United States have been struggling financially. This has resulted in a buyer's market whereby a well-capitalized company (like Aqua America) can enlarge its customer base at relatively low cost. The latest additions to its portfolio include Marienville Water Supply Company, serving 900 residents in Forest County, Pennsylvania; the water and wastewater assets of ABC Utilities, which serves roughly 900 customers in New Hanover County, North Carolina; and the Pinecrest Lake water system, serving more than 600 residents in Monroe County, Pennsylvania. (Note that future acquisitions are excluded from our figures due to the many uncertainties involved with that strategy)

The stock's total-return potential at the current quotation is unexciting, despite the solid annual earnings growth we envision for the water company out to 2007-2009. And for the coming six to 12 months, these shares are ranked to perform only in line with the market. But the high Price Stability rating and lower-than-market Beta coefficient provide some conservative appeal.

Frederick L. Harris, III *April 30, 2004*

(A) Primary shares outstanding through '96, diluted thereafter Excl nonrec gains (losses) '90, (38¢), '91, (34¢), '92, (38¢), '99, (11¢), '00, 2¢, '01, 2¢, '02, 5¢, '03, 4¢ Excl gain from disc operations '96, 2¢ Next earnings report due mid-May (B) Dividends historically paid in early March, June, Sept & Dec ■ Div'd reinvestment plan available (C) In millions, adjusted for stock splits (D) Return on common equity allowed by PA PUC in '91 rate adjustment 12 0% Return on avg common equity in '03, 12 3%

Company's Financial Strength	B+
Stock's Price Stability	85
Price Growth Persistence	95
Earnings Predictability	100

Weide

CALIFORNIA WATER NYSE-CWT

RECENT PRICE	P/E RATIO		RELATIVE P/E RATIO	DIV'D YLD	VALUE LINE
29.40	18.8	(Trailing: 24.7) (Median: 17.0)	0.97	3.8%	1424

TIMELINESS 4 Lowered 4/30/04
SAFETY 2 Lowered 8/11/95
TECHNICAL 3 Raised 2/27/04
BETA 65 (1 00 = Market)

													Target Price Range		
High	20 6	20 5	17 6	21 9	29 6	33 8	32 0	31 4	28 6	26 9	31 4	30 0	2007	2008	2009
Low	16 1	14 7	14 8	16 3	18 6	20 8	22 6	21 5	22 9	20 5	23 7	27 2			

2007-09 PROJECTIONS

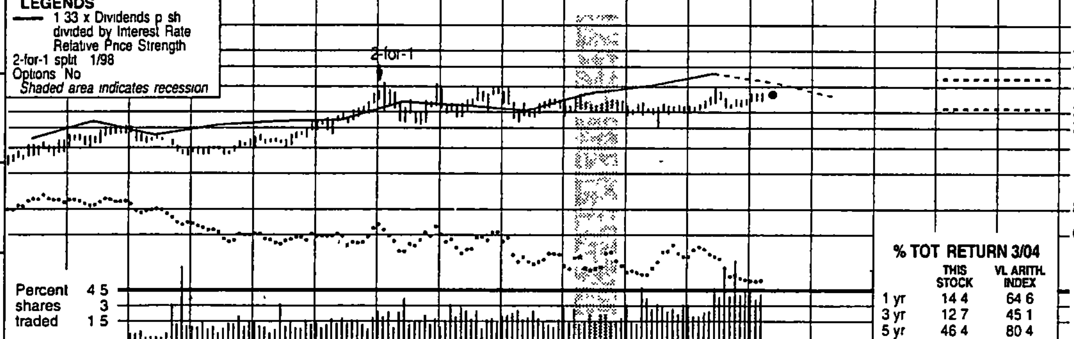
	Price	Gain	Ann'l Total Return
High	35	(+20%)	8%
Low	25	(-15%)	1%

Insider Decisions

	J	J	A	S	O	N	D	J	F
to Buy	0	0	0	0	0	0	1	0	0
Options	0	0	0	0	0	0	0	0	0
to Sell	0	0	0	0	0	0	0	0	0

Institutional Decisions

	2Q2003	3Q2003	4Q2003
to Buy	27	27	40
to Sell	24	23	15
Hld's(000)	2879	2968	3465



% TOT RETURN 3/04

	THIS STOCK	VL ARITH. INDEX
1 yr	14 4	64 6
3 yr	12 7	45 1
5 yr	46 4	80 4

1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	© VALUE LINE PUB., INC.	07-09
10 03	10 33	10 93	11 18	12.29	13 34	12 59	13 17	14 48	15 48	14 76	15 96	16 16	16 26	17 33	16 37	*16 40*	*17.25*	Revenues per sh	*21 05*
1 87	1 89	1 97	1 98	1 92	2.25	2 02	2 07	2 50	2 92	2 60	2 75	2 52	2 20	2 65	2 51	*2.85*	*3 10*	"Cash Flow" per sh	*3.95*
1 23	1 20	1 25	1 21	1 09	1 35	1.22	1 17	1 51	1 83	1 45	1 53	1 31	94	1 25	1 21	*1 50*	*1 65*	Earnings per sh [A]	*2 10*
80	84	87	90	93	96	99	1 02	1 04	1 06	1 07	1 09	1 10	1 12	1 12	1 12	*1.13*	*1 13*	Div'd Decl'd per sh [B] ■	*1 18*
2 12	2 40	2.36	3 03	3 09	2 53	2 26	2 17	2 83	2.61	2 74	3 44	2 45	4 09	5 82	4 39	*4.15*	*4.25*	Cap'l Spending per sh	*5.25*
9 30	9 66	10 04	10 35	10 51	10 90	11.56	11 72	12 22	13 00	13 38	13 43	12 90	12 95	13 12	14 44	*23 10*	*23 30*	Book Value per sh [C]	*30.25*
11 34	11 38	11 38	11 38	11 38	11 38	12 49	12 54	12 62	12 62	12 62	12 94	15 15	15 18	15 18	16 93	*18.00*	*18.25*	Common Shs Outst'g [D]	*19.00*
11 5	10 6	10 4	11 2	14 1	13 6	14 1	13.7	11 9	12 6	17 8	17 8	19 6	27 1	19 8	22 1	*Bold figures are*		Avg Ann'l P/E Ratio	*14 5*
95	80	77	72	86	80	92	92	75	73	93	1 01	1 27	1 39	1 08	1 28	*Value Line*		Relative P/E Ratio	*.95*
5 7%	6 6%	6 7%	6 6%	6 1%	5.2%	5 8%	6 4%	5 8%	4 6%	4 2%	4 0%	4 3%	4 4%	4 5%	4.2%	*estimates*		Avg Ann'l Div'd Yield	*3.9%*

1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005		07-09
157 3	165 1	182 8	195 3	186 3	206 4	244 8	246 8	263.2	277 1	*295*	*315*	Revenues ($mill)	*400*
14 4	14 7	19 1	23 3	18 4	19 9	20 0	14 4	19 1	19 4	*27.0*	*30 0*	Net Profit ($mill)	*40 0*
40 0%	40 1%	38 9%	37 4%	36 4%	37 9%	42 3%	39 4%	39 7%	39 9%	*40 0%*	*40 0%*	Income Tax Rate	*40 0%*
--	--	--	--	--	--	--	--	--	--	*Nil*	*Nil*	AFUDC % to Net Profit	*Nil*
46 6%	49.2%	47 4%	45 4%	44 2%	46 9%	48 9%	50 3%	55 3%	50.2%	*40.0%*	*40 0%*	Long-Term Debt Ratio	*35.0%*
52 2%	49 7%	51 4%	53 5%	54 7%	52 0%	50.2%	48 8%	44 0%	49 1%	*60 0%*	*60 0%*	Common Equity Ratio	*65.0%*
276 9	296 0	299 9	306 7	308 6	333 8	388 8	402 7	453 1	498 4	*665*	*700*	Total Capital ($mill)	*835*
407 9	422 2	443 6	460 4	478 3	515 4	582 0	624 3	697 0	759 5	*800*	*850*	Net Plant ($mill)	*985*
7 1%	6 8%	8 3%	9 4%	7 8%	7 8%	6 8%	5 3%	5 9%	5 6%	*4 0%*	*4.5%*	Return on Total Cap'l	*5 0%*
9 7%	9 8%	12 1%	13 9%	10 7%	11.2%	10 0%	7.2%	9 4%	7 8%	*6 5%*	*7.0%*	Return on Shr Equity	*7.0%*
9.9%	9 9%	12 3%	14 1%	10 8%	11 4%	10 1%	7.2%	9 5%	7 9%	*6 6%*	*7.2%*	Return on Com Equity	*7.0%*
1 9%	1 2%	3 8%	6 0%	2 8%	3 5%	1 8%	NMF	1 0%	7%	*1.5%*	*2.5%*	Retained to Com Eq	*4.5%*
81%	88%	69%	58%	74%	70%	82%	119%	90%	91%	*75%*	*69%*	All Div'ds to Net Prof	*56%*

CAPITAL STRUCTURE as of 12/31/03
Total Debt $257 8 mill **Due in 5 Yrs** $10 7 mill
LT Debt $250 4 mill **LT Interest** $17 1 mill

(LT interest earned 2 8x, total int cov 2 7x)

Pension Assets-12/03 $88 4 mill **Oblig** $63.2 mill
Pfd Stock $3 5 mill **Pfd Div'd** $ 15 mill
139,000 shares, 4 4% cumulative ($25 par)

Common Stock 16,932,046 shs as of 3/4/04
MARKET CAP $500 million (Small Cap)

CURRENT POSITION ($MILL.)	2001	2002	12/31/03
Cash Assets	1 0	1 1	2 9
Other	39 4	41 9	40 6
Current Assets	40 4	43 0	43 5
Accts Payable	24 0	23 7	23 8
Debt Due	26 6	24 8	7 4
Other	28 4	43 0	32 6
Current Liab	79 0	91 5	63 6
Fix Chg Cov	214%	250%	218%

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '01-'03 to '07-'09
Revenues	3 0%	2 0%	*4 0%*
"Cash Flow"	2 0%	-1 5%	*8 5%*
Earnings	- 5%	-6 5%	*11 0%*
Dividends	2 0%	1 0%	*1 0%*
Book Value	2 5%	1 0%	*14 5%*

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2001	47 0	67 0	76 3	56 5	246 8
2002	51 7	69 2	81 4	60 9	263.2
2003	51 3	68 0	88 2	69 6	277 1
2004	*57 0*	*73.0*	*90 0*	*75 0*	*295*
2005	*62 0*	*78 0*	*95.0*	*80 0*	*315*

Cal-endar	EARNINGS PER SHARE [A E] Mar.31	Jun.30	Sep 30	Dec.31	Full Year
2001	01	34	39	20	94
2002	12	43	50	20	1.25
2003	d 05	30	53	41	1 21
2004	*.03*	*41*	*.71*	*.35*	*1.50*
2005	*.07*	*45*	*.75*	*.38*	*1.65*

Cal-endar	QUARTERLY DIVIDENDS PAID [B] ■ Mar 31	Jun 30	Sep 30	Dec.31	Full Year
2000	275	275	275	275	1 10
2001	279	279	.279	279	1 12
2002	28	28	28	.28	1 12
2003	281	281	281	281	1 12
2004	283				

BUSINESS California Water Service Group provides regulated and nonregulated water service to over 2 million people (461,200 customers) in 98 communities in California, Washington, and New Mexico Main service areas San Francisco Bay area, Sacramento Valley, Salinas Valley, San Joaquin Valley & parts of Los Angeles Acquired Dominguez Services Corp (5/00), Rio Grande Corp (11/00) Revenue breakdown, '03 residential, 70%, business, 18%, public authorities, 5%, industrial, 4%, other, 3% '03 reported deprec rate 2.2% Has about 815 employees Chairman Robert W Foy President & CEO Peter C Nelson Inc Delaware Address 1720 North First Street, San Jose, California 95112-4598 Telephone 408-367-8200 Internet www calwater com

California Water Service Group appears primed for a recovery. Although lackluster top-line gains took their toll on the water utility's bottom line last year, we look for improved demand to help CWT post better than a 20% share-net advance this year.

General rate increases from the California Public Utility Commission (CPUC) provide a favorable backdrop. Late last year, the CPUC approved CWT's 2001 general rate case for 15 of its 24 California water districts. In doing so, the organization granted a $12.8 million annual rate increase as of September 9, 2003 and authorized CWT to collect $5 million in surcharges to cover the period from April 3, 2003, the previously agreed upon effective date for the new rates. However, only about $12 million was recorded in 2003 We expect the added income will result in earnings of $1.50 a share in 2004.

Additional rate orders appear to be on the horizon. General rate case filings made in November, 2002 and January, 2003 totaling about $24 million in annual revenues, are still pending However, despite the CPUC's sluggish rate process over the past few years, we anticipate that the election of Governor Schwarzenegger will begin to result in faster case approvals In addition, the state has passed California Assembly Bill 2838, which became effective for rate cases filed after January 1, 2003. The act enables utilities to initiate interim billing increases if more than 12 months have passed and the CPUC has not reached a decision regarding a rate case. With that said, we are introducing an earnings estimate of $1 65 a share for full-year 2005.

Customer growth should continue to accelerate. California's population is growing at a much faster rate than that of the national average. Central Valley, home to 45% of CWT's customer base, offers the most upside, growing at 2 25% annually. We think that the above-average population growth will drive both higher demand and solid earnings gains over the long haul.

Still, these untimely shares offer little price appeal out to 2007-2009. But income-minded investors should find California's dividend appealing.

Andre J Costanza *April 30, 2004*

(A) Basic EPS Excl nonrecurring gain (loss) '00, (7¢), '01, 4¢, Q2 '02, 8¢ Next earnings report due late July
(B) Dividends historically paid in mid-Feb , May, Aug , Nov ■ Div'd reinvestment plan available
(C) Incl deferred charges In '03 $38 0 mill , $2 25/sh
(D) In millions, adjusted for split
(E) May not total due to change in shares

Company's Financial Strength	B++
Stock's Price Stability	95
Price Growth Persistence	80
Earnings Predictability	75

AMER. STATES WATER NYSE-AWR

RECENT PRICE	26.60	P/E RATIO	19.9 (Trailing 24.9; Median 15.0)	RELATIVE P/E RATIO	0.99	DIV'D YLD	3.4%	VALUE LINE	1422

TIMELINESS 4 Raised 11/7/03
SAFETY 3 New 2/4/00
TECHNICAL 4 Lowered 12/19/03
BETA .65 (1.00 = Market)

	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
High	13.8	16.3	14.7	14.0	16.1	17.1	19.5	26.5	25.3	26.4	29.0	29.0
Low	10.7	13.1	10.2	10.5	12.5	13.5	14.1	14.8	16.7	19.0	20.3	21.6

Target Price Range 2006 | 2007 | 2008

2006-08 PROJECTIONS

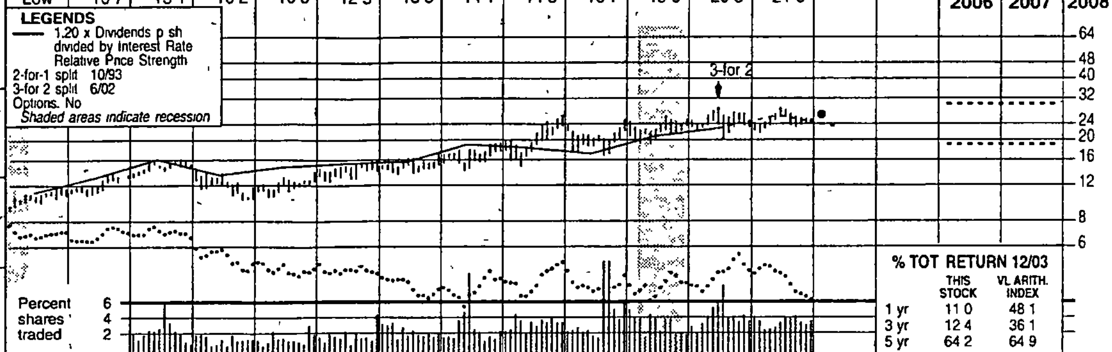
	Price	Gain	Ann'l Total Return
High	30	(+15%)	6%
Low	19	(-30%)	-4%

Insider Decisions

	M	A	M	J	J	A	S	O	N
to Buy	0	0	3	0	0	2	0	0	1
Options	0	0	0	0	0	0	0	0	0
to Sell	0	0	3	0	0	0	0	0	0

Institutional Decisions

	1Q2003	2Q2003	3Q2003
to Buy	41	43	34
to Sell	30	29	48
Hld's(000)	5593	5547	5522



% TOT RETURN 12/03

	THIS STOCK	VL ARITH. INDEX
1 yr	11.0	48.1
3 yr	12.4	36.1
5 yr	64.2	64.9

1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	© VALUE LINE PUB., INC	06-08
8.35	8.58	9.12	9.58	9.15	10.10	9.27	10.43	11.03	11.37	11.44	11.02	12.91	12.17	13.06	13.78	*13.95*	*14.05*	Revenues per sh	*16.20*
1.34	1.13	1.44	1.49	1.78	1.81	1.67	1.68	1.75	1.75	1.85	2.04	2.26	2.20	2.53	2.54	*2.45*	*2.70*	"Cash Flow" per sh	*3.30*
89	65	92	94	1.19	1.15	1.11	95	1.03	1.13	1.04	1.08	1.19	1.28	1.35	1.34	*1.06*	*1.45*	Earnings per sh A	*1.85*
64	67	69	72	73	77	79	80	81	82	83	84	85	86	87	87	88	*90*	Div'd Decl'd per sh B■	*96*
2.45	2.39	2.46	2.53	2.77	2.31	1.90	2.43	2.19	2.40	2.58	3.11	4.30	3.03	3.18	2.68	*5.20*	*4.75*	Cap'l Spending per sh	*3.50*
7.11	7.07	7.31	7.54	8.39	8.85	9.95	10.07	10.29	11.01	11.24	11.48	11.82	12.74	13.22	14.05	*15.25*	*14.95*	Book Value per sh	*17.65*
9.31	9.35	9.39	9.43	9.91	9.96	11.71	11.77	11.77	13.33	13.44	13.44	13.44	15.12	15.12	15.18	*15.40*	*16.75*	Common Shs Outst'g C	*17.00*
10.0	14.2	9.7	10.2	8.8	10.6	13.4	12.8	11.6	12.6	14.5	15.5	17.1	15.9	16.7	18.3	*23.5*		Avg Ann'l P/E Ratio	*13.0*
67	1.18	73	76	56	64	79	84	78	79	84	81	97	1.03	86	1.00	*1.34*		Relative P/E Ratio	*85*
7.2%	7.4%	7.7%	7.5%	7.0%	6.3%	5.3%	6.6%	6.7%	5.8%	5.5%	5.0%	4.2%	4.2%	3.9%	3.6%	3.5%		Avg Ann'l Div'd Yield	*4.1%*

CAPITAL STRUCTURE as of 9/30/03
Total Debt $276.4 mill Due in 5 Yrs $65.0 mill
LT Debt $230.1 mill LT Interest $16.0 mill
(Total interest coverage 2.8x)

Leases, Uncapitalized None
Pension Assets-12/02 $39.8 mill
Oblig $49.1 mill
Pfd Stock None Pfd Div'd None

Common Stock 15,202,152 shs
as of 11/14/03
MARKET CAP $400 million (Small Cap)

1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	© VALUE LINE PUB., INC	06-08
108.5	122.7	129.8	151.5	153.8	148.1	173.4	184.0	197.5	209.2	*215*	*235*	Revenues ($mill)	*275*
12.0	11.3	12.2	13.5	14.1	14.6	16.1	18.0	20.4	20.3	*16.5*	*24.5*	Net Profit ($mill)	*31.0*
31.3%	43.9%	41.9%	43.3%	41.1%	40.9%	46.0%	45.7%	43.0%	38.9%	*40.0%*	*40.0%*	Income Tax Rate	*41.0%*
--	--	--	--	--	--	--	--	--	--	*Nil*	*Nil*	AFUDC % to Net Profit	*Nil*
41.5%	43.5%	46.6%	41.9%	43.0%	43.6%	51.0%	47.5%	54.9%	52.0%	*49.0%*	*47.0%*	Long-Term Debt Ratio	*50.0%*
57.4%	55.5%	52.5%	57.3%	56.3%	55.7%	48.4%	51.9%	44.7%	48.0%	*51.0%*	*53.0%*	Common Equity Ratio	*50.0%*
203.0	213.5	230.6	256.0	268.4	277.1	328.2	371.1	447.6	444.4	*480*	*490*	Total Capital ($mill)	*630*
295.0	314.9	335.0	357.8	383.6	414.8	449.6	509.1	539.8	563.3	*600*	*640*	Net Plant ($mill)	*750*
7.8%	7.1%	7.2%	6.9%	6.9%	7.0%	6.6%	6.4%	6.1%	6.5%	*5.5%*	*6.5%*	Return on Total Cap'l	*6.5%*
10.1%	9.4%	9.9%	9.0%	9.2%	9.4%	10.0%	9.2%	10.1%	9.5%	*8.0%*	*9.5%*	Return on Shr. Equity	*10.5%*
10.2%	9.5%	10.0%	9.0%	9.2%	9.4%	10.1%	9.3%	10.1%	9.5%	*8.0%*	*9.5%*	Return on Com Equity	*10.5%*
2.9%	1.6%	2.1%	2.4%	1.8%	2.1%	2.9%	3.0%	3.6%	3.3%	*1.5%*	*3.5%*	Retained to Com Eq	*5.0%*
72%	84%	79%	73%	80%	78%	72%	68%	65%	65%	*80%*	*62%*	All Div'ds to Net Prof	*53%*

CURRENT POSITION ($MILL.)	2001	2002	9/30/03
Cash Assets	30.5	18.4	11.4
Receivables	10.6	10.8	14.9
Inventory (Avg Cst)	1.0	9	1.5
Other	45.7	21.7	22.1
Current Assets	87.8	51.8	49.9
Accts Payable	13.9	11.6	11.5
Debt Due	20.8	48.3	46.3
Other	28.9	19.6	24.3
Current Liab	63.6	79.5	82.1
Fix. Chg. Cov.	327%	285%	*208%*

ANNUAL RATES of change (per sh)	Past 10 Yrs	Past 5 Yrs	Est'd '00-'02 to '06-'08
Revenues	3.0%	3.0%	*3.5%*
"Cash Flow"	3.5%	6.5%	*5.5%*
Earnings	2.0%	4.5%	*6.0%*
Dividends	1.5%	1.0%	*1.5%*
Book Value	5.0%	4.0%	*5.0%*

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun. 30	Sep. 30	Dec. 31	Full Year
2000	38.7	45.4	55.3	44.6	184.0
2001	40.3	49.9	59.4	47.9	197.5
2002	44.5	52.8	61.6	50.3	209.2
2003	46.7	51.8	63.7	*52.8*	*215*
2004	*49.0*	*60.0*	*69.0*	*57.0*	*235*

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun. 30	Sep. 30	Dec. 31	Full Year
2000	21	29	57	.21	1.28
2001	21	33	63	18	1.35
2002	25	36	50	23	1.34
2003	20	13	51	*.22*	*1.06*
2004	*.25*	*36*	*60*	*.24*	*1.45*

Cal-endar	QUARTERLY DIVIDENDS PAID B■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2000	213	213	213	217	86
2001	217	217	217	217	87
2002	217	217	217	221	87
2003	221	221	221	221	88
2004					

BUSINESS American States Water Co. operates as a holding company. Through its principal subsidiary, Southern California Water Company, it supplies water to 75 communities in 10 counties. Service areas include the greater metropolitan areas of Los Angeles and Orange Counties. The company also provides electric utility services to approximately 22,000 customers in the city of Big Bear Lake and in areas of San Bernardino County. Acquired Chaparral City Water of Arizona (10/00), 11,400 customers. Has about 500 employees. Off. & dir. own less than 1% of common stock (4/03 Proxy). Chairman: Lloyd Ross. President & CEO: Floyd Wicks. Incorporated: CA. Add.: 630 East Foothill Boulevard, San Dimas, CA 91773. Tel.: 909-394-3600. Web: www.aswater.com

American States Water Company's earnings likely declined by 21% in 2003 (full-year results were not released until after this Issue was published). The disappointing showing probably reflected a significant decrease in demand for water, as cooler weather conditions led to lower usage rates in California. Also adding to the company's woes were higher operating and maintenance costs.

We believe that American has brighter days ahead. The California Public Utilities Commission (CPUC) administered a rate increase for Region II of AWR's Southern California Water Company (SCW) unit last year, and we believe that further wins are likely in 2004. Although the board is historically slow in delivering rulings, we suspect that it will hand down a favorable decision on at least one of the three major base-rate cases currently under review. We are especially optimistic that SCW's Region III general rate case application will be awarded early this year. This would be a major victory for American as Region III contains about 30% of its customer base and should add about $25 million to the top line.

However, an equity offering may dilute some of the gains we envision. Given the strict regulatory laws and the heightened security levels surrounding water facilities, American continues to make significant investments in its infrastructure. To help finance some of the upkeep, it plans to issue $30 million in stock in the next few months. Nevertheless, we look for American to post an earnings recovery to $1.45 a share in 2004.

The company has stable 3- to 5-year earnings prospects. American should continue to benefit from rate increases going forward, as well as robust population growth in California. Too, AWR's top line could benefit from further acquisitions outside of the California borders, as geographic expansion would reduce exposure to the state's demanding regulatory laws.

This issue is not particularly appealing at this juncture. These shares are ranked 4 (Below Average) for Timeliness and offer negligible 3- to 5-year appreciation potential at their current quotation. Income-minded investors have better options available.

Andre J. Costanza *January 30, 2004*

(A) Primary earnings. Excludes nonrecurring gains: '91, 73¢; '92, 13¢. Next earnings report due late April.

(B) Dividends historically paid in early-March, June, September, December. ■ Div'd reinvestment plan available.

(C) In millions, adjusted for splits.

Company's Financial Strength	B+
Stock's Price Stability	85
Price Growth Persistence	70
Earnings Predictability	85

AMER. STATES WATER NYSE-AWR

RECENT PRICE 24.26 | P/E RATIO 22.3 (Trailing: 31.1 Median: 16.0) | RELATIVE P/E RATIO 1.16 | DIV'D YLD 3.7% | VALUE LINE 1422

TIMELINESS 4 Raised 11/7/03
SAFETY 3 New 2/4/00
TECHNICAL 3 Raised 3/12/04
BETA .65 (1.00 = Market)

2007-09 PROJECTIONS

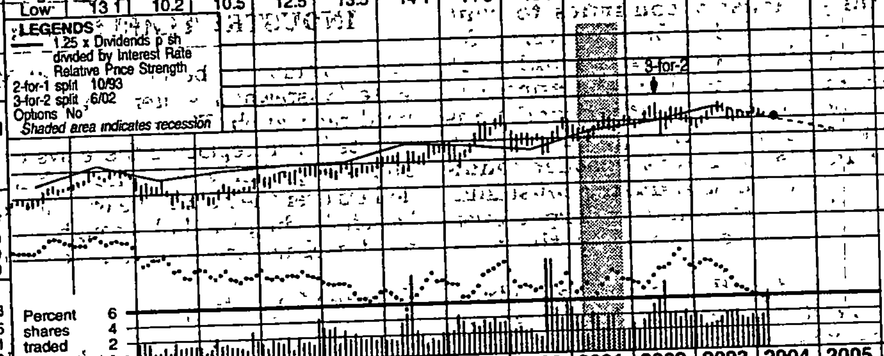
	Price	Gain	Ann'l Total Return
High	30	(+25%)	9%
Low	20	(-20%)	Nil

Insider Decisions

	J	J	A	S	O	N	D	J	F
to Buy	0	0	2	0	0	1	0	0	0
Options	0	0	0	0	0	0	0	0	0
to Sell	0	0	0	0	0	0	0	0	0

Institutional Decisions

	2Q2003	3Q2003	4Q2003
to Buy	43	34	45
to Sell	29	48	31
Hld's(000)	5547	5522	5663



Target Price Range 2007 2008 2009

% TOT. RETURN 3/04

	THIS STOCK	VL ARITH. INDEX
1 yr	4.8	64.6
3 yr	22.1	45.1
5 yr	79.8	80.4

	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	© VALUE LINE PUB., INC.	07-09
High						16.3	14.7	14.0	16.1	17.1	19.5	26.5	25.3	26.4	29.0	29.0	26.8			
Low						13.1	10.2	10.5	12.5	13.5	14.1	14.8	16.7	19.0	20.3	21.6	23.5			
	8.58	9.12	9.58	9.15	10.10	9.27	10.43	11.03	11.37	11.44	11.02	12.91	12.17	13.06	13.78	13.98	*14.05*	*15.00*	Revenues per sh	16.10
	1.13	1.44	1.49	1.78	1.81	1.67	1.68	1.75	1.75	1.85	2.04	2.26	2.20	2.53	2.54	2.08	*2.70*	*2.90*	"Cash Flow" per sh	3.60
	.65	.92	.94	1.19	1.15	1.11	.95	1.03	1.13	1.04	1.08	1.19	1.28	1.35	1.34	.78	*1.45*	*1.55*	Earnings per sh A	2.00
	.67	.69	.72	.73	.77	.79	.80	.81	.82	.83	.84	.85	.86	.87	.87	.88	*.88*	*.90*	Div'd Decl'd per sh B■	.96
	2.39	2.46	2.53	2.77	2.31	1.90	2.43	2.19	2.40	2.58	3.11	4.30	3.03	3.18	2.68	3.76	*4.25*	*4.45*	Cap'l Spending per sh	3.45
	7.07	7.31	7.54	8.39	8.85	9.95	10.07	10.29	11.01	11.24	11.48	11.82	12.74	13.22	14.05	13.97	*15.50*	*16.75*	Book Value per sh	17.50
	9.35	9.39	9.43	9.91	9.96	11.71	11.77	11.77	13.33	13.44	13.44	13.44	15.12	15.12	15.18	15.21	*16.75*	*17.00*	Common Shs Outst'g C	18.00
	14.2	9.7	10.2	8.8	10.6	13.4	12.8	11.6	12.6	14.5	15.5	17.1	15.9	16.7	18.3	31.9	*Bold figures are*		Avg Ann'l P/E Ratio	13.0
	1.18	.73	.76	.56	.64	.79	.84	.78	.79	.84	.81	.97	1.03	.86	1.00	1.85	*Value Line*		Relative P/E Ratio	.85
	7.4%	7.7%	7.5%	7.0%	6.3%	5.3%	6.6%	6.7%	5.8%	5.5%	5.0%	4.2%	4.2%	3.9%	3.6%	3.5%	*estimates*		Avg Ann'l Div'd Yield	3.9%

CAPITAL STRUCTURE as of 12/31/03
Total Debt $286.6 mill. Due in 5 Yrs $59.6 mill.
LT Debt $229.8 mill. LT Interest $16.0 mill.
(Total interest coverage 2.2x)

Leases, Uncapitalized None
Pension Assets-12/03 $46.7 mill.
Oblig. $58.9 mill.
Pfd Stock None. Pfd Div'd None

Common Stock 15,233,227 shs.
as of 3/18/04
MARKET CAP. $375 million (Small Cap)

	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005		07-09
	122.7	129.8	151.5	153.8	148.1	173.4	184.0	197.5	209.2	212.7	*235*	*255*	Revenues ($mill)	295
	11.3	12.2	13.5	14.1	14.6	16.1	18.0	20.4	20.3	11.9	*24.5*	*26.5*	Net Profit ($mill)	36.0
	43.9%	41.9%	43.3%	41.1%	40.9%	46.0%	45.7%	43.0%	38.9%	43.5%	*40.0%*	*40.0%*	Income Tax Rate	40.0%
	--	--	--	--	--	--	--	--	--	--	*Nil*	*Nil*	AFUDC % to Net Profit	Nil
	43.5%	46.6%	41.9%	43.0%	43.6%	51.0%	47.5%	54.9%	52.0%	52.0%	*46.0%*	*47.0%*	Long-Term Debt Ratio	51.0%
	55.5%	52.5%	57.3%	56.3%	55.7%	48.4%	51.9%	44.7%	48.0%	48.0%	*54.0%*	*53.0%*	Common Equity Ratio	49.0%
	213.5	230.6	256.0	268.4	277.1	328.2	371.1	447.6	444.4	442.3	*485*	*535*	Total Capital ($mill)	660
	314.9	335.0	357.8	383.6	414.8	449.6	509.1	539.8	563.3	602.3	*660*	*715*	Net Plant ($mill)	850
	7.1%	7.2%	6.9%	6.9%	7.0%	6.6%	6.4%	6.1%	6.5%	4.6%	*7.0%*	*6.5%*	Return on Total Cap'l	6.5%
	9.4%	9.9%	9.0%	9.2%	9.4%	10.0%	9.2%	10.1%	9.5%	5.6%	*9.5%*	*9.5%*	Return on Shr. Equity	11.5%
	9.5%	10.0%	9.0%	9.2%	9.4%	10.1%	9.3%	10.1%	9.5%	5.6%	*9.5%*	*9.5%*	Return on Com Equity	11.5%
	1.6%	2.1%	2.4%	1.8%	2.1%	2.9%	3.0%	3.6%	3.3%	NMF	*3.5%*	*3.5%*	Retained to Com Eq	3.0%
	84%	79%	73%	80%	78%	72%	68%	65%	65%	113%	*62%*	*58%*	All Div'ds to Net Prof	48%

CURRENT POSITION ($MILL.)	2001	2002	12/31/03
Cash Assets	30.5	18.4	12.8
Receivables	10.6	10.8	11.8
Inventory (Avg Cst)	1.0	.9	1.4
Other	45.7	-21.7	32.4
Current Assets	87.8	51.8	58.4
Accts Payable	13.9	11.6	18.8
Debt Due	20.8	48.3	56.8
Other	28.9	19.6	20.3
Current Liab.	63.6	79.5	95.90
Fix. Chg. Cov.	327%	285%	237%

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '01-'03 to '07-'09
Revenues	9.5%	4.0%	3.0%
"Cash Flow"	3.0%	5.0%	7.0%
Earnings	--	1.5%	9.5%
Dividends	1.5%	1.0%	1.5%
Book Value	4.5%	4.0%	4.0%

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun. 30	Sep. 30	Dec. 31	Full Year
2001	40.3	49.9	59.4	47.9	197.5
2002	44.5	52.8	61.6	50.3	209.2
2003	46.7	51.8	63.7	50.5	212.7
2004	*49.0*	*60.0*	*69.0*	*57.0*	*235*
2005	*53.0*	*66.0*	*76.0*	*60.0*	*255*

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun. 30	Sep. 30	Dec. 31	Full Year
2001	.21	.33	.63	.18	1.35
2002	.25	.36	.50	.23	1.34
2003	.20	.13	.51	d.12	.78
2004	*.25*	*.36*	*.60*	*.24*	*1.45*
2005	*.27*	*.38*	*.63*	*.27*	*1.55*

Cal-endar	QUARTERLY DIVIDENDS PAID B■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2000	.213	.213	.213	.217	.86
2001	.217	.217	.217	.217	.87
2002	.217	.217	.217	.221	.87
2003	.221	.221	.221	.221	.88
2004	.221				

BUSINESS: American States Water Co. operates as a holding company. Through its principal subsidiary, Southern California Water Company, it supplies water to 75 communities in 10 counties. Service areas include the greater metropolitan areas of Los Angeles and Orange Counties. The company also provides electric utility services to approximately 22,000 customers in the city of Big Bear Lake and in areas of San Bernardino County. Acquired Chaparral City Water of Arizona (10/00), 11,400 customers. Has about 520 employees. Off. & dir. own less than 1% of common stock (4/04 Proxy). Chairman: Lloyd Ross. President & CEO: Floyd Wicks. Incorporated: CA. Add.: 630 East Foothill Boulevard, San Dimas, CA 91773. Tel.: 909-394-3600. Web: www.aswater.com.

American States Water Company struggled throughout 2003. Harsh weather conditions and disappointing regulatory decisions caused earnings to plummet by approximately 42% on a year-over-year basis. Management announced that it included a pre tax charge of $6.3 million in its fourth-quarter results to reflect a decision handed down by the California Public Utilities Commission (CPUC). The charge relates to the CPUC's order requiring that the company's Southern California Water subsidiary refund, with interest, 70% of revenues received from the lease of certain of its water rights to the city of Folsom, California.

An additional equity offering is probably in the works. Realizing the pressing need to maintain and improve current facilities, given the increased regulatory and security measures being implemented, AWR plans to issue about $30 million in stock in the coming months.

Nevertheless, we expect a solid recovery in 2004. We look for a double-digit revenue advance this year, thanks to better weather conditions and more favorable regulatory decisions. American recently announced that the CPUC authorized an annualized increase of approximately $8.1 million, or 12.1%, in revenues for SCW's Region III service area. The decision also authorized additional rate increases, effective during the next two years totaling $4.7 million. And we believe that more favorable decisions are likely to follow shortly, as Governor Schwarzenegger's new administration has emphasized the importance in making swifter rulings. Therefore, despite the dilutive nature of the pending share issuance, we believe that a better regulatory environment will help American rebound and post earnings of $1.45 and $1.55, respectively in 2004 and 2005.

American shares offer very little appeal at this juncture. Although we believe that the rapid growth of the Californian population and a more favorable regulatory environment will result in solid share-net advances out to 2007-2009, these untimely shares already reflect the gains we foresee. In addition, investors looking for increased income have better options elsewhere.

Andre J. Costanza *April 30, 200*

(A) Primary earnings. Excludes nonrecurring gains: '91, 73¢; '92, 13¢. Next earnings report due late July.
(B) Dividends historically paid in early-March, June, September, December. ■ Div'd reinvestment plan available.
(C) In millions, adjusted for splits.

Company's Financial Strength B+
Stock's Price Stability 85
Price Growth Persistence 70
Earnings Predictability 85

AMER. STATES WATER NYSE-AWR

RECENT PRICE 22.62 | P/E RATIO 18.1 (Trailing: 34.3; Median: 16.0) | RELATIVE P/E RATIO 1.02 | DIV'D YLD 4.0% | VALUE LINE 1422

High	16.3	14.7	14.0	16.1	17.1	19.5	26.5	25.3	26.4	29.0	29.0	26.8
Low	13.1	10.2	10.5	12.5	13.5	14.1	14.8	16.7	19.0	20.3	21.6	20.8

TIMELINESS 4 Raised 11/7/03

SAFETY 3 New 2/4/00

TECHNICAL 3 Lowered 7/16/04

BETA .65 (1.00 = Market)

2007-09 PROJECTIONS

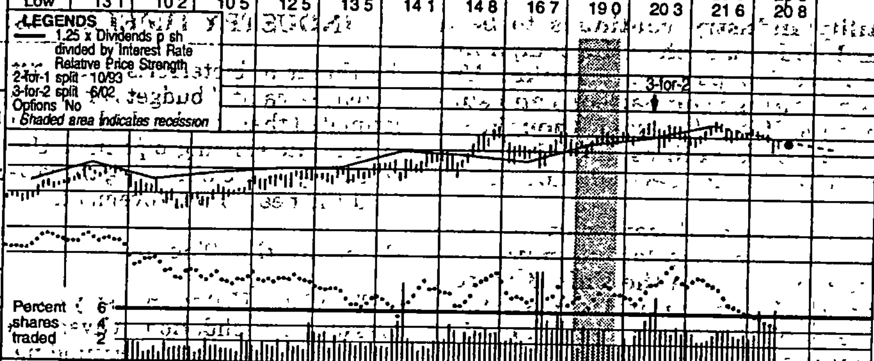
	Price	Gain	Ann'l Total Return
High	30	(+35%)	10%
Low	20	(-10%)	1%

Insider Decisions

	S	O	N	D	J	F	M	A	M
to Buy	0	0	1	0	0	0	0	0	0
Options	0	0	0	0	0	0	0	0	0
to Sell	0	0	0	0	0	0	0	0	0

Institutional Decisions

	3Q2003	4Q2003	1Q2004
to Buy	34	45	47
to Sell	48	31	33
Hld's(000)	5522	5663	5623



Target Price Range 2007 | 2008 | 2009

64 48 40 32 24 20 16 12 8 6

% TOT RETURN 6/04	THIS STOCK	VL ARITH. INDEX
1 yr	-12.5	33.2
3 yr	13.2	30.0
5 yr	45.9	55.7

1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	© VALUE LINE PUB., INC.	07-09
8.58	9.12	9.58	9.15	10.10	9.27	10.43	11.03	11.37	11.44	11.02	12.91	12.17	13.06	13.78	13.98	14.40	15.00	Revenues per sh	15.55
1.13	1.44	1.49	1.78	1.81	1.67	1.68	1.75	1.75	1.85	2.04	2.26	2.20	2.53	2.54	2.08	2.60	2.90	"Cash Flow" per sh	3.40
.65	.92	.94	1.19	1.15	1.11	.95	1.03	1.13	1.04	1.08	1.19	1.28	1.35	1.34	.78	1.25	1.55	Earnings per sh A	2.00
.67	.69	.72	.73	.77	.79	.80	.81	.82	.83	.84	.85	.86	.87	.87	.88	.88	.90	Div'd Decl'd per sh B■	.96
2.39	2.46	2.53	2.77	2.31	1.90	2.43	2.19	2.40	2.58	3.11	4.30	3.03	3.18	2.68	3.76	4.00	4.45	Cap'l Spending per sh	3.60
7.07	7.31	7.54	8.39	8.85	9.95	10.07	10.29	11.01	11.24	11.48	11.82	12.74	13.22	14.05	13.97	15.00	16.75	Book Value per sh	17.50
9.35	9.39	9.43	9.91	9.96	11.71	11.77	11.77	13.33	13.44	13.44	13.44	15.12	15.12	15.18	15.21	16.00	17.00	Common Shs Outst'g C	19.00
14.2	9.7	10.2	8.8	10.6	13.4	12.8	11.6	12.6	14.5	15.5	17.1	15.9	16.7	18.3	31.9	*Bold figures are Value Line estimates*		Avg Ann'l P/E Ratio	13.0
1.18	.73	.76	.56	.64	.79	.84	.78	.79	.84	.81	.97	1.03	.86	1.00	1.85			Relative P/E Ratio	.85
7.4%	7.7%	7.5%	7.0%	6.3%	5.3%	6.6%	6.7%	5.8%	5.5%	5.0%	4.2%	4.2%	3.9%	3.6%	3.5%			Avg Ann'l Div'd Yield	3.7%

CAPITAL STRUCTURE as of 3/31/04
Total Debt $277.4 mill Due in 5 Yrs $60.0 mill
LT Debt $229.6 mill LT Interest $16.5 mill
(Total interest coverage 2.0x)

Leases, Uncapitalized: None
Pension Assets-12/03 $46.7 mill
Oblig $58.9 mill
Pfd Stock None Pfd Div'd None

Common Stock 15,244,928 shs
as of 5/10/04
MARKET CAP: $350 million (Small Cap)

1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005		07-09
122.7	129.8	151.5	153.8	148.1	173.4	184.0	197.5	209.2	212.7	230	255	Revenues ($mill)	295
11.3	12.2	13.5	14.1	14.6	16.1	18.0	20.4	20.3	11.9	21.0	26.5	Net Profit ($mill)	36.0
43.9%	41.9%	43.3%	41.1%	40.9%	46.0%	45.7%	43.0%	38.9%	43.5%	40.0%	40.0%	Income Tax Rate	40.0%
--	--	--	--	--	--	--	--	--	--	Nil	Nil	AFUDC % to Net Profit	Nil
43.5%	46.6%	41.9%	43.0%	43.6%	51.0%	47.5%	54.9%	52.0%	52.0%	51.0%	51.0%	Long-Term Debt Ratio	52.0%
55.5%	52.5%	57.3%	56.3%	55.7%	48.4%	51.9%	44.7%	48.0%	48.0%	50.0%	49.0%	Common Equity Ratio	49.0%
213.5	230.6	256.0	268.4	277.1	328.2	371.1	447.6	444.4	442.3	490	545	Total Capital ($mill)	700
314.9	335.0	357.8	383.6	414.8	449.6	509.1	539.8	563.3	602.3	660	715	Net Plant ($mill)	850
7.1%	7.2%	6.9%	6.9%	7.0%	6.6%	6.4%	6.1%	6.5%	4.6%	6.0%	6.5%	Return on Total Cap'l	7.0%
9.4%	9.9%	9.0%	9.2%	9.4%	10.0%	9.2%	10.1%	9.5%	5.6%	9.0%	9.5%	Return on Shr. Equity	10.0%
9.5%	10.0%	9.0%	9.2%	9.4%	10.1%	9.3%	10.1%	9.5%	5.6%	9.0%	9.5%	Return on Com Equity	10.0%
1.6%	2.1%	2.4%	1.8%	2.1%	2.9%	3.0%	3.6%	3.3%	NMF	3.0%	3.5%	Retained to Com Eq	4.5%
84%	79%	73%	80%	78%	72%	68%	65%	65%	113%	67%	58%	All Div'ds to Net Prof	51%

CURRENT POSITION ($MILL.)	2002	2003	3/31/04
Cash Assets	18.4	12.8	9.0
Receivables	10.8	11.8	8.7
Inventory (Avg Cst)	.9	1.4	1.4
Other	21.7	32.4	20.5
Current Assets	51.8	58.4	39.6
Accts Payable	11.6	18.8	13.4
Debt Due	48.3	56.8	47.8
Other	19.6	20.3	21.7
Current Liab	79.5	95.90	82.4
Fix Chg Cov	285%	255%	200%

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '01-'03 to '07-'09
Revenues	3.5%	4.0%	3.0%
"Cash Flow"	3.0%	5.0%	7.0%
Earnings	--	1.5%	9.5%
Dividends	1.5%	1.0%	1.5%
Book Value	4.5%	4.0%	4.0%

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun. 30	Sep. 30	Dec. 31	Full Year
2001	40.3	49.9	59.4	47.9	197.5
2002	44.5	52.8	61.6	50.3	209.2
2003	46.7	51.8	63.7	50.5	212.7
2004	46.7	59.0	69.0	55.3	230
2005	53.0	66.0	76.0	60.0	255

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun. 30	Sep. 30	Dec. 31	Full Year
2001	.21	.33	.63	.18	1.35
2002	.25	.36	.50	.23	1.34
2003	.20	.13	.51	d.12	.78
2004	.08	.34	.59	.24	1.25
2005	.27	.38	.63	.27	1.55

Cal-endar	QUARTERLY DIVIDENDS PAID B■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2000	.213	.213	.213	.217	.86
2001	.217	.217	.217	.217	.87
2002	.217	.217	.217	.221	.87
2003	.221	.221	.221	.221	.88
2004	.221	.221			

BUSINESS: American States Water Co. operates as a holding company. Through its principal subsidiary, Southern California Water Company, it supplies water to 75 communities in 10 counties. Service areas include the greater metropolitan areas of Los Angeles and Orange Counties. The company also provides electric utility services to approximately 22,000 customers in the city of Big Bear Lake and in areas of San Bernardino County. Acquired Chaparral City Water of Arizona (10/00), 11,400 customers. Has about 520 employees. Off. & dir. own less than 1% of common stock (4/04 Proxy). Chairman: Lloyd Ross. President & CEO: Floyd Wicks. Incorporated: CA. Add.: 630 East Foothill Boulevard, San Dimas, CA 91773. Tel.: 909-394-3600. Web: www.aswater.com.

American States Water Company continues to disappoint. The company reported first-quarter earnings of $0.08 a share, nearly 70% lower than we anticipated and 60% lower than 2003's lackluster total. Revenues were flat in the quarter due to a delay in the rate increase in the Region III customer service area of the company's Southern California Water Company (SCW) unit. The increase, which was expected to be in place for the first quarter, was not effective until late in March. Making matters worse was an increase in supply costs due to more purchased water in SCW's resource mix. As a result, we have lowered our 2004 earnings estimate by $0.20, to $1.25 a share.

The California Public Utilities Commission (CPUC) ought to provide more favorable rulings going forward. Aside from the aforementioned rate hike, which should be included in the company's second-quarter results (not yet released when we went to press), American recently announced that another decision by the CPUC on July 8th should result in a $5.2 million pre tax gain. In addition, the company has reached an agreement with the commission that will provide for increased revenues in the Region II customer service area of SCW, anticipated to begin in September. The rate case should generate an additional three year increase in revenues of $15 million. We believe that the current administration's focus on delivering more timely decisions augurs well for AWR's top line going forward.

A tighter regulatory environment, though, will probably dilute some of these gains in 2005. With regulatory and infrastructure costs on the rise, AWR is looking to a share offering to fund the needed upkeep. About $30 million in stock will likely be offered within the next year. As such, we are leaving our 2005 bottom-line estimate untouched at $1.55 a share.

We do not recommend American shares. They are ranked to underperform the broad market in the year ahead and they offer little in the way of appreciation potential out to 2007-2009. In addition, the company will be hard-pressed to increase its dividend payment substantially as cash flow will likely continue to be limited by the rising maintenance costs.

Andre J. Costanza *July 30, 2004*

(A) Primary earnings. Excludes nonrecurring gains: '91, 73¢; '92, 13¢. Next earnings report due late Oct.

(B) Dividends historically paid in early-March, June, September, December. ■ Div'd reinvestment plan available.

(C) In millions, adjusted for splits.

Company's Financial Strength	B+
Stock's Price Stability	85
Price Growth Persistence	65
Earnings Predictability	70

AMER. STATES WATER NYSE-AWR

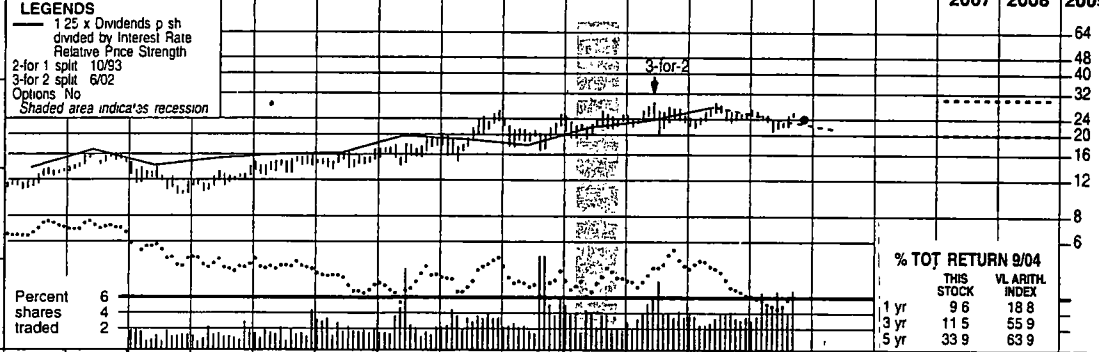
RECENT PRICE 24.09 | P/E RATIO 17.3 (Trailing: 26.5 Median: 16.0) | RELATIVE P/E RATIO 0.99 | DIV'D YLD 3.7% | VALUE LINE 1421

TIMELINESS 4 Raised 11/7/03
SAFETY 3 New 2/4/00
TECHNICAL 3 Raised 8/20/04
BETA .70 (1.00 = Market)

High	16 3	14 7	14 0	16 1	17 1	19 5	26 5	25 3	26 4	29 0	29 0	26 8				
Low	13 1	10 2	10 5	12 5	13 5	14 1	14 8	16 7	19 0	20 3	21 6	20 8				

Target Price Range 2007 | 2008 | 2009

LEGENDS
— 1 25 x Dividends p sh divided by Interest Rate
.... Relative Price Strength
2-for-1 split 10/93
3-for-2 split 6/02
Options No
Shaded area indicates recession



2007-09 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	30	(+25%)	9%
Low	20	(-15%)	Nil

Insider Decisions

	D	J	F	M	A	M	J	J	A
to Buy	0	0	0	0	0	0	0	0	0
Options	0	0	0	0	0	0	0	0	0
to Sell	0	0	0	0	0	0	0	0	0

Institutional Decisions

	4Q2003	1Q2004	2Q2004
to Buy	45	47	45
to Sell	31	33	35
Hld's(000)	5663	5623	5584

Percent shares traded 6 4 2

% TOT. RETURN 9/04

	THIS STOCK	VL ARITH. INDEX
1 yr	9 6	18 8
3 yr	11 5	55 9
5 yr	33 9	63 9

1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	© VALUE LINE PUB., INC.	07-09
8 58	9 12	9 58	9 15	10 10	9 27	10 43	11 03	11 37	11 44	11 02	12 91	12 17	13 06	13 78	13 98	*13 75*	*15 00*	Revenues per sh	*15.55*
1 13	1 44	1 49	1 78	1 81	1 67	1 68	1 75	1 75	1 85	2 04	2 26	2 20	2 53	2 54	2 08	*2.60*	*2 90*	"Cash Flow" per sh	*3.40*
65	92	94	1 19	1 15	1 11	95	1 03	1 13	1 04	1 08	1 19	1 28	1 35	1 34	72	*1.20*	*1.50*	Earnings per sh A	*2.00*
67	69	72	73	77	79	80	81	82	83	84	85	86	87	87	88	*.88*	*.90*	Div'd Decl'd per sh B■	*.96*
2 39	2 46	2 53	2 77	2 31	1 90	2 43	2 19	2 40	2 58	3 11	4 30	3 03	3 18	2 68	3 76	*3.65*	*4.05*	Cap'l Spending per sh	*3.60*
7 07	7 31	7 54	8 39	8 85	9 95	10 07	10.29	11 01	11 24	11 48	11 82	12 74	13 22	14 05	13 97	*14 65*	*15 35*	Book Value per sh	*17.50*
9 35	9 39	9 43	9 91	9 96	11 71	11 77	11 77	13 33	13 44	13 44	13 44	15 12	15 12	15 18	15 21	*16.75*	*17 25*	Common Shs Outst'g C	*19 00*
14 2	9 7	10.2	8 8	10 6	13 4	12 8	11 6	12 6	14 5	15 5	17 1	15 9	16 7	18 3	31 9	*Bold figures are*	*Value Line*	Avg Ann'l P/E Ratio	*13.0*
1 18	73	76	56	64	79	84	78	79	84	81	97	1 03	86	1 00	1.85	*estimates*		Relative P/E Ratio	*.85*
7 4%	7 7%	7 5%	7 0%	6 3%	5 3%	6 6%	6 7%	5 8%	5 5%	5 0%	4 2%	4 2%	3 9%	3 6%	3 5%			Avg Ann'l Div'd Yield	*3.8%*

	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005		07-09
	122 7	129 8	151 5	153 8	148 1	173 4	184 0	197 5	209 2	212 7	*230*	*255*	Revenues ($mill)	*300*
	11 3	12 2	13 5	14 1	14 6	16 1	18 0	20 4	20 3	11 9	*21.0*	*26 5*	Net Profit ($mill)	*38.0*
	43 9%	41 9%	43 3%	41 1%	40 9%	46 0%	45 7%	43 0%	38 9%	43 5%	*40.0%*	*40 0%*	Income Tax Rate	*40.0%*
	--	--	--	--	--	--	--	--	--	--	*Nil*	*Nil*	AFUDC % to Net Profit	*Nil*
	43 5%	46 6%	41 9%	43 0%	43 6%	51 0%	47 5%	54 9%	52 0%	52 0%	*51.0%*	*51 0%*	Long-Term Debt Ratio	*52.0%*
	55 5%	52 5%	57 3%	56 3%	55.7%	48 4%	51.9%	44.7%	48 0%	48 0%	*50.0%*	*49 0%*	Common Equity Ratio	*49.0%*
	213 5	230 6	256 0	268 4	277 1	328 2	371 1	447 6	444 4	442 3	*490*	*545*	Total Capital ($mill)	*700*
	314 9	335.0	357 8	383 6	414 8	449 6	509 1	539 8	563 3	602 3	*660*	*715*	Net Plant ($mill)	*850*
	7 1%	7 2%	6 9%	6 9%	7 0%	6 6%	6 4%	6 1%	6 5%	4 6%	*6 0%*	*6 5%*	Return on Total Cap'l	*7.0%*
	9 4%	9 9%	9 0%	9 2%	9 4%	10 0%	9 2%	10 1%	9 5%	5 6%	*9 0%*	*9.5%*	Return on Shr Equity	*10.5%*
	9 5%	10 0%	9 0%	9.2%	9 4%	10 1%	9 3%	10 1%	9 5%	5 6%	*9.0%*	*9 5%*	Return on Com Equity	*10.5%*
	1 6%	2 1%	2 4%	1 8%	2 1%	2 9%	3 0%	3 6%	3 3%	NMF	*3 0%*	*3.5%*	Retained to Com Eq	*5.5%*
	84%	79%	73%	80%	78%	72%	68%	65%	65%	113%	*67%*	*58%*	All Div'ds to Net Prof	*48%*

CAPITAL STRUCTURE as of 6/30/04
Total Debt $284 3 mill **Due in 5 Yrs** $60 0 mill
LT Debt $229 5 mill **LT Interest** $16 5 mill
(Total interest coverage 2 0x)

Leases, Uncapitalized None
Pension Assets-12/03 $46 7 mill
Oblig $58 9 mill
Pfd Stock None **Pfd Div'd** None

Common Stock 15,268,587 shs
as of 8/9/04
MARKET CAP: $375 million (Small Cap)

CURRENT POSITION ($MILL.)	2002	2003	6/30/04
Cash Assets	18 4	12 8	7 0
Receivables	10 8	11 8	12 0
Inventory (Avg Cst)	9	1 4	1 5
Other	21 7	32 4	23 6
Current Assets	51 8	58 4	44 1
Accts Payable	11 6	18 8	15 5
Debt Due	48 3	56 8	54 8
Other	19 6	20 3	22 5
Current Liab	79 5	95 90	92 8
Fix. Chg Cov	285%	255%	*200%*

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs	Est'd '01-'03 to '07-'09
Revenues	3 5%	4 0%	*3 0%*
"Cash Flow"	3 0%	5 0%	*7 0%*
Earnings	--	1 5%	*9 5%*
Dividends	1 5%	1 0%	*1 5%*
Book Value	4 5%	4 0%	*4 0%*

Calendar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun 30	Sep 30	Dec. 31	Full Year
2001	40 3	49 9	59 4	47 9	197 5
2002	44 5	52 8	61 6	50 3	209 2
2003	46 7	51 8	63 7	50 5	212 7
2004	46 7	59 3	*69 0*	*55 0*	*230*
2005	*53.0*	*66.0*	*76.0*	*60 0*	*255*

Calendar	EARNINGS PER SHARE A Mar 31	Jun. 30	Sep. 30	Dec 31	Full Year
2001	21	33	63	18	1 35
2002	25	36	50	23	1 34
2003	20	13	51	d 12	72
2004	08	30	*.56*	*.26*	*1.20*
2005	*.27*	*.34*	*61*	*.28*	*1.50*

Calendar	QUARTERLY DIVIDENDS PAID B■ Mar 31	Jun 30	Sep 30	Dec 31	Full Year
2000	213	.213	213	217	86
2001	.217	217	217	217	87
2002	217	217	217	221	87
2003	221	221	221	221	88
2004	221	221	.221		

BUSINESS American States Water Co operates as a holding company Through its principal subsidiary, Southern California Water Company, it supplies water to 75 communities in 10 counties Service areas include the greater metropolitan areas of Los Angeles and Orange Counties The company also provides electric utility services to approximately 22,000 customers in the city of Big Bear Lake and in areas of San Bernardino County Acquired Chaparral City Water of Arizona (10/00), 11,400 customers Has about 520 employees Off & dir own less than 1% of common stock (4/04 Proxy) Chairman Lloyd Ross President & CEO Floyd Wicks Incorporated CA Add 630 East Foothill Boulevard, San Dimas, CA 91773 Tel 909-394-3600 Web www.aswater.com

American States Water is benefiting from an improving regulatory environment. The company reported second-quarter earnings of $0.30 a share (excluding non recurring items totaling $0.14), more than double the prior-year tally, primarily due to rate increases warranted by the California Public Utilities Commission (CPUC). Indeed, the board authorized an $8.1, increase in annual revenues for the company's Region III service area. In addition, the order allows for an additional $4 7 million in aggregate increases in 2004 and 2005.

More recent decisions should boost profitability in the second half. In August, AWR was authorized to increase rates in Region I and II, as well The CPUC granted Region II $15 8 million in rate relief to be implemented incrementally over the next three years, including $5 2 million in 2004, as the higher rates are retroactive to February 14. Too, three service areas in Region I were authorized a $382,100 increase in annual revenues retroactive to the start of the year Although these decisions will undoubtedly provide a much needed top-line boost, they also suggest that the CPUC's regulatory process is becoming more timely and reasonable in its decision-making process. In all, we look for AWR to increase earnings by more than 50% in 2004

Capital constraints may limit further gains, though. Faced, with increasingly stringent regulatory and infrastructure requirements, American has looked to the equity market to fund recent improvements. The company sold approximately 1 4 million shares at the end of September, netting nearly $36 million, and more offerings are likely on the way As a result, despite brighter top-line prospects, we look for the company's earnings growth rate, to begin subsiding somewhat in 2005. AWR will probably utilize additional offerings to seek out takeover targets in the fragmented water utility industry

Still, American shares probably do not appeal to most investors. They are untimely for year-ahead performance and offer below-average appreciation potential out to 2007-2009 That said, though, income-minded investors may find the issue of interest, for its dividend yield.

Andre J Costanza *October 29, 2004*

(A) Primary earnings Excludes nonrecurring gains '91, 73¢, '92, 13¢, '04, 14¢ Next earnings report due late Jan

(B) Dividends historically paid in early-March, June, September, December ■ Div'd reinvestment plan available

(C) In millions, adjusted for splits

Company's Financial Strength	B+
Stock's Price Stability	85
Price Growth Persistence	80
Earnings Predictability	70

AQUA AMERICA NYSE-WTR

RECENT PRICE	22.55	P/E RATIO	27.5 (Trailing. 32.0 / Median 18.0)	RELATIVE P/E RATIO	1.37	DIV'D YLD	2.2%	VALUE LINE	1423

TIMELINESS **3** Lowered 2/1/02

SAFETY **3** Lowered 8/1/03

TECHNICAL **3** Raised 1/30/04

BETA 75 (1 00 = Market)

	High	Low
	4 2	3 5
	5 3	4 0
	5 0	4 4
	5 5	4 4
	7 6	5 2
	11 4	5 9
	15 4	9 7
	15 4	10 1
	16 0	8 4
	19 7	12 5
	20 0	12 8
	22 4	15 8

Target Price Range

2006 | 2007 | 2008

2006-08 PROJECTIONS

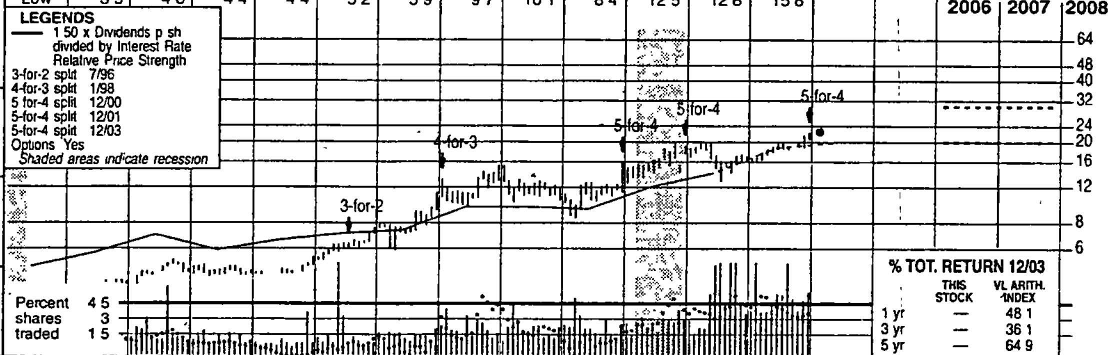
	Price	Gain	Ann'l Total Return
High	30	(+35%)	9%
Low	20	(-10%)	-1%

Insider Decisions

	M	A	M	J	J	A	S	O	N
to Buy	0	0	0	0	0	0	0	0	0
Options	1	0	1	0	0	0	1	0	2
to Sell	1	0	0	0	0	0	1	0	1

Institutional Decisions

	1Q2003	2Q2003	3Q2003
to Buy	85	83	93
to Sell	55	59	57
Hld's(000)	28947	29526	23569



% TOT. RETURN 12/03

	THIS STOCK	VL ARITH. INDEX
1 yr	—	48 1
3 yr	—	36 1
5 yr	—	64 9

1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	© VALUE LINE PUB., INC.	06-08
3 68	4 45	4 53	2 70	2 85	2 43	2 27	2 42	2 45	2 48	2 69	2 79	3 21	3.29	3 59	3 79	*3 90*	*4 55*	Revenues per sh	*6 00*
60	66	65	58	59	52	56	56	63	67	74	81	96	1 01	1 15	1 26	*1.35*	*1 50*	"Cash Flow" per sh	*2.20*
.28	30	27	33	33	31	33	35	39	40	46	53	.56	62	68	72	*.75*	*90*	Earnings per sh A	*1.20*
24	.24	.24	.26	.26	27	27	.28	29	30	32	34	36	38	40	43	46	*.49*	Div'd Decl'd per sh B■	*.60*
74	88	1 15	1 01	72	80	63	61	69	64	77	1 09	1 20	1 55	1 45	1 60	*1.75*	*1 90*	Cap'l Spending per sh	*2 35*
2 82	2 88	2 92	2 80	2 76	2 79	3 05	3 21	3 28	3 59	3 79	4 28	4 57	5 13	5 53	5 81	*7.00*	*7 10*	Book Value per sh	*8 15*
28.23	28 27	29 45	30 48	31 06	38 40	44 55	44 83	47 81	49 31	50 60	54 15	80 10	83 87	85 48	84 90	*92 50*	*94 00*	Common Shs Outst'g C	*100 00*
14 0	12 3	12 9	10 2	10 8	12 5	14 4	13 5	12 0	15 6	17 8	22 5	21 2	18.2	23 6	23 6	*24 8*		Avg Ann'l P/E Ratio	*21 0*
94	1 02	98	76	69	76	85	89	80	98	1 03	1 17	1 21	1 18	1 21	1 29	*1 42*		Relative P/E Ratio	*1 40*
6 0%	6 5%	6 9%	7 7%	7.2%	6 8%	5 9%	6 0%	6.2%	4 9%	3 9%	2 9%	3 0%	3 3%	2.5%	2 5%	2 5%		Avg Ann'l Div d Yield	*2 3%*
						101 2	108 6	117 0	122 5	136 2	151 0	257 3	275 5	307 3	322 0	*360*	*430*	Revenues ($mill)	*600*
						14 7	15 6	19 0	19 8	23 2	28 8	45 0	50 7	58 5	62 7	*70 0*	*85 0*	Net Profit ($mill)	*120*
						41 5%	42 5%	40 4%	41 4%	40 6%	40 5%	38 4%	38 9%	39 3%	38 5%	*40 0%*	*40 0%*	Income Tax Rate	*40 0%*
						5 5%	8%	1 6%	--	--	--	--	--	--	--	*Nil*	*1 0%*	AFUDC % to Net Profit	*2 0%*
						49 9%	50 2%	51 9%	54 1%	54 4%	52 7%	52 9%	52 0%	52.2%	54 2%	*52 0%*	*53 0%*	Long-Term Debt Ratio	*52 0%*
						46 7%	47 4%	46 4%	44 0%	44 8%	46 6%	46 7%	47 8%	47 7%	45 8%	*48 0%*	*47.0%*	Common Equity Ratio	*48.0%*
						291.2	303 1	338 0	401 7	427.2	496 6	782 7	901 1	990 4	1076.2	*1350*	*1420*	Total Capital ($mill)	*1700*
						366 2	385 7	436 9	502 9	534 5	609 8	1135 4	1251 4	1368 1	1490 8	*1810*	*1910*	Net Plant ($mill)	*2300*
						7 1%	7 0%	7 7%	6 8%	7 4%	7 6%	7 6%	7 4%	7 8%	7 6%	*7 0%*	*7.5%*	Return on Total Cap'l	*8 5%*
						10 1%	10 4%	11 7%	10 7%	11 9%	12 3%	12 2%	11 7%	12 3%	12 7%	*11 0%*	*12 5%*	Return on Shr. Equity	*14 5%*
						10 2%	10 3%	11 7%	11.2%	12 0%	12 4%	12 3%	11 7%	12 4%	12 7%	*11 0%*	*12.5%*	Return on Com Equity	*14 5%*
						1 6%	2 1%	3 5%	2 8%	3 6%	4 5%	4.3%	4 7%	5 1%	5 2%	*4 5%*	*6 0%*	Retained to Com Eq D	*7 5%*
						85%	81%	71%	75%	70%	64%	65%	60%	59%	59%	*61%*	*54%*	All Div'ds to Net Prof	*50%*

CAPITAL STRUCTURE as of 9/30/03

Total Debt $840 0 mill **Due in 5 Yrs** $300 0 mill
LT Debt $695 8 mill **LT Interest** $40 0 mill
(Total interest coverage 3 5x)

Pension Assets-12/02 $94 4 mill **Oblig** $131 1 mill

Pfd Stock $ 2 mill **Pfd Div'd** $ 1 mill

Common Stock 92,429,126 shares as of 10/28/03

MARKET CAP $2.1 billion (Mid Cap)

CURRENT POSITION ($MILL.)	2001	2002	9/30/03
Cash Assets	20 8	49 7	50 7
Receivables	56 3	57 7	68 5
Inventory (AvgCst)	4 4	4 6	6 1
Other	8 1	2 7	5 4
Current Assets	89 6	114 7	130 7
Accts Payable	27 7	31 1	20 4
Debt Due	124 6	149 4	144 2
Other	50 3	46 0	82 2
Current Liab	202 6	226 5	246 8
Fix Chg Cov	335%	347%	345%

ANNUAL RATES of change (per sh)	Past 10 Yrs	Past 5 Yrs	Est'd '00-'02 to '06-'08
Revenues	3 0%	7 0%	*9 0%*
"Cash Flow"	7 5%	11 0%	*11 5%*
Earnings	7 5%	10 0%	*10 0%*
Dividends	4 5%	6 0%	*7 0%*
Book Value	7 0%	9 0%	*7 0%*

Calendar	QUARTERLY REVENUES ($ mill) Mar.31	Jun 30	Sep.30	Dec 31	Full Year
2000	64 5	68 5	73 3	69 2	275 5
2001	70 2	77 3	84 7	75 1	307 3
2002	71 7	76 6	91 9	81 8	322 0
2003	80.5	83 4	102 1	*94.0*	*360*
2004	*97 0*	*107*	*115*	*111*	*430*

Calendar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep 30	Dec 31	Full Year
2000	13	15	19	15	62
2001	14	18	22	14	68
2002	14	16	25	17	72
2003	15	18	24	*18*	*75*
2004	*18*	*22*	*28*	*.22*	*.90*

Calendar	QUARTERLY DIVIDENDS PAID B■ Mar 31	Jun.30	Sep 30	Dec 31	Full Year
2000	092	092	092	099	38
2001	099	099	099	106	40
2002	106	106	106	112	43
2003	112	112	112	12	46
2004					

BUSINESS Aqua America, Inc is the holding company for water and wastewater utilities that serve approximately 2 5 million residents in Pennsylvania, Ohio, New Jersey, Illinois, Maine, North Carolina, Texas, Florida, Kentucky, and five other states Divested three of four non-water businesses in '91, telemarketing group in '93, and others Acquired Consumers Water, 4/99, AquaSource, 7/03, and others Water supply revenues '02 residential, 61%, commercial, 17%, industrial & other, 22% Officers and directors own 1 6% of the common stock (4/03 Proxy) Chairman & Chief Executive Officer Nicholas DeBenedictis Incorporated Pennsylvania Address 762 West Lancaster Avenue, Bryn Mawr, Pennsylvania 19010 Telephone 610-525-1400 Internet www aquaamerica com

It appears that Aqua America, Inc., formerly Philadelphia Suburban Corp., generated only moderate earnings growth last year. Water consumption in key service areas was held back, to a certain extent, by cool temperatures and above-average rainfall. The company was also afflicted by a modestly higher effective income tax rate, partly reflecting a decrease in tax-deductible expenses. On the positive side, the utility benefited from acquisitions (the largest being AquaSource, which added some 130,000 customers and an additional 40,000 accounts through integrated operating and maintenance contracts). Higher water rates in Pennsylvania, Ohio, New Jersey, and Maine also helped results. We believe that share net was only about $0 75 in 2003 But a full year's results from AquaSource, and assuming a return to normal weather patterns, could enable the bottom line to advance to around $0 90 in 2004.

The company plans to acquire the water and wastewater assets of Heater Utilities, a unit of ALLETE Water Services, for $48 million in cash and the assumption of $28 million in debt This transaction would boost Aqua America's customer base by more than fivefold (to 64,500) in North Carolina, an area with sound growth prospects. What's more, we estimate that the acquisition would add a penny to share net in the first year, and merger synergies could well lead to even more accretion to the bottom line thereafter. Heater Utilities will be included in our presentation when the transaction is completed, expected to be during the second quarter of this year.

Aqua America shares are ranked to just approximate the broader market averages for the next six to 12 months, based on recent price and earnings momentum And though we project solid share-net increases for the water utility over the 2006-2008 horizon, total-return potential at the current quotation is moderate, assuming 7% average annual dividend growth over that timeframe The equity possesses some positive attributes, though, including a high mark for Price Growth Persistence and a good Price Stability rating.

Frederick L Harris, III *January 30, 2004*

(A) Primary shares outstanding through '96, diluted thereafter Excl nonrec gains (losses) '90, (38c), '91, (34c), '92, (38¢), '99, (11¢), '00, 2¢, '01, 2¢, '02, 5¢, Q3 '03, 2¢ Excl gain from disc operations '96 2¢ Next earnings report due early Feb (B) Dividends historically paid in early March, June, Sept & Dec ■ Div'd reinvestment plan available (C) In millions, adjusted for stock splits (D) Return on common equity allowed by PA PUC in '91 rate adjustment 12 0% Return on avg common equity in '02, 13 9%

Company's Financial Strength	B+
Stock's Price Stability	85
Price Growth Persistence	95
Earnings Predictability	100

AQUA AMERICA NYSE-WTR

RECENT PRICE 20.62 | P/E RATIO 24.5 (Trailing: 27.1; Median: 20.0) | RELATIVE P/E RATIO 1.27 | DIV'D YLD 2.4% | VALUE LINE 1423

TIMELINESS 3 Lowered 2/1/02

SAFETY 3 Lowered 8/1/03

TECHNICAL 3 Raised 1/30/04

BETA .75 (1.00 = Market)

High	5.3	5.0	5.5	7.6	11.4	15.4	15.4	16.0	19.7	20.0	22.4	22.8	
Low	4.0	4.4	4.4	5.2	5.9	9.7	10.1	8.4	12.5	12.8	15.8	20.0	

Target Price Range: 2007 | 2008 | 2009

2007-09 PROJECTIONS

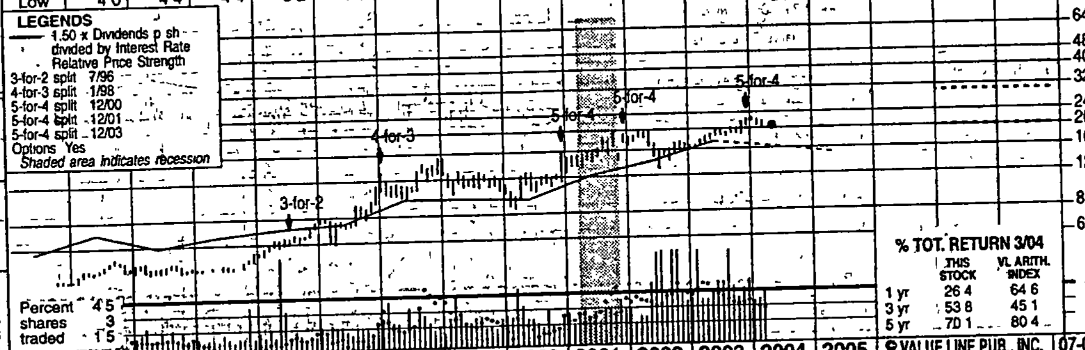
	Price	Gain	Ann'l Total Return
High	30	(+45%)	11%
Low	20	(-5%)	2%

Insider Decisions

	J	J	A	S	O	N	D	J	F
to Buy	0	0	0	0	0	0	0	0	0
Options	0	0	0	1	0	2	0	0	0
to Sell	0	0	0	1	0	1	0	0	0

Institutional Decisions

	2Q2003	3Q2003	4Q2003
to Buy	83	93	85
to Sell	59	57	86
Hld's(000)	29526	23569	26673



% TOT. RETURN 3/04

	THIS STOCK	VL ARITH. INDEX
1 yr	26.4	64.6
3 yr	53.8	45.1
5 yr	70.1	80.4

1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	© VALUE LINE PUB., INC.	07-09
4.45	4.53	2.70	2.85	2.43	2.27	2.42	2.45	2.48	2.69	2.79	3.21	3.29	3.59	3.79	3.97	*4.55*	*5.00*	Revenues per sh	*6.35*
.66	.65	.58	.59	.52	.56	.56	.63	.67	.74	.81	.96	1.01	1.15	1.26	1.28	*1.45*	*1.60*	"Cash Flow" per sh	*2.10*
.30	.27	.33	.33	.31	.33	.35	.39	.40	.46	.53	.56	.62	.68	.72	.76	*.85*	*.95*	Earnings per sh A	*1.25*
.24	.24	.26	.26	.27	.27	.28	.29	.30	.32	.34	.36	.38	.40	.43	.46	*.49*	*.53*	Div'd Decl'd per sh B■	*.65*
.88	1.15	1.01	.72	.80	.63	.61	.69	.64	.77	1.09	1.20	1.55	1.45	1.60	1.76	*1.85*	*1.95*	Cap'l Spending per sh	*2.30*
2.88	2.92	2.80	2.76	2.79	3.05	3.21	3.28	3.59	3.79	4.28	4.57	5.13	5.53	5.81	7.12	*7.90*	*8.90*	Book Value per sh	*11.80*
28.27	29.45	30.48	31.06	38.40	44.55	44.83	47.81	49.31	50.60	54.15	80.10	83.87	85.48	84.90	92.59	*97.00*	*100.00*	Common Shs Outst'g C	*110.00*
12.3	12.9	10.2	10.8	12.5	14.4	13.5	12.0	15.6	17.8	22.5	21.2	18.2	23.6	23.6	24.5	*Bold figures are*		Avg Ann'l P/E Ratio	*21.0*
1.02	.98	.76	.69	.76	.85	.89	.80	.98	1.03	1.17	1.21	1.18	1.21	1.29	1.42	*Value Line*		Relative P/E Ratio	*1.40*
6.5%	6.9%	7.7%	7.2%	6.8%	5.9%	6.0%	6.2%	4.9%	3.9%	2.9%	3.0%	3.3%	2.5%	2.5%	2.5%	*estimates*		Avg Ann'l Div'd Yield	*2.6%*

1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005		07-09
108.6	117.0	122.5	136.2	151.0	257.3	275.5	307.3	322.0	367.2	*440*	*500*	Revenues ($mill)	*700*
15.6	19.0	19.8	23.2	28.8	45.0	50.7	58.5	62.7	67.3	*85.0*	*95.0*	Net Profit ($mill)	*140*
42.5%	40.4%	41.4%	40.6%	40.5%	38.4%	38.9%	39.3%	38.5%	39.3%	*40.0%*	*40.0%*	Income Tax Rate	*40.0%*
8%	1.6%	--	--	--	--	--	--	--	--	*Nil*	*Nil*	AFUDC % to Net Profit	*Nil*
50.2%	51.9%	54.1%	54.4%	52.7%	52.9%	52.0%	52.2%	54.2%	51.4%	*52.0%*	*52.0%*	Long-Term Debt Ratio	*52.0%*
47.4%	46.4%	44.0%	44.8%	46.6%	46.7%	47.8%	47.7%	45.8%	48.6%	*48.0%*	*48.0%*	Common Equity Ratio	*48.0%*
303.1	338.0	401.7	427.2	496.6	782.7	901.1	990.4	1076.2	1355.7	*1600*	*1850*	Total Capital ($mill)	*2700*
385.7	436.9	502.9	534.5	609.8	1135.4	1251.4	1368.1	1490.8	1824.3	*2100*	*2300*	Net Plant ($mill)	*3100*
7.0%	7.7%	6.8%	7.4%	7.6%	7.6%	7.4%	7.8%	7.6%	6.4%	*7.0%*	*7.0%*	Return on Total Cap'l	*7.0%*
10.4%	11.7%	10.7%	11.9%	12.3%	12.2%	11.7%	12.3%	12.7%	10.2%	*11.0%*	*11.0%*	Return on Shr. Equity	*11.0%*
10.3%	11.7%	11.2%	12.0%	12.4%	12.3%	11.7%	12.4%	12.7%	10.2%	*11.0%*	*11.0%*	Return on Com Equity	*11.0%*
2.1%	3.5%	2.8%	3.6%	4.5%	4.3%	4.7%	5.1%	5.2%	4.2%	*5.0%*	*5.0%*	Retained to Com Eq D	*5.5%*
81%	71%	75%	70%	64%	65%	60%	59%	59%	59%	*56%*	*56%*	All Div'ds to Net Prof	*51%*

CAPITAL STRUCTURE as of 12/31/03

Total Debt $832.5 mill Due In 5 Yrs $225.0 mill

LT Debt $696.7 mill LT Interest $40.0 mill

(Total interest coverage 3.5x)

Pension Assets-12/03 $108.7 mill Oblig $150.1 mill

Pfd Stock None

Common Stock 92,589,035 shares

MARKET CAP: $1.9 billion (Mid Cap)

CURRENT POSITION ($MILL.)	2001	2002	12/31/03
Cash Assets	20.8	49.7	39.2
Receivables	56.3	57.7	62.3
Inventory (AvgCst)	4.4	4.6	5.8
Other	8.1	2.7	5.1
Current Assets	89.6	114.7	112.4
Accts Payable	27.7	31.1	32.3
Debt Due	124.6	149.4	135.8
Other	50.3	46.0	63.9
Current Liab.	202.6	226.5	232.0
Fix. Chg. Cov.	335%	347%	344%

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '01-'03 to '07-'09
Revenues	4.0%	7.5%	9.0%
"Cash Flow"	8.5%	10.5%	9.5%
Earnings	8.5%	9.5%	9.5%
Dividends	5.0%	6.0%	7.0%
Book Value	8.0%	9.5%	11.5%

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2001	70.2	77.3	84.7	75.1	307.3
2002	71.7	76.6	91.9	81.8	322.0
2003	80.5	83.4	102.1	101.2	367.2
2004	*100*	*105*	*120*	*115*	*440*
2005	*115*	*120*	*135*	*130*	*500*

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2001	.14	.18	.22	.14	.68
2002	.14	.16	.25	.17	.72
2003	.15	.18	.24	.19	.76
2004	*.19*	*.21*	*.25*	*.20*	*.85*
2005	*.20*	*.23*	*.28*	*.24*	*.95*

Cal-endar	QUARTERLY DIVIDENDS PAID B ■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2000	.092	.092	.092	.099	.38
2001	.099	.099	.099	.106	.40
2002	.106	.106	.106	.112	.43
2003	.112	.112	.112	.12	.46
2004	.12				

BUSINESS. Aqua America, Inc. is the holding company for water and wastewater utilities that serve approximately 2.5 million residents in Pennsylvania, Ohio, New Jersey, Illinois, Maine, North Carolina, Texas, Florida, Kentucky, and five other states. Divested three of four non-water businesses in '91, telemarketing group in '93, and others. Acquired Consumers Water, 4/99, AquaSource, 7/03, and others. Water supply revenues '03: residential, 59%, commercial, 17%, industrial & other, 24%. Officers and directors own 1.4% of the common stock (4/04 Proxy). Chairman & Chief Executive Officer: Nicholas DeBenedictis. Incorporated: Pennsylvania. Address: 762 West Lancaster Avenue, Bryn Mawr, Pennsylvania 19010. Telephone: 610-525-1400. Internet: www.aquaamerica.com

We believe that Aqua America will generate good results this year. The water provider should benefit nicely from a number of acquisitions conducted over the past year, the largest being AquaSource, which added roughly 130,000 accounts. (Management is in the midst of purchasing Heater Utilities, a water and wastewater system with approximately 50,000 customers in North Carolina.) Moreover, we're assuming that Aqua America's results will be aided by a return to normal weather patterns. (Last year, consumption was held back, to a certain degree, by above-average rainfall and cooler temperatures.) That said, share net could well rise to $0.85 in 2004. Further expansion in operating margins ought to enable the bottom line to advance to $0.95 next year.

The company remains an active participant in the ongoing consolidation within the water-service industry. The cost and technical expertise required for compliance with quality standards for drinking water have risen to the point where a number of the many small water suppliers in the United States have been struggling financially. This has resulted in a buyer's market whereby a well-capitalized company (like Aqua America) can enlarge its customer base at relatively low cost. The latest additions to its portfolio include Marienville Water Supply Company, serving 900 residents in Forest County, Pennsylvania; the water and wastewater assets of ABC Utilities, which serves roughly 900 customers in New Hanover County, North Carolina; and the Pinecrest Lake water system, serving more than 600 residents in Monroe County, Pennsylvania. (Note that future acquisitions are excluded from our figures due to the many uncertainties involved with that strategy.)

The stock's total-return potential at the current quotation is unexciting, despite the solid annual earnings growth we envision for the water company out to 2007-2009. And for the coming six to 12 months, these shares are ranked to perform only in line with the market. But the high Price Stability rating and lower-than-market Beta coefficient provide some conservative appeal.

Frederick L. Harris, III *April 30, 2004*

(A) Primary shares outstanding through '96, diluted thereafter. Excl. nonrec. gains (losses): '90, (38¢); '91, (34¢); '92, (38¢); '99, (11¢); '00, 2¢; '01, 2¢; '02, 5¢; '03, 4¢. Excl. gain from disc. operations: '96, 2¢. Next earnings report due mid-May. (B) Dividends historically paid in early March, June, Sept. & Dec. ■ Div'd reinvestment plan available. (C) In millions, adjusted for stock splits. (D) Return on common equity allowed by PA PUC in '91 rate adjustment 12.0%. Return on avg. common equity in '03, 12.3%.

Company's Financial Strength	B+
Stock's Price Stability	85
Price Growth Persistence	95
Earnings Predictability	100

AQUA AMERICA NYSE-WTR

RECENT PRICE 19.37 | P/E RATIO 22.8 (Trailing: 24.8; Median: 20.0) | RELATIVE P/E RATIO 1.29 | DIV'D YLD 2.5% | VALUE LINE 1423

TIMELINESS 4 Lowered 6/4/04
SAFETY 3 Lowered 8/1/03
TECHNICAL 4 Lowered 7/23/04
BETA .75 (1.00 = Market)

High	5.3	5.0	5.5	7.6	11.4	15.4	15.4	16.0	19.7	20.0	22.4	22.8	
Low	4.0	4.4	4.4	5.2	5.9	9.7	10.1	8.4	12.5	12.8	15.8	19.0	

Target Price Range 2007 | 2008 | 2009

2007-09 PROJECTIONS

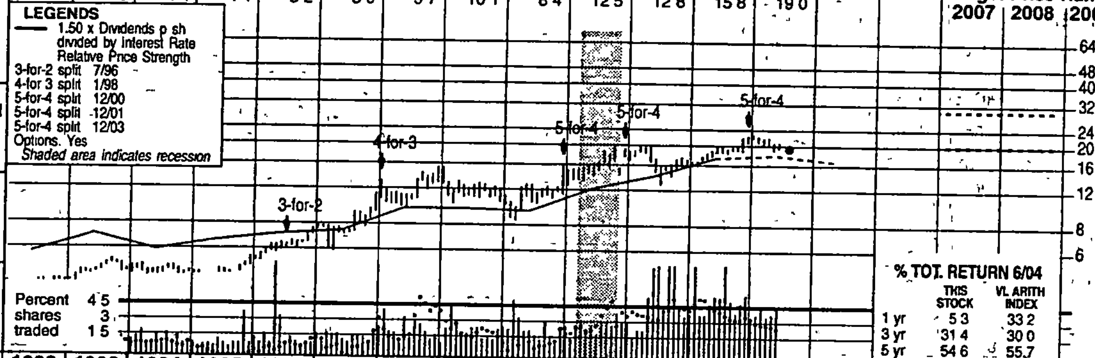
	Price	Gain	Ann'l Total Return
High	30	(+55%)	14%
Low	20	(+5%)	4%

Insider Decisions

	S	O	N	D	J	F	M	A	M
to Buy	0	0	0	0	0	0	1	0	0
Options	1	0	2	0	0	0	0	0	1
to Sell	1	0	1	0	0	0	0	0	2

Institutional Decisions

	3Q2003	4Q2003	1Q2004
to Buy	93	85	93
to Sell	57	86	73
Hld's(000)	23569	26673	26637



% TOT. RETURN 6/04

	THIS STOCK	VL ARITH INDEX
1 yr	5.3	33.2
3 yr	31.4	30.0
5 yr	54.6	55.7

1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	© VALUE LINE PUB., INC.	07-09
4.45	4.53	2.70	2.85	2.43	2.27	2.42	2.45	2.48	2.69	2.79	3.21	3.29	3.59	3.79	3.97	*4.65*	*4.85*	Revenues per sh	*6.00*
.66	.65	.58	.59	.52	.56	.56	.63	.67	.74	.81	.96	1.01	1.15	1.26	1.28	*1.45*	*1.60*	"Cash Flow" per sh	*2.00*
.30	.27	.33	.33	.31	.33	.35	.39	.40	.46	.53	.56	.62	.68	.72	.76	*.85*	*.95*	Earnings per sh A	*1.20*
.24	.24	.26	.26	.27	.27	.28	.29	.30	.32	.34	.36	.38	.40	.43	.46	*.48*	*.52*	Div'd Decl'd per sh B ■	*.64*
.88	1.15	1.01	.72	.80	.63	.61	.69	.64	.77	1.09	1.20	1.55	1.45	1.60	1.76	*1.60*	*1.55*	Cap'l Spending per sh	*1.50*
2.88	2.92	2.80	2.76	2.79	3.05	3.21	3.28	3.59	3.79	4.28	4.57	5.13	5.53	5.81	7.12	*7.55*	*7.95*	Book Value per sh D	*9.60*
28.27	29.45	30.48	31.06	38.40	44.55	44.83	47.81	49.31	50.60	54.15	80.10	83.87	85.48	84.90	92.59	*95.00*	*98.00*	Common Shs Outst'g C	*100.00*
12.3	12.9	10.2	10.8	12.5	14.4	13.5	12.0	15.6	17.8	22.5	21.2	18.2	23.6	23.6	24.5	*Bold figures are*		Avg Ann'l P/E Ratio	*21.0*
1.02	.98	.76	.69	.76	.85	.89	.80	.98	1.03	1.17	1.21	1.18	1.21	1.29	1.42	*Value Line*		Relative P/E Ratio	*1.40*
6.5%	6.9%	7.7%	7.2%	6.8%	5.9%	6.0%	6.2%	4.9%	3.9%	2.9%	3.0%	3.3%	2.5%	2.5%	2.5%	*estimates*		Avg Ann'l Div'd Yield	*2.6%*
						108.6	117.0	122.5	136.2	151.0	257.3	275.5	307.3	322.0	367.2	*440*	*475*	Revenues ($mill)	*600*
						15.6	19.0	19.8	23.2	28.8	45.0	50.7	58.5	62.7	67.3	*80.0*	*95.0*	Net Profit ($mill)	*125*
						42.5%	40.4%	41.4%	40.6%	40.5%	38.4%	38.9%	39.3%	38.5%	39.3%	*40.0%*	*40.0%*	Income Tax Rate	*40.0%*
						8%	1.6%	1.3%	4.0%	4.3%	4.4%	5.3%	2.1%	2.2%	3.2%	*3.5%*	*3.5%*	AFUDC % to Net Profit	*4.0%*
						50.2%	51.9%	54.1%	54.4%	52.7%	52.9%	52.0%	52.2%	54.2%	51.4%	*53.5%*	*54.5%*	Long-Term Debt Ratio	*54.0%*
						47.4%	46.4%	44.0%	44.8%	46.6%	46.7%	47.8%	47.7%	45.8%	48.6%	*46.5%*	*45.5%*	Common Equity Ratio	*46.0%*
						303.1	338.0	401.7	427.2	496.6	782.7	901.1	990.4	1076.2	1355.7	*1550*	*1725*	Total Capital ($mill)	*2100*
						385.7	436.9	502.9	534.5	609.8	1135.4	1251.4	1368.1	1490.8	1824.3	*1925*	*2025*	Net Plant ($mill)	*2300*
						7.0%	7.7%	6.8%	7.4%	7.6%	7.6%	7.4%	7.8%	7.6%	6.4%	*6.5%*	*7.0%*	Return on Total Cap'l	*7.5%*
						10.4%	11.7%	10.7%	11.9%	12.3%	12.2%	11.7%	12.3%	12.7%	10.2%	*11.0%*	*12.0%*	Return on Shr. Equity	*13.0%*
						10.3%	11.7%	11.2%	12.0%	12.4%	12.3%	11.7%	12.4%	12.7%	10.2%	*11.0%*	*12.0%*	Return on Com Equity	*13.0%*
						2.1%	3.5%	2.8%	3.6%	4.5%	4.3%	4.7%	5.1%	5.2%	4.2%	*5.0%*	*5.5%*	Retained to Com Eq	*6.0%*
						81%	71%	75%	70%	64%	65%	60%	59%	59%	59%	*56%*	*53%*	All Div'ds to Net Prof	*52%*

CAPITAL STRUCTURE as of 3/31/04
Total Debt $846.2 mill **Due in 5 Yrs** $230.0 mill
LT Debt $686.3 mill **LT Interest** $45.0 mill
(Total interest coverage 3.5x)

Pension Assets-12/03 $108.7 mill **Oblig.** $150.1 mill

Pfd Stock None

Common Stock 92,845,523 shares as of 4/29/04

MARKET CAP $1.8 billion (Mid Cap)

CURRENT POSITION ($MILL.)	2002	2003	3/31/04
Cash Assets	49.7	39.2	37.6
Receivables	57.7	62.3	58.5
Inventory (AvgCst)	4.6	5.8	6.2
Other	2.7	5.1	5.1
Current Assets	114.7	112.4	107.4
Accts Payable	31.1	32.3	11.6
Debt Due	149.4	135.8	159.9
Other	46.0	63.9	66.8
Current Liab	226.5	232.0	238.3
Fix Chg Cov	347%	344%	309%

ANNUAL RATES of change (per sh)	Past 10 Yrs	Past 5 Yrs	Est'd '01-'03 to '07-'09
Revenues	4.0%	7.5%	*8.0%*
"Cash Flow"	8.5%	10.5%	*8.5%*
Earnings	8.5%	9.5%	*9.0%*
Dividends	5.0%	6.0%	*7.0%*
Book Value	8.0%	9.5%	*7.5%*

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2001	70.2	77.3	84.7	75.1	307.3
2002	71.7	76.6	91.9	81.8	322.0
2003	80.5	83.4	102.1	101.2	367.2
2004	99.8	*105*	*120.2*	*115*	*440*
2005	*105*	*115*	*130*	*125*	*475*

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2001	.14	.18	.22	.14	.68
2002	.14	.16	.25	.17	.72
2003	.15	.18	.24	.19	.76
2004	.17	*.21*	*.25*	*.22*	*.85*
2005	*.19*	*.23*	*.27*	*.26*	*.95*

Cal-endar	QUARTERLY DIVIDENDS PAID B ■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2000	.092	.092	.092	.099	.38
2001	.099	.099	.099	.106	.40
2002	.106	.106	.106	.112	.43
2003	.112	.112	.112	.12	.46
2004	.12	.12			

BUSINESS: Aqua America, Inc. is the holding company for water and wastewater utilities that serve approximately 2.5 million residents in Pennsylvania, Ohio, New Jersey, Illinois, Maine, North Carolina, Texas, Florida, Kentucky, and five other states. Divested three of four non-water businesses in '91, telemarketing group in '93, and others. Acquired Consumers Water, 4/99, AquaSource, 7/03, and others. Water supply revenues '03: residential, 59%, commercial, 17%, industrial & other, 24%. Officers and directors own 1.4% of the common stock (4/04 Proxy). Chairman & Chief Executive Officer: Nicholas DeBenedictis. Incorporated: Pennsylvania. Address: 762 West Lancaster Avenue, Bryn Mawr, Pennsylvania 19010. Telephone: 610-525-1400. Internet: www.aquaamerica.com.

Aqua America continues to grow through acquisitions. The company recently announced the completion of its purchase of Heater Utilities, adding more than 50,000 new customers in North Carolina to its total. A deal was also finalized to purchase water and wastewater systems that will add 40,000 customers in Florida, thereby more than doubling its customer base in the state. Combined with various smaller purchases, the company is more than half way to management's goal of 30 acquisitions for the year. We expect annual revenue growth of approximately 7% for the next 3 to 5 years as acquisitions from 2003 forward are integrated. However,

Margins are being pressured by integration expenses and higher interest rates. As new management is put in place, redundant operations are being trimmed, but not before a period of overlapping operations. Pension expenses and severance costs associated with downsized labor forces also pressure margins. Too, as interest rates rise, the cost of debt for acquisitions may hurt results.

Rate negotiations are ongoing for regulated subsidiaries in various states. Operations in Illinois were recently granted a 21% increase in rates, totaling approximately $2.1 million. Applications have been filed in Pennsylvania, New Jersey, and Texas for annual revenue increases of $25 million, $2.6 million, and $12 million, respectively. Management has also revealed plans to file for increases in Ohio, North Carolina, and Florida. Traditionally, rate negotiations take a number of months, and the rate increase that is awarded is subject to change based on an expected return on equity and capital improvements. Therefore, we do not expect new rates to take effect until the second half of the year, but they should help revenue growth for the next few years.

Aqua America shares offer little appreciation potential through 2007-2009. Growth through acquisition should continue to improve results, but the regulated nature of the industry may well limit the speed at which new businesses become accretive to earnings. But this unfavorably ranked stock does offer predictable returns and a growing dividend.

Matthew B. V. Albrecht *July 30, 2004*

(A) Primary shares outstanding through '96, diluted thereafter. Excl. nonrec. gains (losses): '90, (38¢); '91, (34¢); '92, (38¢); '99, (11¢); '00, 2¢; '01, 2¢; '02, 5¢; '03, 4¢. Excl. gain from disc. operations: '96, 2¢. Next earnings report due early August. (B) Dividends historically paid in early March, June, Sept. & Dec. ■ Div'd reinvestment plan available (5% discount). (C) In millions, adjusted for stock splits. (D) Incl. deferred charges. In '03: $34.3 mill., $0.37/sh.

Company's Financial Strength	B+
Stock's Price Stability	85
Price Growth Persistence	95
Earnings Predictability	100

AQUA AMERICA NYSE-WTR

RECENT PRICE	21.29	P/E RATIO	24.5 (Trailing: 26.9 / Median: 20.0)	RELATIVE P/E RATIO	1.40	DIV'D YLD	2.4%	VALUE LINE	1422

TIMELINESS **4** Lowered 6/4/04

SAFETY **3** Lowered 8/1/03

TECHNICAL **3** Raised 8/20/04

BETA 75 (1 00 = Market)

High	5 3	5 0	5 5	7 6	11 4	15 4	15 4	16 0	19 7	20 0	22 4	22 8	Target Price Range		
Low	4 0	4 4	4 4	5 2	5 9	9 7	10 1	8 4	12 5	12 8	15 8	18 9	2007	2008	2009

2007-09 PROJECTIONS

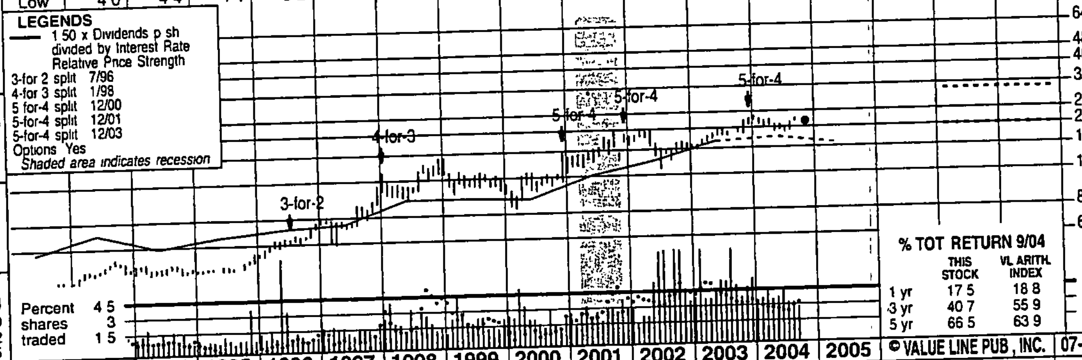
	Price	Gain	Ann'l Total Return
High	30	(+40%)	11%
Low	20	(-5%)	2%

Insider Decisions

	D	J	F	M	A	M	J	J	A
to Buy	0	0	0	1	0	0	1	0	0
Options	0	0	0	0	0	1	0	0	0
to Sell	0	0	0	0	0	2	1	0	1

Institutional Decisions

	4Q2003	1Q2004	2Q2004
to Buy	85	93	90
to Sell	86	73	62
Hld's(000)	26673	26637	26345



% TOT RETURN 9/04

	THIS STOCK	VL ARITH. INDEX
1 yr	17 5	18 8
3 yr	40 7	55 9
5 yr	66 5	63 9

1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	© VALUE LINE PUB, INC.	07-09
4 45	4 53	2 70	2 85	2 43	2 27	2 42	2 45	2.48	2 69	2 79	3 21	3 29	3 59	3 79	3 97	*4 65*	*4 85*	Revenues per sh	*6 00*
66	65	58	59	52	56	56	63	67	74	81	96	1 01	1 15	1 26	1 28	*1.45*	*1 60*	"Cash Flow" per sh	*2.00*
30	27	33	33	31	33	35	39	40	46	53	56	62	68	72	76	*85*	*.95*	Earnings per sh A	*1.20*
24	.24	26	26	27	27	28	.29	30	32	34	36	38	40	43	46	*.49*	*.52*	Div'd Decl'd per sh B■	*.64*
88	1 15	1 01	72	80	63	61	69	64	77	1 09	1 20	1 55	1 45	1 60	1 76	*1 60*	*1.55*	Cap'l Spending per sh	*1 50*
2.88	2 92	2 80	2 76	2 79	3 05	3 21	3 28	3 59	3 79	4 28	4 57	5 13	5 53	5 81	7 12	*7.55*	*7 95*	Book Value per sh D	*9.60*
28.27	29 45	30 48	31 06	38 40	44 55	44 83	47 81	49 31	50 60	54 15	80 10	83 87	85 48	84 90	92 59	*95 00*	*98.00*	Common Shs Outst'g C	*100.00*
12 3	12 9	10.2	10 8	12 5	14 4	13 5	12 0	15 6	17 8	22 5	21 2	18 2	23 6	23 6	24 5	*Bold figures are*		Avg Ann'l P/E Ratio	*21 0*
1 02	98	76	69	76	85	89	80	98	1 03	1 17	1 21	1 18	1.21	1 29	1 42	*Value Line*		Relative P/E Ratio	*1.40*
6 5%	6 9%	7 7%	7 2%	6 8%	5 9%	6 0%	6.2%	4 9%	3 9%	2 9%	3 0%	3 3%	2 5%	2.5%	2 5%	*estimates*		Avg Ann'l Div'd Yield	*2.6%*
						108 6	117 0	122 5	136 2	151 0	257 3	275 5	307 3	322 0	367.2	*440*	*475*	Revenues ($mill)	*600*
						15 6	19 0	19 8	23 2	28 8	45 0	50 7	58 5	62 7	67 3	*80.0*	*95.0*	Net Profit ($mill)	*125*
						42 5%	40 4%	41 4%	40 6%	40 5%	38 4%	38 9%	39 3%	38 5%	39 3%	*40.0%*	*40 0%*	Income Tax Rate	*40.0%*
						8%	1 6%	1 3%	4 0%	4 3%	4 4%	5 3%	2 1%	2.2%	3 2%	*3.5%*	*3.5%*	AFUDC % to Net Profit	*4.0%*
						50 2%	51 9%	54 1%	54 4%	52 7%	52 9%	52 0%	52.2%	54 2%	51 4%	*53 5%*	*54.5%*	Long-Term Debt Ratio	*54.0%*
						47 4%	46 4%	44 0%	44 8%	46 6%	46 7%	47 8%	47 7%	45 8%	48 6%	*46.5%*	*45 5%*	Common Equity Ratio	*46.0%*
						303 1	338 0	401 7	427 2	496 6	782 7	901 1	990 4	1076 2	1355 7	*1550*	*1725*	Total Capital ($mill)	*2100*
						385 7	436 9	502 9	534 5	609 8	1135 4	1251 4	1368 1	1490 8	1824 3	*1925*	*2025*	Net Plant ($mill)	*2300*
						7 0%	7 7%	6 8%	7 4%	7 6%	7 6%	7 4%	7 8%	7 6%	6 4%	*6 5%*	*7.0%*	Return on Total Cap'l	*7.5%*
						10 4%	11 7%	10 7%	11 9%	12 3%	12 2%	11 7%	12 3%	12.7%	10.2%	*11.0%*	*12.0%*	Return on Shr Equity	*13.0%*
						10 3%	11 7%	11 2%	12 0%	12 4%	12 3%	11 7%	12 4%	12 7%	10 2%	*11 0%*	*12.0%*	Return on Com Equity	*13.0%*
						2 1%	3 5%	2 8%	3 6%	4 5%	4 3%	4 7%	5 1%	5 2%	4.2%	*5 0%*	*5.5%*	Retained to Com Eq	*6.0%*
						81%	71%	75%	70%	64%	65%	60%	59%	59%	59%	*57%*	*54%*	All Div'ds to Net Prof	*51%*

CAPITAL STRUCTURE as of 6/30/04
Total Debt $963 3 mill **Due In 5 Yrs** $230 0 mill
LT Debt $770 5 mill **LT Interest** $45 0 mill
(Total interest coverage 3 5x)

Pension Assets-12/03 $108 7 mill **Oblig** $150 1 mill

Pfd Stock None

Common Stock 93,012,163 shares as of 7/28/04

MARKET CAP $2.0 billion (Mid Cap)

CURRENT POSITION ($MILL.)	2002	2003	6/30/04
Cash Assets	49 7	39 2	35 8
Receivables	57 7	62 3	67 6
Inventory (AvgCst)	4 6	5 8	7 2
Other	2 7	5 1	5 6
Current Assets	114 7	112 4	116 2
Accts Payable	31 1	32 3	13 1
Debt Due	149 4	135 8	192 8
Other	46 0	63 9	66 6
Current Liab	226 5	232 0	272 5
Fix Chg Cov	347%	344%	331%

ANNUAL RATES of change (per sh)	Past 10 Yrs	Past 5 Yrs.	Est'd '01-'03 to '07-'09
Revenues	4 0%	7 5%	*8 0%*
"Cash Flow"	8 5%	10 5%	*8 5%*
Earnings	8 5%	9 5%	*9 0%*
Dividends	5 0%	6 0%	*7 0%*
Book Value	8 0%	9 5%	*7 5%*

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2001	70 2	77 3	84 7	75 1	307 3
2002	71 7	76 6	91 9	81 8	322 0
2003	80 5	83 4	102 1	101 2	367.2
2004	99 8	106 5	*118 7*	*115*	*440*
2005	*105*	*115*	*130*	*125*	*475*

Cal-endar	EARNINGS PER SHARE A Mar 31	Jun 30	Sep.30	Dec.31	Full Year
2001	14	18	22	14	68
2002	14	16	.25	17	72
2003	15	18	24	19	76
2004	17	19	*25*	*.24*	*.85*
2005	*.19*	*.23*	*.27*	*.26*	*.95*

Cal-endar	QUARTERLY DIVIDENDS PAID B ■ Mar.31	Jun 30	Sep.30	Dec 31	Full Year
2000	092	092	092	099	38
2001	099	099	099	106	40
2002	106	106	106	112	43
2003	112	112	112	12	46
2004	12	12	12	13	

BUSINESS· Aqua America, Inc is the holding company for water and wastewater utilities that serve approximately 2 5 million residents in Pennsylvania, Ohio, New Jersey, Illinois, Maine, North Carolina, Texas, Florida, Kentucky, and five other states Divested three of four non-water businesses in '91, telemarketing group in '93, and others Acquired Consumers Water, 4/99, AquaSource, 7/03, and others Water supply revenues '03 residential, 59%, commercial, 17%, industrial & other, 24% Officers and directors own 1 4% of the common stock (4/04 Proxy) Chairman & Chief Executive Officer Nicholas DeBenedictis Incorporated Pennsylvania Address 762 West Lancaster Avenue, Bryn Mawr, Pennsylvania 19010 Telephone 610-525-1400 Internet www aquaamerica.com

Aqua America probably realized moderate growth in the recently completed third quarter. Much of the increase will likely be from acquisitions, as the second-quarter purchases of Heater Utilities and a number of Florida water systems should be consolidated into results Also, a number of states, including Texas, Pennsylvania, and New Jersey, have approved rate hikes in the 5% to 10% range, which should go into effect at various times throughout the second half of the year However, results may well be tempered by the wetness during the quarter in much of the company's operating territory due to frequent hurricanes and tropical storms. Still, we expect moderate per-share increases over third- and fourth-quarter results from a year ago

The company is further expanding through acquisitions. Most recently, Aqua has purchased a number of small units, mostly in Pennsylvania, to quietly broaden its customer base Although management is confident in its ability to grow internally in the southern states, it may have to seek out larger acquisitions in northern regions to meet its 7% revenue growth target. All told, we expect the top line to expand by $35 million in 2005

Aqua's management team gives it a competitive advantage. In the recent Pennsylvania rate case, WTR was awarded 10.6%, 0 6% above the judge's decision, by the water utility commission because of management's strong performance with quality and acquisitions. Furthermore, in North Carolina, the commission has allowed the company to add a portion of its goodwill impairment from the Heater acquisition to its rate base for every additional water system purchased in the state This apparent leverage should come in handy during upcoming rate negotiations in a number of other states

These shares carry a Below-Average Timeliness rank. They are also already trading within our 3- to 5-year Price Target Range. The stock's limited long-term growth prospects are a consequence of the industry's regulated nature However, management has decided to raise the dividend for the December period, to $0 13, and we expect future rises to keep the company's earnings payout above 50%

Matthew B V. Albrecht *October 29, 2004*

(A) Primary shares outstanding through '96, diluted thereafter Excl nonrec gains (losses) '90, (38¢), '91, (34¢), '92, (38¢), '99, (11¢), '00, 2¢, '01, 2¢, '02, 5¢, '03, 4¢ Excl gain from disc operations '96, 2¢ Next earnings report due early February (B) Dividends historically paid in early March, June, Sept & Dec ■ Div'd reinvestment plan available (5% discount) (C) In millions, adjusted for stock splits (D) Incl deferred charges In '03 $34 3 mill, $0 37/sh

Company's Financial Strength	B+
Stock's Price Stability	85
Price Growth Persistence	95
Earnings Predictability	100

CALIFORNIA WATER NYSE-CWT

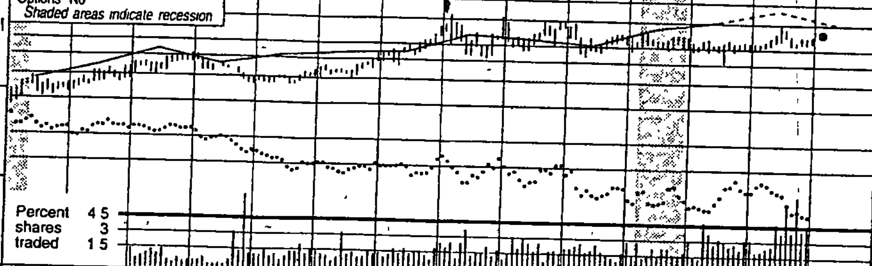
RECENT PRICE 28.93 | P/E RATIO 21.8 (Trailing 29.5 / Median: 16.0) | RELATIVE P/E RATIO 1.08 | DIV'D YLD 3.9% | VALUE LINE 142

TIMELINESS 4 Lowered 8/1/03
SAFETY 2 Lowered 8/11/95
TECHNICAL 4 Lowered 12/19/03
BETA .65 (1.00 = Market)

	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
High	17.5	20.6	20.5	17.6	21.9	29.6	33.8	32.0	31.4	28.6	26.9	31.4
Low	13.1	16.1	14.7	14.8	16.3	18.6	20.8	22.6	21.5	22.9	20.5	23.7

Target Price Range 2006 | 2007 | 20

LEGENDS
— 1.33 x Dividends p sh divided by Interest Rate
Relative Price Strength
2-for-1 split 1/98
Options No
Shaded areas indicate recession



2006-08 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	35	(+20%)	8%
Low	25	(-15%)	1%

Insider Decisions

	M	A	M	J	J	A	S	O	N
to Buy	0	0	0	0	0	0	0	0	0
Options	0	0	0	0	0	0	0	0	0
to Sell	0	0	0	0	0	0	0	0	0

Institutional Decisions

	1Q2003	2Q2003	3Q2003
to Buy	24	27	27
to Sell	18	24	23
Hld's(000)	2803	2879	2968

% TOT RETURN 12/03

	THIS STOCK	VL ARITH. INDEX
1 yr	20.6	48.1
3 yr	15.7	36.1
5 yr	10.9	64.9

1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	© VALUE LINE PUB., INC.	06-08
10.13	10.03	10.33	10.93	11.18	12.29	13.34	12.59	13.17	14.48	15.48	14.76	15.96	16.16	16.26	17.33	15.90	14.90	Revenues per sh	19.
1.94	1.87	1.89	1.97	1.98	1.92	2.25	2.02	2.07	2.50	2.92	2.60	2.75	2.52	2.20	2.65	2.45	2.75	"Cash Flow" per sh	3.
1.32	1.23	1.20	1.25	1.21	1.09	1.35	1.22	1.17	1.51	1.83	1.45	1.53	1.31	.94	1.25	1.03	1.45	Earnings per sh A	1
.74	.80	.84	.87	.90	.93	.96	.99	1.02	1.04	1.06	1.07	1.09	1.10	1.12	1.12	1.12	1.13	Div'd Decl'd per sh B ■	1
1.75	2.12	2.40	2.36	3.03	3.09	2.53	2.26	2.17	2.83	2.61	2.74	3.44	2.45	4.09	5.82	4.70	4.25	Cap'l Spending per sh	5.
8.85	9.30	9.66	10.04	10.35	10.51	10.90	11.56	11.72	12.22	13.00	13.38	13.43	12.90	12.95	13.12	13.90	15.75	Book Value per sh C	18.
11.13	11.34	11.38	11.38	11.36	11.38	11.38	12.49	12.54	12.62	12.62	12.62	12.94	15.15	15.18	15.18	17.00	18.80	Common Shs Outst'g D	18.8
10.5	11.5	10.6	10.4	11.2	14.1	13.6	14.1	13.7	11.9	12.6	17.8	17.8	19.6	27.1	19.8	26.0		Avg Ann'l P/E Ratio	14
.70	.95	.80	.77	.72	.86	.80	.92	.92	.75	.73	.93	1.01	1.27	1.39	1.08	1.49		Relative P/E Ratio	.
5.3%	5.7%	6.6%	6.7%	6.6%	6.1%	5.2%	5.8%	6.4%	5.8%	4.6%	4.2%	4.0%	4.3%	4.4%	4.5%	4.2%		Avg Ann'l Div'd Yield	4.2%

CAPITAL STRUCTURE as of 9/30/03
Total Debt $274.3 mill. Due in 5 Yrs $30.0 mill.
LT Debt $270.9 mill. LT Interest $16.5 mill.
(LT interest earned 2.9x; total int. cov. 2.7x)

Pension Assets-12/02 $56.3 mill. Oblig. $79.6 mill.

Pfd Stock $3.5 mill. Pfd Div'd $.15 mill.
139,000 shares, 4.4% cumulative ($25 par)

Common Stock 16,932,046 shs. as of 8/11/03

MARKET CAP: $500 million (Small Cap)

1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004		06-08
151.7	157.3	165.1	182.8	195.3	186.3	206.4	244.8	246.8	263.2	270	280	Revenues ($mill)	36
15.5	14.4	14.7	19.1	23.3	18.4	19.9	20.0	14.4	19.1	18.0	27.5	Net Profit ($mill)	37
40.6%	40.0%	40.1%	38.9%	37.4%	36.4%	37.9%	42.3%	39.4%	39.7%	42.0%	42.0%	Income Tax Rate	42.0%
--	--	--	--	--	--	--	--	--	--	Nil	Nil	AFUDC % to Net Profit	N
50.4%	46.6%	49.2%	47.4%	45.4%	44.2%	46.9%	48.9%	50.3%	55.3%	57.0%	53.0%	Long-Term Debt Ratio	51.5%
48.2%	52.2%	49.7%	51.4%	53.5%	54.7%	52.0%	50.2%	48.8%	44.0%	42.5%	46.5%	Common Equity Ratio	48.0%
257.1	276.9	296.0	299.9	306.7	308.6	333.8	388.8	402.7	453.1	555	635	Total Capital ($mill)	72
391.7	407.9	422.2	443.6	460.4	478.3	515.4	582.0	624.3	697.0	780	820	Net Plant ($mill)	95
8.1%	7.1%	6.8%	8.3%	9.4%	7.8%	7.8%	6.8%	5.3%	5.9%	5.0%	6.0%	Return on Total Cap'l	6.5%
12.2%	9.7%	9.8%	12.1%	13.9%	10.7%	11.2%	10.0%	7.2%	9.4%	8.0%	9.0%	Return on Shr. Equity	10.5%
12.4%	9.9%	9.9%	12.3%	14.1%	10.8%	11.4%	10.1%	7.2%	9.5%	8.0%	9.0%	Return on Com Equity	10.5%
3.6%	1.9%	1.2%	3.8%	6.0%	2.8%	3.5%	1.8%	NMF	1.0%	NMF	2.0%	Retained to Com Eq	4.0%
71%	81%	88%	69%	58%	74%	70%	82%	119%	90%	102%	78%	All Div'ds to Net Prof	61%

CURRENT POSITION ($MILL.)	2001	2002	9/30/03
Cash Assets	1.0	1.1	12.4
Other	39.4	41.9	50.1
Current Assets	40.4	43.0	62.5
Accts Payable	24.0	23.7	29.0
Debt Due	26.6	24.8	3.4
Other	28.4	43.0	44.1
Current Liab.	79.0	91.5	76.5
Fix. Chg. Cov.	214%	250%	242%

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '00-'02 to '06-'08
Revenues	4.0%	3.0%	2.5%
"Cash Flow"	2.5%	.5%	6.5%
Earnings	--	-5.0%	9.0%
Dividends	2.0%	1.5%	1.0%
Book Value	2.5%	1.0%	6.0%

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2000	46.6	66.0	76.6	55.6	244.8
2001	47.0	67.0	76.3	56.5	246.8
2002	51.7	69.2	81.4	60.9	263.2
2003	51.3	68.0	88.2	62.5	270
2004	55.0	73.0	85.0	67.0	280

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2000	.09	.40	.60	.22	1.31
2001	.01	.34	.39	.20	.94
2002	.12	.43	.50	.20	1.25
2003	d.05	.30	.53	.25	1.03
2004	.15	.40	.62	.28	1.45

Cal-endar	QUARTERLY DIVIDENDS PAID B ■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2000	.275	.275	.275	.275	1.10
2001	.279	.279	.279	.279	1.12
2002	.28	.28	.28	.28	1.12
2003	.281	.281	.281	.281	1.12
2004					

BUSINESS: California Water Service Group provides regulated and nonregulated water service to over 2 million people (461,200 customers) in 98 communities in California, Washington, and New Mexico. Main service areas: San Francisco Bay area, Sacramento Valley, Salinas Valley, San Joaquin Valley & parts of Los Angeles. Acquired Dominguez Services Corp. (5/00), Rio Grande Corp. (11/00). Revenue breakdown, '02: residential, 70%; business, 18%; public authorities, 5%; industrial, 4%; other, 3%. '02 reported deprec. rate: 2.1%. Has about 800 employees. Chairman: Robert W. Foy. President & CEO: Peter C. Nelson. Inc.: Delaware. Address: 1720 North First Street, San Jose, California 95112-4598. Telephone: 408-367-8200. Internet: www.calwater.com.

California Water Service Group's share net probably declined by more than 15% in 2003 (the company did not report results as of our press date). Sluggish revenue growth was partly responsible for the year-over-year decline because unfavorable weather conditions (cool and wet) resulted in reduced water consumption. However, escalating operating expenses also played a role, as higher water production and maintenance costs continue to escalate in the wake of the country's heightened security alert. In addition, CWT's depreciation expense increased considerably as a result of higher capital expenditures.

We believe that California Water is on the brink of a strong earnings recovery. The California Public Utilities Commission finally approved CWT's 2001 general rate case in September for 15 of its 24 California water districts. As such, CWT implemented a $12.8 million annual rate increase retroactive to April 3, 2003. We anticipate that the full-year recognition of the added revenue from the ruling, coupled with more normal weather conditions, and additional rate relief approvals — CWT currently has two applications pending — will enable it to achieve 40% year-over-year earnings growth in 2004.

Acquisitions should help California enjoy solid bottom-line growth out to 2006-2008. The water utilities industry has been undergoing massive consolidation in recent years, as the costs associated with keeping up with the Environmental Protection Agency's (EPA) strict regulatory statutes are forcing many smaller operations to sell. Given that the EPA will likely only get more stringent with its demands, we believe that CWT, the second-largest public utility in the nation, will continue to be faced with attractive merger opportunities. We would not be surprised if the company continues to diversify outside of California so as to limit its exposure to the state's arduous regulatory laws.

Income-oriented investors should like the solid dividend yield of these untimely shares. But, with the stock trading within our 3- to 5-year Target Price range, total-return potential is unexciting at this time.

Andre J. Costanza *January 30, 2004*

(A) Basic EPS. Excl. nonrecurring gain (loss): '87, 39¢; '00, (7¢); '01, 4¢; Q2 '02, 8¢. Next earnings report due late April.

(B) Dividends historically paid in mid-Feb., May, Aug., Nov. ■ Div'd reinvestment plan available.

(C) Incl. deferred charges. In '02: $31.4 mill., $2.07/sh.
(D) In millions, adjusted for split.

Company's Financial Strength	B++
Stock's Price Stability	90
Price Growth Persistence	80
Earnings Predictability	75

CALIFORNIA WATER NYSE-CWT

RECENT PRICE	P/E RATIO		RELATIVE P/E RATIO	DIV'D YLD	VALUE LINE
29.40	18.8	(Trailing: 24.7 / Median: 17.0)	0.97	3.8%	1424

TIMELINESS 4 Lowered 4/30/04
SAFETY 2 Lowered 8/11/95
TECHNICAL 3 Raised 2/27/04
BETA .65 (1.00 = Market)

	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
High	20.6	20.5	17.6	21.9	29.6	33.8	32.0	31.4	28.6	26.9	31.4	30.0
Low	16.1	14.7	14.8	16.3	18.6	20.8	22.6	21.5	22.9	20.5	23.7	27.2

Target Price Range 2007 2008 2009

2007-09 PROJECTIONS

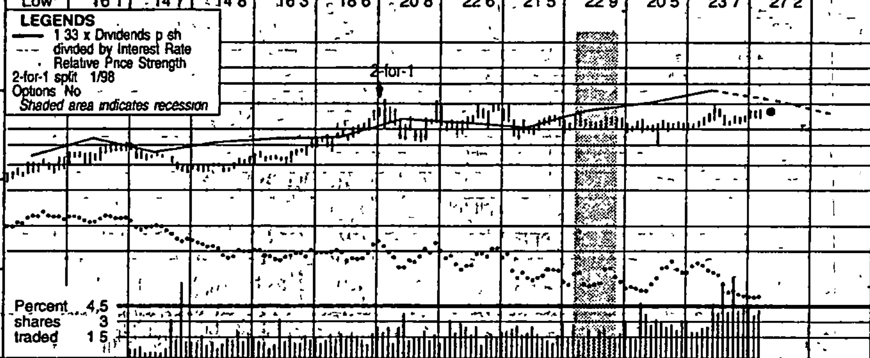
	Price	Gain	Ann'l Total Return
High	35	(+20%)	8%
Low	25	(-15%)	1%

Insider Decisions

	J	J	A	S	O	N	D	J	F
to Buy	0	0	0	0	0	0	1	0	0
Options	0	0	0	0	0	0	0	0	0
to Sell	0	0	0	0	0	0	0	0	0

Institutional Decisions

	2Q2003	3Q2003	4Q2003
to Buy	27	27	40
to Sell	24	23	15
Hld's(000)	2879	2968	3465



% TOT. RETURN 3/04

	THIS STOCK	VL ARITH. INDEX
1 yr.	14.4	64.6
3 yr.	12.7	45.1
5 yr.	46.4	80.4

1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	© VALUE LINE PUB., INC.	07-09
10.03	10.33	10.93	11.18	12.29	13.34	12.59	13.17	14.48	15.48	14.76	15.96	16.16	16.26	17.33	16.37	*16.40*	*17.25*	Revenues per sh	*21.05*
1.87	1.89	1.97	1.98	1.92	2.25	2.02	2.07	2.50	2.92	2.60	2.75	2.52	2.20	2.65	2.51	*2.85*	*3.10*	"Cash Flow" per sh	*3.95*
1.23	1.20	1.25	1.21	1.09	1.35	1.22	1.17	1.51	1.83	1.45	1.53	1.31	.94	1.25	1.21	*1.50*	*1.65*	Earnings per sh A	*2.10*
.80	.84	.87	.90	.93	.96	.99	1.02	1.04	1.06	1.07	1.09	1.10	1.12	1.12	1.12	*1.13*	*1.13*	Div'd Decl'd per sh B ■	*1.18*
2.12	2.40	2.36	3.03	3.09	2.53	2.26	2.17	2.83	2.61	2.74	3.44	2.45	4.09	5.82	4.39	*4.15*	*4.25*	Cap'l Spending per sh	*5.25*
9.30	9.66	10.04	10.35	10.51	10.90	11.56	11.72	12.22	13.00	13.38	13.43	12.90	12.95	13.12	14.44	*23.10*	*23.30*	Book Value per sh C	*30.25*
11.34	11.38	11.38	11.38	11.38	11.38	12.49	12.54	12.62	12.62	12.62	12.94	15.15	15.18	15.18	16.93	*18.00*	*18.25*	Common Shs Outst'g D	*19.00*
11.5	10.6	10.4	11.2	14.1	13.6	14.1	13.7	11.9	12.6	17.8	17.8	19.6	27.1	19.8	22.1	Bold figures are		Avg Ann'l P/E Ratio	*14.5*
.95	.80	.77	.72	.86	.80	.92	.92	.75	.73	.93	1.01	1.27	1.39	1.08	1.28	Value Line		Relative P/E Ratio	*.95*
5.7%	6.6%	6.7%	6.6%	6.1%	5.2%	5.8%	6.4%	5.8%	4.6%	4.2%	4.0%	4.3%	4.4%	4.5%	4.2%	estimates		Avg Ann'l Div'd Yield	*3.9%*

CAPITAL STRUCTURE as of 12/31/03
Total Debt $257.8 mill. Due in 5 Yrs $10.7 mill.
LT Debt $250.4 mill. LT Interest $17.1 mill.
(LT interest earned 2.8x; total int. cov. 2.7x)

Pension Assets-12/03 $88.4 mill. Oblig. $63.2 mill.
Pfd Stock $3.5 mill. Pfd Div'd $.15 mill.
139,000 shares, 4.4% cumulative ($25 par)

Common Stock 16,932,046 shs.
as of 3/4/04
MARKET CAP. $500 million (Small Cap)

1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005		07-09
157.3	165.1	182.8	195.3	186.3	206.4	244.8	246.8	263.2	277.1	*295*	*315*	Revenues ($mill)	*400*
14.4	14.7	19.1	23.3	18.4	19.9	20.0	14.4	19.1	19.4	*27.0*	*30.0*	Net Profit ($mill)	*40.0*
40.0%	40.1%	38.9%	37.4%	36.4%	37.9%	42.3%	39.4%	39.7%	39.9%	*40.0%*	*40.0%*	Income Tax Rate	*40.0%*
--	--	--	--	--	--	--	--	--	--	*Nil*	*Nil*	AFUDC % to Net Profit	*Nil*
46.6%	49.2%	47.4%	45.4%	44.2%	46.9%	48.9%	50.3%	55.3%	50.2%	*40.0%*	*40.0%*	Long-Term Debt Ratio	*35.0%*
52.2%	49.7%	51.4%	53.5%	54.7%	52.0%	50.2%	48.8%	44.0%	49.1%	*60.0%*	*60.0%*	Common Equity Ratio	*65.0%*
276.9	296.0	299.9	306.7	308.6	333.8	388.8	402.7	453.1	498.4	*665*	*700*	Total Capital ($mill)	*835*
407.9	422.2	443.6	460.4	478.3	515.4	582.0	624.3	697.0	759.5	*800*	*850*	Net Plant ($mill)	*985*
7.1%	6.8%	8.3%	9.4%	7.8%	7.8%	6.8%	5.3%	5.9%	5.6%	*4.0%*	*4.5%*	Return on Total Cap'l	*5.0%*
9.7%	9.8%	12.1%	13.9%	10.7%	11.2%	10.0%	7.2%	9.4%	7.8%	*6.5%*	*7.0%*	Return on Shr. Equity	*7.0%*
9.9%	9.9%	12.3%	14.1%	10.8%	11.4%	10.1%	7.2%	9.5%	7.9%	*6.6%*	*7.2%*	Return on Com Equity	*7.0%*
1.9%	1.2%	3.8%	6.0%	2.8%	3.5%	1.8%	NMF	1.0%	7%	*1.5%*	*2.5%*	Retained to Com Eq	*-4.5%*
81%	88%	69%	58%	74%	70%	82%	119%	90%	91%	*75%*	*69%*	All Div'ds to Net Prof	*56%*

CURRENT POSITION ($MILL.)	2001	2002	12/31/03
Cash Assets	1.0	1.1	2.9
Other	39.4	41.9	40.6
Current Assets	40.4	43.0	43.5
Accts Payable	24.0	23.7	23.8
Debt Due	26.6	24.8	7.4
Other	28.4	43.0	32.6
Current Liab.	79.0	91.5	63.6
Fix. Chg. Cov.	214%	250%	218%

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '01-'03 to '07-'09
Revenues	3.0%	2.0%	*4.0%*
"Cash Flow"	2.0%	-1.5%	*8.5%*
Earnings	-.5%	-6.5%	*11.0%*
Dividends	2.0%	1.0%	*1.0%*
Book Value	2.5%	1.0%	*14.5%*

Calendar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2001	47.0	67.0	76.3	56.5	246.8
2002	51.7	69.2	81.4	60.9	263.2
2003	51.3	68.0	88.2	69.6	277.1
2004	*57.0*	*73.0*	*90.0*	*75.0*	*295*
2005	*62.0*	*78.0*	*95.0*	*80.0*	*315*

Calendar	EARNINGS PER SHARE A E Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2001	.01	.34	.39	.20	.94
2002	.12	.43	.50	.20	1.25
2003	d.05	.30	.53	.41	1.21
2004	*.03*	*.41*	*.71*	*.35*	*1.50*
2005	*.07*	*.45*	*.75*	*.38*	*1.65*

Calendar	QUARTERLY DIVIDENDS PAID B ■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2000	.275	.275	.275	.275	1.10
2001	.279	.279	.279	.279	1.12
2002	.28	.28	.28	.28	1.12
2003	.281	.281	.281	.281	1.12
2004	.283				

BUSINESS: California Water Service Group provides regulated and nonregulated water service to over 2 million people (461,200 customers) in 98 communities in California, Washington, and New Mexico. Main service areas: San Francisco Bay area, Sacramento Valley, Salinas Valley, San Joaquin Valley & parts of Los Angeles. Acquired Dominguez Services Corp (5/00), Rio Grande Corp (11/00). Revenue breakdown, '03: residential, 70%; business, 18%; public authorities, 5%; industrial, 4%; other, 3%. '03 reported deprec. rate: 2.2%. Has about 815 employees. Chairman: Robert W. Foy. President & CEO: Peter C. Nelson. Inc.: Delaware. Address: 1720 North First Street, San Jose, California 95112-4598. Telephone: 408-367-8200. Internet: www.calwater.com.

California Water Service Group appears primed for a recovery. Although lackluster top-line gains took their toll on the water utility's bottom line last year, we look for improved demand to help CWT post better than a 20% share-net advance this year.

General rate increases from the California Public Utility Commission (CPUC) provide a favorable backdrop. Late last year, the CPUC approved CWT's 2001 general rate case for 15 of its 24 California water districts. In doing so, the organization granted a $12.8 million annual rate increase as of September 9, 2003 and authorized CWT to collect $5 million in surcharges to cover the period from April 3, 2003, the previously agreed upon effective date for the new rates. However, only about $12 million was recorded in 2003. We expect the added income will result in earnings of $1.50 a share in 2004.

Additional rate orders appear to be on the horizon. General rate case filings made in November, 2002 and January, 2003 totaling about $24 million in annual revenues, are still pending. However, despite the CPUC's sluggish rate process over the past few years, we anticipate that the election of Governor Schwarzenegger will begin to result in faster case approvals. In addition, the state has passed California Assembly Bill 2838, which became effective for rate cases filed after January 1, 2003. The act enables utilities to initiate interim billing increases if more than 12 months have passed and the CPUC has not reached a decision regarding a rate case. With that said, we are introducing an earnings estimate of $1.65 a share for full-year 2005.

Customer growth should continue to accelerate. California's population is growing at a much faster rate than that of the national average. Central Valley, home to 45% of CWT's customer base, offers the most upside, growing at 2.25% annually. We think that the above-average population growth will drive both higher demand and solid earnings gains over the long haul.

Still, these untimely shares offer little price appeal out to 2007-2009. But income-minded investors should find California's dividend appealing.

Andre J. Costanza — *April 30, 2004*

(A) Basic EPS. Excl. nonrecurring gain (loss): '00, (7¢); '01, 4¢; Q2 '02, 8¢. Next earnings report due late July.
(B) Dividends historically paid in mid-Feb., May, Aug., Nov. ■ Div'd reinvestment plan available.
(C) Incl. deferred charges. In '03: $38.0 mill., $2.25/sh.
(D) In millions, adjusted for split.
(E) May not total due to change in shares.

Company's Financial Strength	B++
Stock's Price Stability	95
Price Growth Persistence	80
Earnings Predictability	75

CALIFORNIA WATER NYSE-CWT

RECENT PRICE	P/E RATIO		RELATIVE P/E RATIO	DIV'D YLD	VALUE LINE
27.00	16.9	(Trailing: 20.5 Median: 17.0)	0.95	4.2%	1424

TIMELINESS 4 Lowered 4/30/04

SAFETY 2 Lowered 8/11/95

TECHNICAL 3 Lowered 7/23/04

BETA .70 (1.00 = Market)

	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
High	20 6	20 5	17 6	21 9	29 6	33 8	32 0	31 4	28 6	26 9	31 4	30 2
Low	16 1	14 7	14.8	16 3	18 6	20 8	22 6	21 5	22 9	20 5	23 7	26 4

Target Price Range 2007 | 2008 | 2009

2007-09 PROJECTIONS

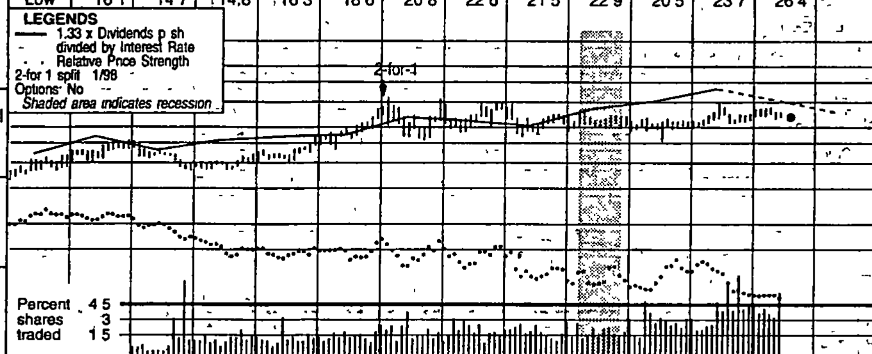
	Price	Gain	Ann'l Total Return
High	40	(+50%)	13%
Low	30	(+10%)	7%

Insider Decisions

	S	O	N	D	J	F	M	A	M
to Buy	0	0	0	1	0	0	0	0	1
Options	0	0	0	0	0	0	0	0	0
to Sell	0	0	0	0	0	0	0	0	0

Institutional Decisions

	3Q2003	4Q2003	1Q2004
to Buy	27	40	42
to Sell	23	15	19
Hld's(000)	2968	3465	3785



% TOT RETURN 6/04

	THIS STOCK	VL ARITH. INDEX
1 yr	2 0	33 2
3 yr	22 3	30.0
5 yr	33 5	55 7

1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	© VALUE LINE PUB., INC.	07-09
10 03	10 33	10 93	11.18	12.29	13.34	12 59	13 17	14 48	15 48	14 76	15 96	16 16	16 26	17 33	16 371	*17.60*	*18 65*	Revenues per sh	*20 4*
1 87	1 89	1.97	1 98	1 92	2 25	2 02	2 07	2.50	2 92	2 60	2 75	2 52	2 20	2 65	2 51	*3 05*	*3.25*	"Cash Flow" per sh	*3.7*
1 23	1 20	1.25	1.21	1 09	1.35	1 22	1 17	1.51	1 83	1 45	1 53	1 31	94	1 25	1 21	*1 60*	*1 70*	Earnings per sh [A]	*2.0*
80	84	87	90	93	96	99	1 02	1 04	1 06	1 07	1 09	1 10	1 12	1 12	1 12	*1.13*	*1 13*	Div'd Decl'd per sh [B] ■	*1 1*
2 12	2 40	2 36	3 03	3 09	2 53	2 26	2 17	2 83	2 61	2 74	3 44	2 45	4 09	5 82	4 39	*3 85*	*4.05*	Cap'l Spending per sh	*4 5*
9 30	9 66	10 04	10 35	10 51	10 90	11 56	11 72	12.22	13 00	13 38	13 43	12 90	12 95	13 12	14 44	*15.40*	*16.50*	Book Value per sh [C]	*20 4*
11 34	11 38	11.38	11 38	11 38	11 38	12 49	12 54	12 62	12 62	12 62	12 94	15 15	15 18	15 18	16 93	*18.20*	*18.50*	Common Shs Outst'g [D]	*22 0*
11 5	10 6	10 4	11.2	14 1	13 6	14 1	13 7	11 9	12 6	17 8	17 8	19 6	27 1	19 8	22 1	*Bold figures are*		Avg Ann'l P/E Ratio	*16*
95	80	77	.72	.86	80	92	92	75	73	93	1 01	1.27	1 39	1 08	1.28	*Value Line*		Relative P/E Ratio	*1 0*
5 7%	6 6%	6 7%	6 6%	6 1%	5.2%	5 8%	6 4%	5 8%	4 6%	4 2%	4 0%	4 3%	4 4%	4 5%	4.2%	*estimates*		Avg Ann'l Div'd Yield	*4 0%*

CAPITAL STRUCTURE as of 3/31/04
Total Debt $282 6 mill Due in 5 Yrs $10 7 mill
LT Debt $272 0 mill LT Interest $16 0 mill

(LT interest earned 2 8x, total int cov 2 7x)

Pension Assets-12/03 $88 4 mill Oblig $63.2 mill

Pfd Stock $3 5 mill Pfd Div'd $ 15 mill
139,000 shares, 4 4% cumulative ($25 par)

Common Stock 16,932,046 shs as of 5/3/04

MARKET CAP: $450 million (Small Cap)

1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005		07-09
157 3	165 1	182 8	195 3	186 3	206 4	244 8	246 8	263.2	277 1	*320*	*345*	Revenues ($mill)	*45*
14 4	14 7	19 1	23 3	18 4	19 9	20 0	14 4	19 1	19 4	*29.0*	*31.0*	Net Profit ($mill)	*45.*
40 0%	40 1%	38 9%	37 4%	36 4%	37 9%	42 3%	39 4%	39 7%	39 9%	*40 0%*	*40 0%*	Income Tax Rate	*40 0%*
--	--	--	--	--	--	--	--	--	--	*Nil*	*Nil*	AFUDC % to Net Profit	*Ni*
46 6%	49.2%	47 4%	45 4%	44.2%	46 9%	48 9%	50 3%	55 3%	52 3%	*50 0%*	*50 0%*	Long-Term Debt Ratio	*49 0%*
52 2%	49 7%	51 4%	53 5%	54 7%	52.0%	50.2%	48 8%	44 0%	47 0%	*49.0%*	*49.0%*	Common Equity Ratio	*50 0%*
276 9	296 0	299 9	306 7	308 6	333 8	388 8	402 7	453 1	520 3	*580*	*610*	Total Capital ($mill)	*84*
407 9	422.2	443 6	460 4	478 3	515 4	582 0	624 3	697 0	759 5	*815*	*865*	Net Plant ($mill)	*98*
7 1%	6 8%	8 3%	9 4%	7 8%	7 8%	6 8%	5 3%	5 9%	5 6%	*6.5%*	*7.0%*	Return on Total Cap'l	*7 0%*
9 7%	9 8%	12 1%	13 9%	10 7%	11.2%	10 0%	7.2%	9 4%	7 8%	*9 5%*	*10.0%*	Return on Shr Equity	*11.0%*
9 9%	9 9%	12 3%	14 1%	10 8%	11 4%	10 1%	7 2%	9 5%	7 9%	*9 5%*	*10 0%*	Return on Com Equity	*11 0%*
1 9%	1 2%	3 8%	6 0%	2 8%	3 5%	1 8%	NMF	1 0%	7%	*3 0%*	*3 0%*	Retained to Com Eq	*5 5%*
81%	88%	69%	58%	74%	70%	82%	119%	90%	91%	*71%*	*67%*	All Div'ds to Net Prof	*58%*

CURRENT POSITION ($MILL.)	2002	2003	3/31/04
Cash Assets	1 1	2 9	2 1
Other	41 9	40 6	41 4
Current Assets	43 0	43 5	43 5
Accts Payable	23 7	23 8	18 3
Debt Due	24 8	7 3	10 6
Other	43 0	32 5	36 6
Current Liab	91 5	63 6	65 6
Fix Chg Cov	250%	218%	202%

ANNUAL RATES of change (per sh)	Past 10 Yrs	Past 5 Yrs.	Est'd '01-'03 to '07-'09
Revenues	3 0%	2 0%	*4 0%*
"Cash Flow"	2 0%	-1 5%	*8 5%*
Earnings	- 5%	-6 5%	*11 0%*
Dividends	2 0%	1 0%	*1 0%*
Book Value	2 5%	1 0%	*14 5%*

Cal-endar	QUARTERLY REVENUES ($ mill) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2001	47 0	67 0	76 3	56 5	246 8
2002	51 7	69 2	81 4	60 9	263.2
2003	51 3	68 0	88 2	69 6	277 1
2004	60 2	*77 8*	*100*	*82.0*	*320*
2005	*70.0*	*85.0*	*105*	*85 0*	*345*

Cal-endar	EARNINGS PER SHARE [A E] Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2001	.01	34	39	.20	94
2002	12	43	50	20	1.25
2003	d 05	30	53	41	1.21
2004	08	*.41*	*.73*	*.38*	*1.60*
2005	*.11*	*.43*	*.76*	*.40*	*1.70*

Cal-endar	QUARTERLY DIVIDENDS PAID [B] ■ Mar.31	Jun.30	Sep.30	Dec 31	Full Year
2000	.275	275	275	.275	1 10
2001	.279	279	279	.279	1 12
2002	.28	28	28	.28	1 12
2003	.281	281	281	.281	1 12
2004	283	283			

BUSINESS: California Water Service Group provides regulated and nonregulated water service to over 2 million people (461,200 customers) in 98 communities in California, Washington, and New Mexico Main service areas San Francisco Bay area, Sacramento Valley, Salinas Valley, San Joaquin Valley & parts of Los Angeles Acquired National Utility Company (5/04), Rio Grande Corp (11/00) Revenue breakdown, '03 residential, 70%, business, 18%, public authorities, 5%, industrial, 4%, other, 3% '03 reported deprec rate 2 2% Has about 815 employees Chairman Robert W Foy President & CEO, Peter C Nelson Inc Delaware Address 1720 North First Street, San Jose, California 95112-4598 Telephone 408-367-8200 Internet www calwater com

California Water Service Group's results are improving. The company reported earnings of $0.08 a share in the first quarter, compared to a loss of $0 05 last year and our estimate of $0.03. The outperformance was revenue driven, as the firm's top line increased 17% on a year-over-year basis, due primarily to favorable rate increase rulings by the California Public Utility Commission (CPUC). Indeed, approximately $7 million of the top-line advance was a result of rate increases, with the majority stemming from the 2001 general rate case. On a down note, the higher water usage rate hurt CWT's operating margin, as it forced the company to purchase water to meet demand.

The fragmented industry is producing opportunities. In fact, CWT subsidiary New Mexico Water Service Company recently bought National Utility Company. National serves 700 customers next to New Mexico Water's Middle Rio Grande water system and 950 customers south of Albuquerque The deal increases New Mexico Water's customer base by 40%.

A stock offering is likely The company announced plans to sell 1 25 million shares of common stock at $27 25 a share in the second quarter. The nearly $34 million in proceeds are slated to be used to pay for the aforementioned purchase, escalating infrastructure costs, and additional acquisitions.

Favorable general rate case rulings augur well for California. The company received a $4.4 million step-rate increase in January, which likely went into effect during the second quarter Plus, a decision on the 2002 general rate case was awarded by the CPUC in April, allowing for an increase of $3 5 million on an annualized basis. As such, we have added a dime onto our 2004 share-net call. Still,

These untimely shares offer little appeal at this time Any gains we foresee from further CPUC rulings and the robust population growth of the state of California will likely be diluted by additional equity and debt offerings necessary to fund growing capital expenditures. However, CWT may be attractive to income-oriented investors because of its solid dividend yield

Andre J Costanza *July 30, 2004*

(A) Basic EPS Excl nonrecurring gain (loss) '00, (7¢), '01, 4¢, Q2 '02, 8¢ Next earnings report due late Oct.

(B) Dividends historically paid in mid-Feb, May, Aug, Nov ■ Div'd reinvestment plan available

(C) Incl deferred charges In '03 $38 0 mill, $2 25/sh
(D) In millions, adjusted for split
(E) May not total due to change in shares

Company's Financial Strength	B++
Stock's Price Stability	95
Price Growth Persistence	80
Earnings Predictability	75

CALIFORNIA WATER NYSE-CWT

RECENT PRICE	28.53	P/E RATIO	16.6 (Trailing: 17.7 / Median: 17.0)	RELATIVE P/E RATIO	0.95	DIV'D YLD	4.0%	VALUE LINE	1423

TIMELINESS 3 Raised 8/6/04
SAFETY 2 Lowered 8/11/95
TECHNICAL 3 Lowered 7/23/04
BETA 70 (1 00 = Market)

	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
High	20 6	20 5	17 6	21 9	29 6	33 8	32 0	31 4	28 6	26 9	31 4	30 2
Low	16 1	14 7	14 8	16 3	18 6	20 8	22 6	21 5	22 9	20 5	23 7	26 1

Target Price Range 2007 | 2008 | 2009

2007-09 PROJECTIONS

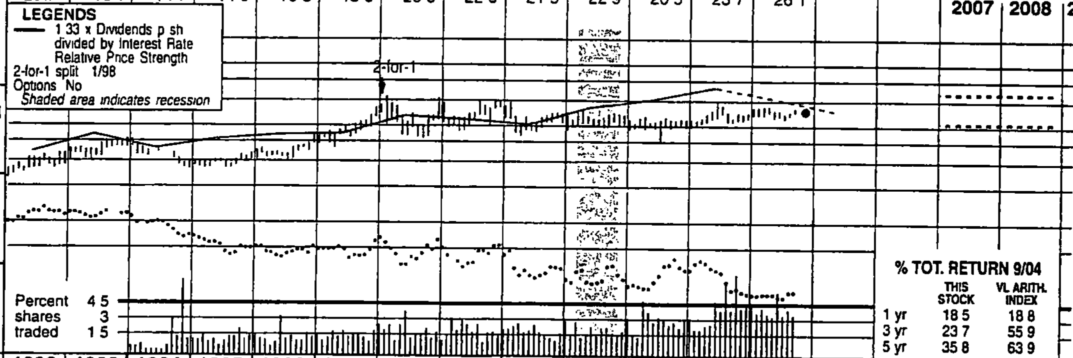
	Price	Gain	Ann'l Total Return
High	35	(+25%)	8%
Low	25	(-10%)	1%

Insider Decisions

	D	J	F	M	A	M	J	J	A
to Buy	1	0	0	0	0	1	0	0	0
Options	0	0	0	0	0	0	0	0	0
to Sell	0	0	0	0	0	0	0	0	0

Institutional Decisions

	4Q2003	1Q2004	2Q2004
to Buy	40	42	40
to Sell	15	19	30
Hld's(000)	3465	3785	4047



% TOT. RETURN 9/04

	THIS STOCK	VL ARITH. INDEX
1 yr	18 5	18 8
3 yr	23 7	55 9
5 yr	35 8	63 9

1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	© VALUE LINE PUB , INC.	07-09
10 03	10 33	10 93	11 18	12 29	13 34	12 59	13 17	14 48	15 48	14 76	15 96	16 16	16 26	17 33	16 371	*18 00*	*19 00*	Revenues per sh	*20.65*
1 87	1 89	1 97	1 98	1 92	2 25	2 02	2 07	2 50	2 92	2 60	2 75	2 52	2 20	2 65	2 51	*3.20*	*3.30*	"Cash Flow" per sh	*3.60*
1 23	1 20	1.25	1 21	1 09	1 35	1 22	1 17	1 51	1 83	1 45	1 53	1 31	94	1 25	1 21	*1.70*	*1.75*	Earnings per sh A	*2.00*
80	84	87	90	93	96	99	1 02	1 04	1 06	1 07	1 09	1 10	1 12	1 12	1 12	*1 13*	*1 13*	Div'd Decl'd per sh B ■	*1.18*
2 12	2 40	2 36	3 03	3 09	2 53	2 26	2 17	2 83	2 61	2 74	3 44	2 45	4 09	5 82	4 39	*3.25*	*3 65*	Cap'l Spending per sh	*3.90*
9 30	9 66	10 04	10 35	10 51	10 90	11 56	11 72	12 22	13 00	13 38	13 43	12 90	12 95	13 12	14 44	*15.80*	*16.60*	Book Value per sh C	*18.25*
11 34	11 38	11 38	11 38	11 38	11 38	12 49	12 54	12 62	12 62	12 62	12 94	15 15	15 18	15 18	16 93	*18 35*	*18 70*	Common Shs Outst'g D	*23.00*
11 5	10 6	10 4	11 2	14 1	13 6	14 1	13 7	11 9	12 6	17 8	17 8	19 6	27 1	19 8	22 1	*Bold figures are*		Avg Ann'l P/E Ratio	*16.0*
95	80	77	72	86	80	92	92	75	73	93	1 01	1 27	1 39	1 08	1 28	*Value Line*		Relative P/E Ratio	*1.05*
5 7%	6 6%	6 7%	6 6%	6 1%	5 2%	5 8%	6 4%	5 8%	4 6%	4 2%	4 0%	4 3%	4 4%	4 5%	4 2%	*estimates*		Avg Ann'l Div'd Yield	*4 0%*
						157 3	165 1	182 8	195 3	186 3	206 4	244 8	246 8	263 2	277 1	*330*	*355*	Revenues ($mill)	*475*
						14 4	14 7	19 1	23 3	18 4	19 9	20 0	14 4	19 1	19 4	*31.0*	*32 5*	Net Profit ($mill)	*45.0*
						40 0%	40 1%	38 9%	37 4%	36 4%	37 9%	42 3%	39 4%	39 7%	39 9%	*40 0%*	*40 0%*	Income Tax Rate	*40.0%*
						--	--	--	--	--	--	--	--	--	--	*Nil*	*Nil*	AFUDC % to Net Profit	*Nil*
						46 6%	49 2%	47 4%	45 4%	44 2%	46 9%	48 9%	50 3%	55 3%	52 3%	*50.0%*	*50.0%*	Long-Term Debt Ratio	*49 0%*
						52 2%	49 7%	51 4%	53 5%	54 7%	52 0%	50 2%	48 8%	44 0%	47 0%	*49 0%*	*49 0%*	Common Equity Ratio	*50.0%*
						276 9	296 0	299 9	306 7	308 6	333 8	388 8	402 7	453 1	520 3	*580*	*610*	Total Capital ($mill)	*840*
						407 9	422 2	443 6	460 4	478 3	515 4	582 0	624 3	697 0	759 5	*815*	*865*	Net Plant ($mill)	*985*
						7 1%	6 8%	8 3%	9 4%	7 8%	7 8%	6 8%	5 3%	5 9%	5 6%	*7.0%*	*7.0%*	Return on Total Cap'l	*7 0%*
						9 7%	9 8%	12 1%	13 9%	10 7%	11 2%	10 0%	7 2%	9 4%	7 8%	*10.5%*	*10 5%*	Return on Shr. Equity	*11.0%*
						9 9%	9 9%	12 3%	14 1%	10 8%	11 4%	10 1%	7.2%	9 5%	7 9%	*10 5%*	*10.5%*	Return on Com Equity	*11.0%*
						1 9%	1 2%	3 8%	6 0%	2 8%	3 5%	1 8%	NMF	1 0%	7%	*3.5%*	*4.0%*	Retained to Com Eq	*4.5%*
						81%	88%	69%	58%	74%	70%	82%	119%	90%	91%	*67%*	*64%*	All Div'ds to Net Prof	*60%*

CAPITAL STRUCTURE as of 6/30/04
Total Debt $272 9 mill **Due in 5 Yrs** $10 7 mill
LT Debt $272 0 mill **LT Interest** $17 0 mill

(LT interest earned 2 8x, total int cov 2 7x)

Pension Assets-12/03 $88 4 mill **Oblig** $63 2 mill
Pfd Stock $3 5 mill **Pfd Div'd** $ 15 mill
139,000 shares, 4 4% cumulative ($25 par)

Common Stock 18,345,496 shs of 8/4/04
MARKET CAP $525 million (Small Cap)

CURRENT POSITION ($MILL.)	2002	2003	6/30/04
Cash Assets	1 1	2 9	24 1
Other	41 9	40 6	60 0
Current Assets	43 0	43 5	84 1
Accts Payable	23 7	23 8	28 6
Debt Due	24 8	7 3	9
Other	43 0	32 5	36 4
Current Liab	91 5	63 6	65 9
Fix Chg Cov	250%	218%	*202%*

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '01-'03 to '07-'09
Revenues	3 0%	2 0%	*3 5%*
"Cash Flow"	2 0%	-1 5%	*6 5%*
Earnings	- 5%	-6 5%	*10 0%*
Dividends	2 0%	1 0%	*1 0%*
Book Value	2 5%	1 0%	*5 0%*

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2001	47 0	67 0	76 3	56 5	246 8
2002	51 7	69 2	81 4	60 9	263 2
2003	51 3	68 0	88 2	69 6	277 1
2004	60 2	88 9	*100*	*80 9*	*330*
2005	*70 0*	*95.0*	*105*	*85.0*	*355*

Cal-endar	EARNINGS PER SHARE A E Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2001	01	34	39	20	94
2002	12	43	50	20	1 25
2003	d 05	30	53	41	1 21
2004	08	59	*70*	*33*	*1 70*
2005	*.10*	*.56*	*.73*	*.36*	*1 75*

Cal-endar	QUARTERLY DIVIDENDS PAID B ■ Mar.31	Jun.30	Sep 30	Dec.31	Full Year
2000	275	275	275	275	1 10
2001	279	279	279	279	1 12
2002	28	.28	.28	28	1 12
2003	.281	281	281	281	1 12
2004	283	283	283	283	

BUSINESS California Water Service Group provides regulated and nonregulated water service to over 2 million people (461,200 customers) in 98 communities in California, Washington, and New Mexico Main service areas San Francisco Bay area, Sacramento Valley, Salinas Valley, San Joaquin Valley & parts of Los Angeles Acquired National Utility Company (5/04), Rio Grande Corp (11/00) Revenue breakdown, '03 residential, 70% business, 18%, public authorities, 5%, industrial, 4%, other, 3% '03 reported deprec rate 2 2% Has about 815 employees Chairman Robert W Foy President & CEO Peter C Nelson Inc Delaware Address 1720 North First Street, San Jose, California 95112-4598 Telephone 408-367-8200 Internet www calwater com

California Water Service Group appears to be on the road to recovery. The company reported second-quarter earnings of $0 59, nearly double last year's figure, and $0 18 above our estimate Revenues increased 31%, as hot and dry weather prompted higher usage rates, as well as new customer growth. However, the bulk of the upside was a result of a favorable rate order from the California Public Utilities Commission (CPUC), which added almost $10 million. Further gains were offset by higher prices from wholesalers, though, as Cal was forced to purchase about half of its supply

We are adding a dime to our 2004 earnings estimate, and now expect Cal to earn $1.70 a share. Although usage rates will likely decline as we head into the cooler winter months, more timely rate decisions ought to drive favorable second-half earnings comparisons The CPUC, which has been a stumbling block in recent years, appears to be settling cases in a more timely fashion of late In fact, the board recently approved a $1 1 million increase in annual revenues for the Salinas district.

Additional rate case decisions augur well for Cal heading forward. . . Cal is expected to file a general rate case for one-third of its districts, which covers approximately 40% of its customer base In addition, it expects a decision on another case totaling almost $8.0 million.

. . .but stricter regulatory laws may limit profits. The costs of meeting regulatory guidelines continue to increase and it doesn't seem as though they will moderate in the coming years Indeed, the growing threats of terrorist activity on U.S. drinking systems ought to keep infrastructure maintenance costs elevated. Additional equity offerings will likely be necessary, given the company's cash requirements. Thus, we look for gains to be tempered over the next couple of years

Cal shares may appeal to income-minded investors. CWT's dividend yield is tops among the water utility group. However, others will want to take a pass as these untimely shares hold little gains appeal out to late decade. Cal's cash strain may also impede it from participating in the industry's consolidation theme

Andre J. Costanza *October 29, 2004*

(A) Basic EPS Excl nonrecurring gain (loss) '00, (7¢), '01, 4¢, Q2 '02, 8¢ Next earnings report due late Jan
(B) Dividends historically paid in mid-Feb , May, Aug , Nov ■ Div'd reinvestment plan available
(C) Incl deferred charges In '03 $38 0 mill , $2 25/sh
(D) In millions, adjusted for split
(E) May not total due to change in shares

Company's Financial Strength	B++
Stock's Price Stability	95
Price Growth Persistence	90
Earnings Predictability	70

Earnings Center > Company Earnings

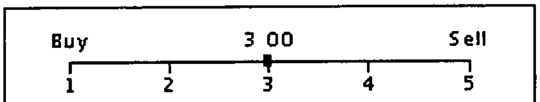
Earnings Estimates | Broker Recommendation | Forecasts | Earnings Snapshots | Performance Following a Surprise | Peer and Industry Comparisons

Earnings Estimates
AMERICAN STATES WATER COMPANY (AWR)

Sector: Public Utilities

Industry: Water Utilities

Last Updated: December 11, 2004

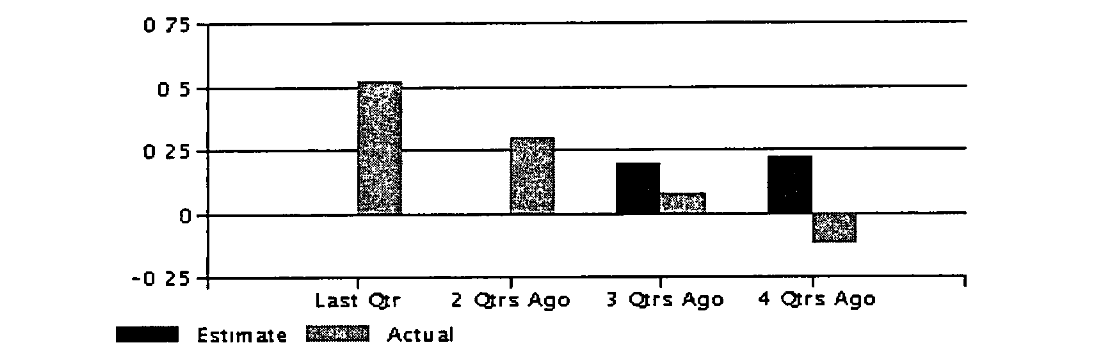


First Call Consensus Rec: Hold

The Analyst Company Sentiment is NO RATING
Analyst Sentiment is determined by a quantitative company scoring model that scores company level sentiment based on analyst earnings revisions The scoring model considers the following factors. analyst experience, magnitude of the revision, proximity of the revision to the actual earnings report date, range of estimates, historic stock performance following a given analyst's prior revisions, and market capitalization of the company.

Overview			
Exchange	New York Stock Exchange	5 Year Growth	-2.88
52 Week Range	20.82 - 26.80	5 Year Stability	49.67
Current PE	20.75	Annual Dividend	0.90
Beta	0.58	*All prices displayed in local currency	

Reported Quarters



	Current	Last Quarters	2 Quarters Ago	3 Quarters Ago	4 Quarters Ago
Estimate	0 25			0.20	0 22
Actual	-	0.52	0.30	0.08	-0.12
Surprise%	-	**	**	-60.00	-154.55
Surprise $ Amt	-	**	**	-0.12	-0.34

Consensus EPS Estimates

Period	Report Date	# of Estimates	Mean	High	Low	Median
Q1	Dec 04	1	0 25	0.25	0 25	0.25

FY1	Dec 04	1	1.15	1.15	1.15	1.15
FY2	Dec 05	1	1.40	1 40	1 40	1.40
LTG	-	1	3.00	3.00	3 00	3 00

Earnings Momentum				
	12/2004	/	/	/
# Estimates Up/Down - 1 Week	0/ 0	/	/	/
# Estimates Up/Down - 1 Month	0/ 0	/	/	/
Current Mean Estimate	0.25			
Mean 1 Month Ago	0.25			
Mean 3 Months Ago				

Data Provided by First Call/Thomson Financial

Top

Earnings Center > Company Earnings

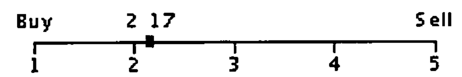
Earnings Estimates | Broker Recommendation | Forecasts | Earnings Snapshots | Performance Following a Surprise | Peer and Industry Comparisons

▸ Earnings Estimates
AQUA AMERICA INC. (WTR)

Sector: Public Utilities

Industry: Water Utilities

Last Updated: December 11, 2004

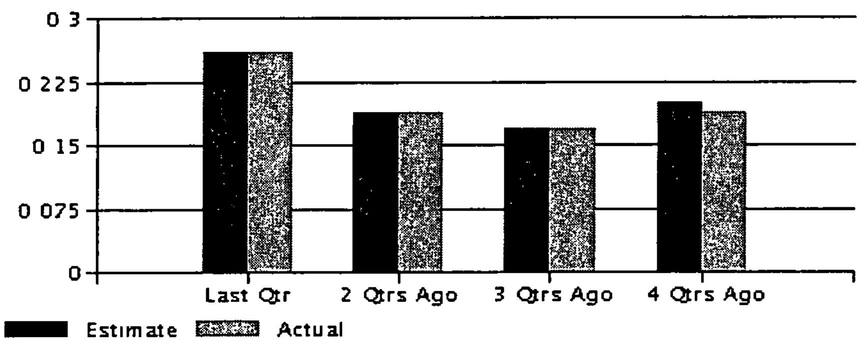


First Call Consensus Rec: Buy

The Analyst Company Sentiment is POSITIVE
Analyst Sentiment is determined by a quantitative company scoring model that scores company level sentiment based on analyst earnings revisions. The scoring model considers the following factors· analyst experience, magnitude of the revision, proximity of the revision to the actual earnings report date, range of estimates, historic stock performance following a given analyst's prior revisions, and market capitalization of the company.

Overview			
Exchange	New York Stock Exchange	5 Year Growth	6.84
52 Week Range	18.90 - 23 99	5 Year Stability	17.05
Current PE	27 48	Annual Dividend	0.52
Beta	0 43	*All prices displayed in local currency	

Reported Quarters



	Current	Last Quarters	2 Quarters Ago	3 Quarters Ago	4 Quarters Ago
Estimate	0 24	0 26	0 19	0.17	0.20
Actual	-	0.26	0.19	0.17	0 19
Surprise%	-	1.17	0 00	0.00	-3 06
Surprise $ Amt	-	0 00	0.00	0 00	-0.01

Consensus EPS Estimates

Period	Report Date	# of Estimates	Mean	High	Low	Median
Q1	Dec 04	3	0 24	0 25	0 23	0 24

Q2	Mar 05	2	0.20	0 20	0.19	0.20
Q3	Jun 05	2	0 24	0.24	0.24	0.24
Q4	Sep 05	2	0.29	0.30	0.28	0.29
FY1	Dec 04	6	0 85	0 86	0.82	0.85
FY2	Dec 05	6	0.97	0.98	0.95	0 97
LTG	-	5	9 60	12.00	6 00	10.00

Earnings Momentum				
	12/2004	03/2005	06/2005	09/2005
# Estimates Up/Down - 1 Week	0/ 0	0/ 0	0/ 0	0/ 0
# Estimates Up/Down - 1 Month	0/ 0	0/ 0	0/ 0	0/ 0
Current Mean Estimate	0.24	0.20	0.24	0 29
Mean 1 Month Ago	0.24	0.19	0.24	0.30
Mean 3 Months Ago	0.24	0.19	0.24	0.30

Data Provided by First Call/Thomson Financial

Top

Data Provided by Thomson

Earnings Center > Company Earnings

Earnings Estimates | Broker Recommendation | Forecasts | Earnings Snapshots | Performance Following a Surprise | Peer and Industry Comparisons

Earnings Estimates
ARTESIAN RESOURCES (ARTNA)

Sector: Public Utilities

Industry: Water Utilities

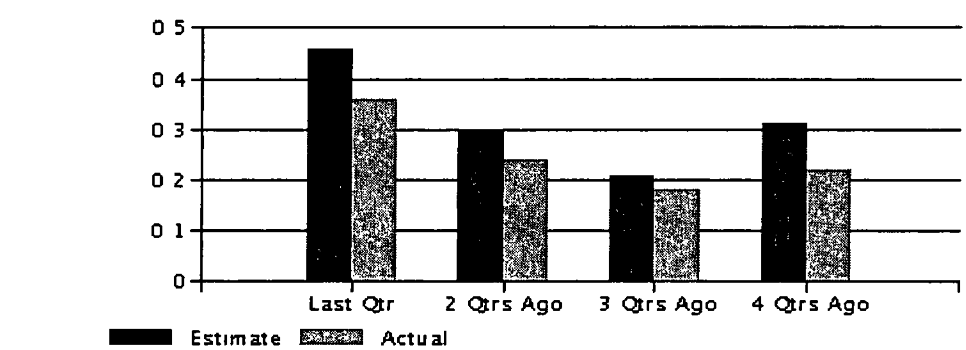
Last Updated: December 11, 2004

First Call Consensus Rec: Buy

The Analyst Company Sentiment is NO RATING
Analyst Sentiment is determined by a quantitative company scoring model that scores company level sentiment based on analyst earnings revisions. The scoring model considers the following factors: analyst experience, magnitude of the revision, proximity of the revision to the actual earnings report date, range of estimates, historic stock performance following a given analyst's prior revisions, and market capitalization of the company.

Overview			
Exchange	Nasdaq National	5 Year Growth	6.37
52 Week Range	22.77 - 30.06	5 Year Stability	39.21
Current PE	26.83	Annual Dividend	0.85
Beta	0.14	*All prices displayed in local currency	

Reported Quarters



	Current	Last Quarters	2 Quarters Ago	3 Quarters Ago	4 Quarters Ago
Estimate	0 30	0.46	0.30	0 21	0.31
Actual	-	0.36	0 24	0.18	0.22
Surprise%	-	-21 74	-20 00	-14.29	-29.03
Surprise $ Amt	-	-0.10	-0 06	-0 03	-0.09

Consensus EPS Estimates

Period	Report Date	# of Estimates	Mean	High	Low	Median
Q1	Dec 04	1	0 30	0.30	0.30	0 30

Q2	Mar 05	1	0.14	0.14	0.14	0.14
Q3	Jun 05	1	0 32	0.32	0.32	0.32
Q4	Sep 05	1	0 56	0.56	0.56	0.56
FY1	Dec 04	2	1.10	1.11	1.08	1.10
FY2	Dec 05	2	1.41	1.44	1.37	1.41
LTG	-	2	8 50	9 00	8.00	8.50

Earnings Momentum	12/2004	03/2005	06/2005	09/2005
# Estimates Up/Down - 1 Week	0/ 0	0/ 0	0/ 0	0/ 0
# Estimates Up/Down - 1 Month	0/ 0	0/ 0	0/ 0	0/ 0
Current Mean Estimate	0.30	0.14	0.32	0.56
Mean 1 Month Ago	0 30	0.14	0.32	0.56
Mean 3 Months Ago	0.30	0.14	0.32	0.56

Data Provided by First Call/Thomson Financial

Top

Earnings Center > Company Earnings

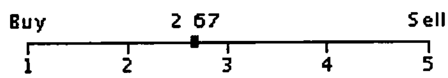
Earnings Estimates | Broker Recommendation | Forecasts | Earnings Snapshots | Performance Following a Surprise | Peer and Industry Comparisons

▸ Earnings Estimates
CALIFORNIA WATER SERVICE CO (CWT)

Sector: Public Utilities

Industry: Water Utilities

Last Updated: December 11, 2004



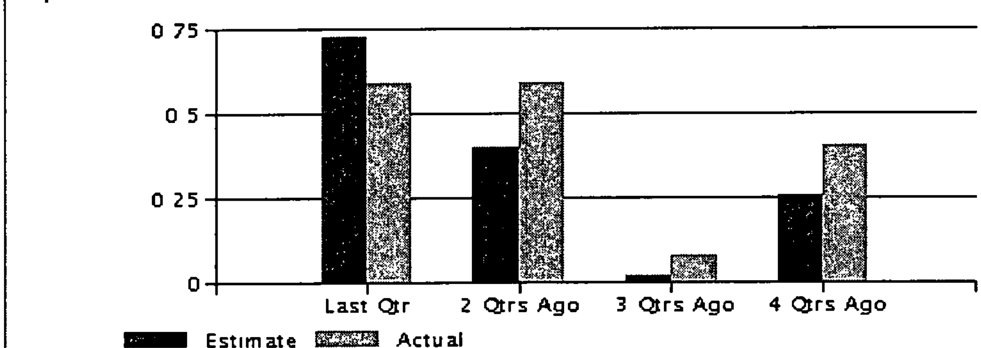
First Call Consensus Rec: Hold

The Analyst Company Sentiment is NEUTRAL
Analyst Sentiment is determined by a quantitative company scoring model that scores company level sentiment based on analyst earnings revisions. The scoring model considers the following factors· analyst experience, magnitude of the revision, proximity of the revision to the actual earnings report date, range of estimates, historic stock performance following a given analyst's prior revisions, and market capitalization of the company.

Overview			
Exchange	New York Stock Exchange	5 Year Growth	10 44
52 Week Range	26 08 - 35 37	5 Year Stability	170.53
Current PE	21 51	Annual Dividend	1.13
Beta	0 54		

*All prices displayed in local currency

Reported Quarters



	Current	Last Quarters	2 Quarters Ago	3 Quarters Ago	4 Quarters Ago
Estimate	0 31	0.73	0.40	0.02	0.26
Actual	-	0 59	0 59	0 08	0 41
Surprise%	-	-19.18	49.37	300.00	60.78
Surprise $ Amt	-	-0 14	0 20	0 06	0.16

Consensus EPS Estimates

Period	Report Date	# of Estimates	Mean	High	Low	Median
Q1	Dec 04	1	0 31	0 31	0 31	0 31

FY1	Dec 04	3	1.58	1.60	1.55	1.59
FY2	Dec 05	3	1.66	1.70	1.63	1.65
LTG	-	3	6 00	10 00	3.00	5.00

Earnings Momentum				
	12/2004	/	/	/
# Estimates Up/Down - 1 Week	0/ 0	/	/	/
# Estimates Up/Down - 1 Month	0/ 0	/	/	/
Current Mean Estimate	0.31			
Mean 1 Month Ago	0 31			
Mean 3 Months Ago	0.32			

Data Provided by First Call/Thomson Financial

Top

Earnings Center > Company Earnings

Earnings Estimates | Broker Recommendation | Forecasts | Earnings Snapshots | Performance Following a Surprise | Peer and Industry Comparisons

Earnings Estimates
CONNECTICUT WATER SERVICE (CTWS)

Sector: Public Utilities

Industry: Water Utilities

Last Updated: December 11, 2004

No Data Available

First Call Consensus Rec:

The Analyst Company Sentiment is NO RATING
Analyst Sentiment is determined by a quantitative company scoring model that scores company level sentiment based on analyst earnings revisions. The scoring model considers the following factors: analyst experience, magnitude of the revision, proximity of the revision to the actual earnings report date, range of estimates, historic stock performance following a given analyst's prior revisions, and market capitalization of the company.

Overview			
Exchange	Nasdaq National	5 Year Growth	-4.41
52 Week Range	23 83 - 29 76	5 Year Stability	33 65
Current PE		Annual Dividend	0 84
Beta	0 62	*All prices displayed in local currency	

Reported Quarters

No Data Available

	Current	Last Quarters	2 Quarters Ago	3 Quarters Ago	4 Quarters Ago
Estimate					
Actual	-				
Surprise%	-				
Surprise $ Amt	-				

Consensus EPS Estimates

Period	Report Date	# of Estimates	Mean	High	Low	Median

Earnings Momentum				
	/	/	/	/
# Estimates Up/Down - 1 Week	/	/	/	/
# Estimates Up/Down - 1 Month	/	/	/	/
Current Mean Estimate				
Mean 1 Month Ago				
Mean 3 Months Ago				

Data Provided by First Call/Thomson Financial

Top

Earnings Center > Company Earnings

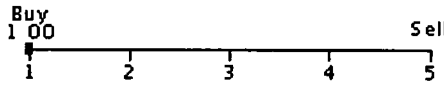
Earnings Estimates | Broker Recommendation | Forecasts | Earnings Snapshots | Performance Following a Surprise | Peer and Industry Comparisons

▸ Earnings Estimates
MIDDLESEX WATER CO (MSEX)

Sector: Public Utilities

Industry: Water Utilities

Last Updated: December 11, 2004



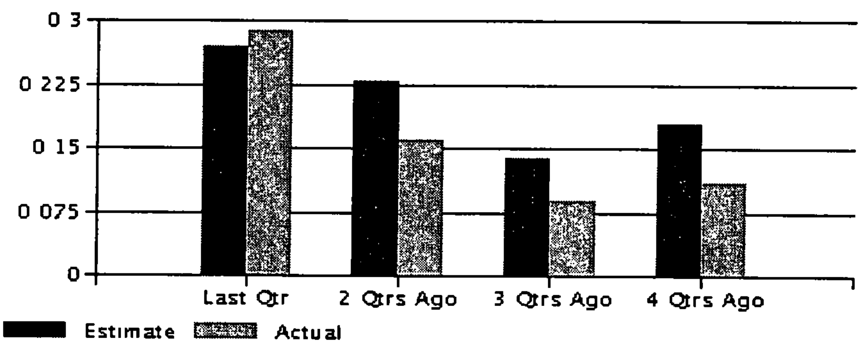
First Call Consensus Rec: Strong Buy

The Analyst Company Sentiment is NO RATING
Analyst Sentiment is determined by a quantitative company scoring model that scores company level sentiment based on analyst earnings revisions. The scoring model considers the following factors: analyst experience, magnitude of the revision, proximity of the revision to the actual earnings report date, range of estimates, historic stock performance following a given analyst's prior revisions, and market capitalization of the company.

Overview			
Exchange	Nasdaq National	5 Year Growth	5.80
52 Week Range	16.65 - 21.81	5 Year Stability	32.39
Current PE	29.42	Annual Dividend	0 67
Beta	0.51		

*All prices displayed in local currency

Reported Quarters



	Current	Last Quarters	2 Quarters Ago	3 Quarters Ago	4 Quarters Ago
Estimate	0 14	0.27	0 23	0.14	0.18
Actual	-	0.29	0.16	0.09	0.11
Surprise%	-	7.41	-30 43	-33 33	-38.89
Surprise $ Amt	-	0 02	-0.07	-0.05	-0 07

Consensus EPS Estimates

Period	Report Date	# of Estimates	Mean	High	Low	Median
Q1	Dec 04	1	0 14	0.14	0.14	0 14

Q2	Mar 05	1	0.12	0.12	0.12	0.12
Q3	Jun 05	1	0.24	0.24	0.24	0 24
Q4	Sep 05	1	0 28	0.28	0 28	0.28
FY1	Dec 04	1	0.66	0.66	0 66	0 66
FY2	Dec 05	1	0.79	0.79	0.79	0.79
LTG	-	1	6.00	6 00	6 00	6 00

Earnings Momentum	12/2004	03/2005	06/2005	09/2005
# Estimates Up/Down - 1 Week	0/ 0	0/ 0	0/ 0	0/ 0
# Estimates Up/Down - 1 Month	0/ 0	0/ 0	0/ 0	0/ 0
Current Mean Estimate	0.14	0.12	0.24	0.28
Mean 1 Month Ago	0.14	0.12	0.24	0.28
Mean 3 Months Ago	0.14	0 12	0.19	0.28

Data Provided by First Call/Thomson Financial

Top

Data Provided by Thomson

Earnings Center > Company Earnings

Earnings Estimates | Broker Recommendation | Forecasts | Earnings Snapshots | Performance Following a Surprise | Peer and Industry Comparisons

▸ Earnings Estimates
SJW CORP (SJW)

Sector: Public Utilities

Industry: Water Utilities

Last Updated: December 11, 2004

No Data Available

First Call Consensus Rec:

The Analyst Company Sentiment is NO RATING
Analyst Sentiment is determined by a quantitative company scoring model that scores company level sentiment based on analyst earnings revisions. The scoring model considers the following factors: analyst experience, magnitude of the revision, proximity of the revision to the actual earnings report date, range of estimates, historic stock performance following a given analyst's prior revisions, and market capitalization of the company.

Overview

Exchange	American Stock Exchange	5 Year Growth	6 05
52 Week Range	28.21 - 39 29	5 Year Stability	62.68
Current PE		Annual Dividend	1.02
Beta	0 37		

*All prices displayed in local currency

Reported Quarters

No Data Available

	Current	Last Quarters	2 Quarters Ago	3 Quarters Ago	4 Quarters Ago
Estimate					
Actual	-				
Surprise%	-				
Surprise $ Amt	-				

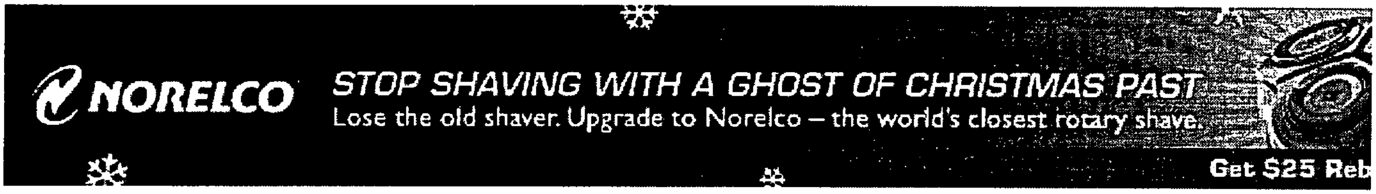
Consensus EPS Estimates

Period	Report Date	# of Estimates	Mean	High	Low	Median

Earnings Momentum				
	/	/	/	/
# Estimates Up/Down - 1 Week	/	/	/	/
# Estimates Up/Down - 1 Month	/	/	/	/
Current Mean Estimate				
Mean 1 Month Ago				
Mean 3 Months Ago				

Data Provided by First Call/Thomson Financial

Top



Earnings Center > Company Earnings

Earnings Estimates | Broker Recommendation | Forecasts | Earnings Snapshots | Performance Following a Surprise | Peer and Industry Comparisons

▸ Earnings Estimates
SOUTHWEST WATER COMPANY (SWWC)

Sector: Public Utilities

Industry: Water Utilities

Last Updated: December 11, 2004

Buy 2 25 Sell

1 2 3 4 5

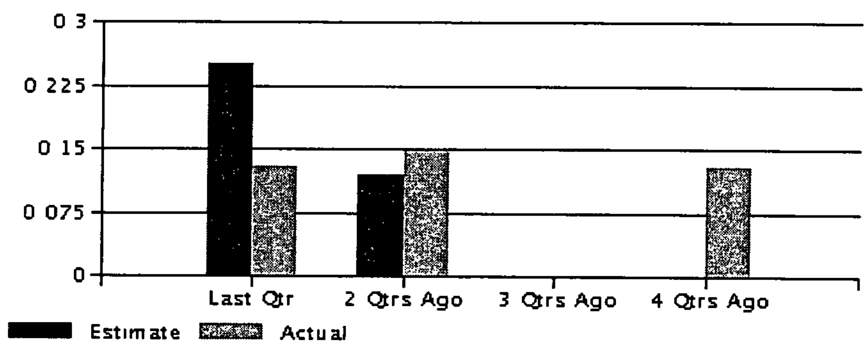
First Call Consensus Rec: Buy

The Analyst Company Sentiment is NEUTRAL
Analyst Sentiment is determined by a quantitative company scoring model that scores company level sentiment based on analyst earnings revisions. The scoring model considers the following factors: analyst experience, magnitude of the revision, proximity of the revision to the actual earnings report date, range of estimates, historic stock performance following a given analyst's prior revisions, and market capitalization of the company.

Overview			
Exchange	Nasdaq National	5 Year Growth	17 66
52 Week Range	11 36 - 15.79	5 Year Stability	37 06
Current PE	30 50	Annual Dividend	0 21
Beta	0 65		

*All prices displayed in local currency

Reported Quarters



	Current	Last Quarters	2 Quarters Ago	3 Quarters Ago	4 Quarters Ago
Estimate	0 16	0.25	0 12		
Actual	-	0 13	0.15	0.00	0.13
Surprise%	-	-46.94	25 00	**	**
Surprise $ Amt	-	-0 12	0 03	**	**

Consensus EPS Estimates						
Period	Report Date	# of Estimates	Mean	High	Low	Median
Q1	Dec 04	2	0.16	0 17	0 15	0 16

Q2	Mar 05	2	0 03	0.03	0 03	0.03
Q3	Jun 05	2	0.16	0.16	0.15	0.16
Q4	Sep 05	2	0.24	0 24	0.24	0.24
FY1	Dec 04	3	0.43	0.45	0.41	0 44
FY2	Dec 05	4	0.56	0.62	0 50	0.55
LTG	-	4	10.00	15.00	5.00	10.00

Earnings Momentum				
	12/2004	03/2005	06/2005	09/2005
# Estimates Up/Down - 1 Week	0/ 0	0/ 0	0/ 0	0/ 0
# Estimates Up/Down - 1 Month	1/ 0	0/ 0	0/ 0	0/ 0
Current Mean Estimate	0.16	0.03	0.16	0 24
Mean 1 Month Ago	0.12	0.03	0.16	0 24
Mean 3 Months Ago	0.15	0 03	0.16	0.24

Data Provided by First Call/Thomson Financial

Top

Earnings Center > Company Earnings

Earnings Estimates | Broker Recommendation | Forecasts | Earnings Snapshots | Performance Following a Surprise | Peer and Industry Comparisons

Earnings Estimates
YORK WATER CO (YORW)

Sector: Public Utilities

Industry: Water Utilities

Last Updated: December 11, 2004

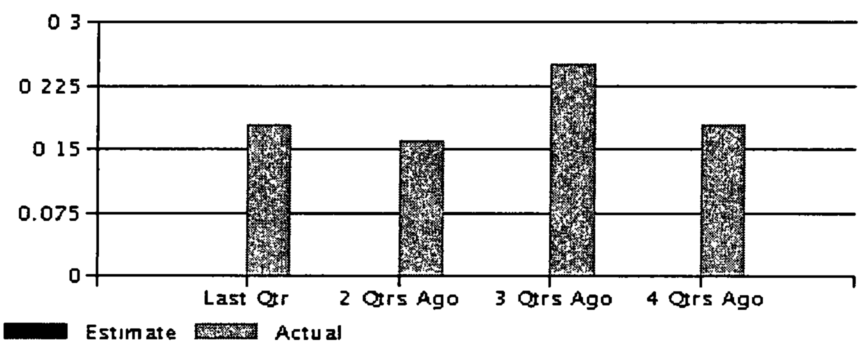
Buy		3 00		Sell
1	2	3	4	5

First Call Consensus Rec: Hold

The Analyst Company Sentiment is NO RATING
Analyst Sentiment is determined by a quantitative company scoring model that scores company level sentiment based on analyst earnings revisions. The scoring model considers the following factors. analyst experience, magnitude of the revision, proximity of the revision to the actual earnings report date, range of estimates, historic stock performance following a given analyst's prior revisions, and market capitalization of the company.

Overview			
Exchange	Nasdaq National	5 Year Growth	8.86
52 Week Range	16 50 - 21 04	5 Year Stability	14 47
Current PE	25.33	Annual Dividend	0 62
Beta	0.09	*All prices displayed in local currency	

Reported Quarters



	Current	Last Quarters	2 Quarters Ago	3 Quarters Ago	4 Quarters Ago
Estimate					
Actual	-	0.18	0.16	0 25	0.18
Surprise%	-	**	**	**	**
Surprise $ Amt	-	**	**	**	**

Consensus EPS Estimates

Period	Report Date	# of Estimates	Mean	High	Low	Median

FY1	Dec 04	1	0.75	0.75	0.75	0.75
FY2	Dec 05	1	0.79	0 79	0.79	0.79
LTG	-	1	7.00	7 00	7.00	7.00

Earnings Momentum				
	/	/	/	/
# Estimates Up/Down - 1 Week	/	/	/	/
# Estimates Up/Down - 1 Month	/	/	/	/
Current Mean Estimate				
Mean 1 Month Ago				
Mean 3 Months Ago				

Data Provided by First Call/Thomson Financial

Top

Estimates FOR AWR N

AMERICAN STATES WATER CO (NYS)

LAST	CHANGE	Risk Alert for AWR N
25.25	-0.10 (-0.39%) 12 49 PM ET	Low

SECTOR: Utilities | **INDUSTRY:** Water Utilities

Consensus Estimates Analysis | Historical Surprises |
Consensus Estimates Trend | Estimates Revisions Summary

Consensus Recommendation	Company Fiscal Year End Month	Last Updated
HOLD	December	13-Dec-04

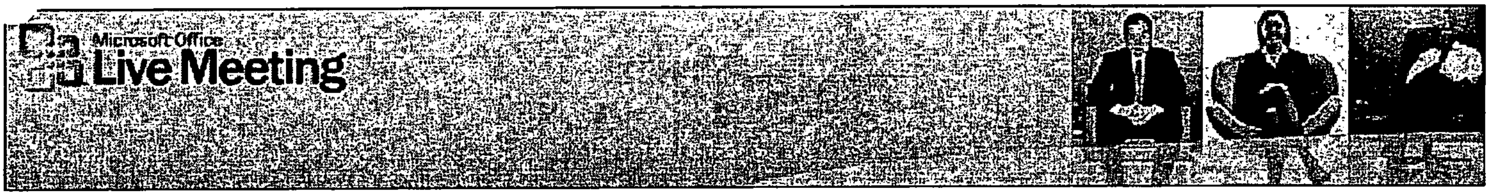
Consensus Estimates Analysis

In U.S. Dollars	# of Ests.	Mean Est.	High Est.	Low Est.	Std. Dev.	Proj. Pr/Est.
REVENUE (in Millions)						**Pr/Sales**
Quarter Ending Dec-04		-	-	-	-	-
Quarter Ending Mar-05		-	-	-	-	-
Year Ending Dec-04	1	219.00	219 00	219 00	0 00	1.93
Year Ending Dec-05	1	225 00	225.00	225 00	0.00	1 88
Earnings (per Share)						**P/E**
Quarter Ending Dec-04	2	0.27	0 28	0 25	0.02	-
Quarter Ending Mar-05	1	0.24	0 24	0 24	0.00	-
Year Ending Dec-04	2	1.25	1.35	1.15	0.10	20 28
Year Ending Dec-05	2	1.45	1 50	1.40	0.05	17.48
LT Growth Rate (%)	2	3 00	3.00	3 00	0.00	-

Learn about EPS Estimates

Historical Surprises

Estimate vs. Actual In U.S. Dollars	Estimate	Actual	Difference	Surprise (%)
REVENUE (in Millions)				



Estimates FOR WTR N

GO Symbol Lookup Printable version

AQUA AMERICA INC (NYS)

LAST	CHANGE	Risk Alert for WTR.N	sponsored by
23.91	▼ -0.09 (-0.38%) 12 46 PM ET	Low	

SECTOR: Utilities | **INDUSTRY:** Water Utilities

Consensus Estimates Analysis | Historical Surprises |
Consensus Estimates Trend | Estimates Revisions Summary

Consensus Recommendation	Company Fiscal Year End Month	Last Updated
OUTPERFORM	December	13-Dec-04

Consensus Estimates Analysis

In U.S. Dollars	# of Ests.	Mean Est.	High Est.	Low Est.	Std. Dev.	Proj. Pr/Est.
REVENUE (in Millions)						**Pr/Sales**
Quarter Ending Dec-04	2	118.66	119.40	117.91	0.74	-
Quarter Ending Mar-05	1	110 74	110 74	110.74	0.00	-
Year Ending Dec-04	3	445.83	447.00	444.50	1.03	5.02
Year Ending Dec-05	3	487.93	494 00	479 00	6.45	4 59
Earnings (per Share)						**P/E**
Quarter Ending Dec-04	4	0 24	0.25	0.23	0.01	-
Quarter Ending Mar-05	3	0.19	0 20	0.18	0 01	-
Year Ending Dec-04	7	0.85	0.90	0.82	0 02	28.09
Year Ending Dec-05	7	0 97	0 98	0 95	0.01	24.85
LT Growth Rate (%)	6	8 50	12 00	3 00	3 04	-

Learn about EPS Estimates

Historical Surprises

Estimate vs. Actual In U.S. Dollars	Estimate	Actual	Difference	Surprise (%)
REVENUE (in Millions)				

Updated Tue 14 Dec 2004 | 2 03 PM ET

Estimates FOR ARTNA.O GO Symbol Lookup

ARTESIAN RESOURCES CORP (UTC)

LAST	CHANGE		Risk Alert for ARTNA O
28.80	▲ 0.45 (1.60%)	12 55 PM ET	Medium

SECTOR: Utilities | **INDUSTRY:** Water Utilities

Consensus Estimates Analysis | Historical Surprises |
Consensus Estimates Trend | Estimates Revisions Summary

Consensus Recommendation	Company Fiscal Year End Month	Last Updated
OUTPERFORM	December	13-Dec-04

Consensus Estimates Analysis

In U.S. Dollars	# of Ests.	Mean Est.	High Est.	Low Est.	Std. Dev.	Proj. Pr/Est.
REVENUE						**Pr/Sales**
Quarter Ending Dec-04		-	-	-	-	-
Quarter Ending Mar-05		-	-	-	-	-
Year Ending Dec-04		-	-	-	-	-
Year Ending Dec-05		-	-	-	-	-
Earnings (per Share)						**P/E**
Quarter Ending Dec-04	3	0.31	0 33	0.30	0.01	-
Quarter Ending Mar-05	2	0 17	0.20	0.14	0 03	-
Year Ending Dec-04	3	1 14	1 24	1.08	0.07	24.79
Year Ending Dec-05	3	1.38	1.44	1.32	0.05	20.59
LT Growth Rate (%)	2	8 50	9 00	8 00	0 50	-

Learn about EPS Estimates

Historical Surprises

Estimate vs. Actual In U.S. Dollars	Estimate	Actual	Difference	Surprise (%)
REVENUE				

Updated Tue 14 Dec 2004 | 1 10 PM ET

Estimates FOR CWT N

CALIFORNIA WATER SERVICE GROUP (NYS)

LAST	CHANGE	Risk Alert for CWT N
36.90	-0.20 (-0.54%) 12 49 PM ET	Low

sponsored by

SECTOR: Utilities | **INDUSTRY:** Water Utilities

Consensus Recommendation	Company Fiscal Year End Month	Last Updated
HOLD	December	13-Dec-04

Consensus Estimates Analysis

In U.S. Dollars	# of Ests.	Mean Est.	High Est.	Low Est.	Std. Dev.	Proj. Pr/Est.
REVENUE (in Millions)						**Pr/Sales**
Quarter Ending Dec-04	1	76 83	76.83	76.83	0.00	-
Quarter Ending Mar-05		-	-	-	-	-
Year Ending Dec-04	2	311.00	323 00	299.00	12.00	2.19
Year Ending Dec-05	2	327.50	342.00	313 00	14 50	2 08
Earnings (per Share)						**P/E**
Quarter Ending Dec-04	2	0 32	0.32	0.31	0 01	-
Quarter Ending Mar-05	1	0.11	0.11	0.11	0.00	-
Year Ending Dec-04	4	1 62	1.72	1 55	0.06	22 97
Year Ending Dec-05	4	1.68	1 72	1.63	0.04	22 15
LT Growth Rate (%)	3	6.00	10.00	3.00	2.94	-

Learn about EPS Estimates

Historical Surprises

Estimate vs. Actual In U.S. Dollars	Estimate	Actual	Difference	Surprise (%)
REVENUE (in Millions)				

Updated Tue 14 Dec 2004 | 1 11 PM ET

HOME
INVESTING
News
Markets
Industries
Stocks
Overview
Quote
Option Quote
Charts
Profile & Snapshot
Officers & Directors
NEWS
Key Developments
npany News
ess Releases
FINANCES
Financial Highlights
Ratios
Financial Statements
SENTIMENT
Performance
Shares Shorted
Insider Trading
Institutional Holders
ANALYSIS
Risk Alerts
Estimates
Recommendations
Research Reports
Funds
ETFs
Options
Commodities
Bonds
Currencies
Research Reports
's & Screening
Portfolio
Television
NEWS

Estimates FOR CTWS O

GO Symbol Lookup Printable version

CONNECTICUT WATER SERVICES INC (UTC)

LAST	CHANGE	Risk Alert for CTWS.O
26.86	▼ -0.11 (-0.41%) 12 34 PM ET	Low

SECTOR: Utilities | **INDUSTRY:** Water Utilities

Consensus Estimates Analysis | Historical Surprises |
Consensus Estimates Trend | Estimates Revisions Summary

Consensus Recommendation	Company Fiscal Year End Month	Last Updated
HOLD	December	13-Dec-04

Consensus Estimates Analysis

In U.S. Dollars	# of Ests.	Mean Est.	High Est.	Low Est.	Std. Dev.	Proj. Pr/Est.
REVENUE						**Pr/Sales**
Quarter Ending Dec-04		-	-	-	-	-
Quarter Ending Mar-05		-	-	-	-	-
Year Ending Dec-04		-	-	-	-	-
Year Ending Dec-05		-	-	-	-	-
Earnings (per Share)						**P/E**
Quarter Ending Dec-04	1	0.26	0.26	0.26	0.00	-
Quarter Ending Mar-05	1	0.26	0 26	0.26	0.00	-
Year Ending Dec-04	1	1 30	1 30	1.30	0.00	20 75
Year Ending Dec-05	1	1.27	1 27	1 27	0 00	21.24
LT Growth Rate (%)	0	-	-	-	-	-

▸ Learn about EPS Estimates

Historical Surprises

Estimate vs. Actual In U.S. Dollars	Estimate	Actual	Difference	Surprise (%)
REVENUE				

Estimates FOR MSEX O GO Symbol Lookup

Printable version

MIDDLESEX WATER CO (UTC)

LAST	CHANGE	
19.78	▲ 0.17 (0.87%)	12 53 PM ET

Risk Alert for MSEX O: Medium — sponsored by Scottrade

SECTOR: Utilities | **INDUSTRY:** Water Utilities

Consensus Estimates Analysis | Historical Surprises |
Consensus Estimates Trend | Estimates Revisions Summary

Consensus Recommendation	Company Fiscal Year End Month	Last Updated
OUTPERFORM	December	13-Dec-04

Consensus Estimates Analysis

In U.S. Dollars	# of Ests.	Mean Est.	High Est.	Low Est.	Std. Dev.	Proj. Pr/Est.
REVENUE						**Pr/Sales**
Quarter Ending Dec-04		-	-	-	-	-
Quarter Ending Mar-05		-	-	-	-	-
Year Ending Dec-04		-	-	-	-	-
Year Ending Dec-05		-	-	-	-	-
Earnings (per Share)						**P/E**
Quarter Ending Dec-04	2	0.14	0.14	0.14	0.00	-
Quarter Ending Mar-05	2	0 11	0 12	0.10	0 01	-
Year Ending Dec-04	2	0.68	0 69	0.66	0.02	29.05
Year Ending Dec-05	2	0.80	0.80	0.79	0.01	24.67
LT Growth Rate (%)	2	4 50	6 00	3 00	1 50	-

Learn about EPS Estimates

Historical Surprises

Estimate vs. Actual In U.S. Dollars	Estimate	Actual	Difference	Surprise (%)
REVENUE				

REUTERS
KNOW. NOW.

About Reuters | Products & Services | Customer Zone | Careers

Change Edition | Symbol GO | Symbol Lookup | Search | News GO | My Profile | Help & Info | Logout

Updated Tue 14 Dec 2004 | 1 12 PM ET

Get your weather forecast

HOME
INVESTING
News
Markets
Industries
Stocks
Overview
Quote
Option Quote
Charts
Profile & Snapshot
Officers & Directors
NEWS
Key Developments
mpany News
ess Releases
FINANCES
Financial Highlights
Ratios
Financial Statements
SENTIMENT
Performance
Shares Shorted
Insider Trading
Institutional Holders
ANALYSIS
Risk Alerts
Estimates
Recommendations
Research Reports
Funds
ETFs
Options
Commodities
Bonds
Currencies
Research Reports
ls & Screening
ortfolio
Television
NEWS

Estimates FOR SJW A

GO Symbol Lookup

Printable version

SJW CORP (ASE)

LAST	CHANGE	
37.65	-0.20 (-0.53%)	12 44 PM ET

Risk Alert for SJW.A — Low — sponsored by

SECTOR: Utilities | **INDUSTRY:** Water Utilities

Best 5 Stocks for 2005 | Independent Research | $7 Trades at Scottrade

Consensus Estimates Analysis | Historical Surprises |
Consensus Estimates Trend | Estimates Revisions Summary

Consensus Recommendation	Company Fiscal Year End Month	Last Updated
HOLD	December	13-Dec-04

Consensus Estimates Analysis

In U.S. Dollars	# of Ests.	Mean Est.	High Est.	Low Est.	Std. Dev.	Proj. Pr/Est.
REVENUE						**Pr/Sales**
Quarter Ending Dec-04		-	-	-	-	-
Quarter Ending Mar-05		-	-	-	-	-
Year Ending Dec-04		-	-	-	-	-
Year Ending Dec-05		-	-	-	-	-
Earnings (per Share)						**P/E**
Quarter Ending Dec-04		-	-	-	-	-
Quarter Ending Mar-05		-	-	-	-	-
Year Ending Dec-04	1	0 50	0.50	0.50	0.00	-
Year Ending Dec-05		-	-	-	-	-
LT Growth Rate (%)		-	-	-	-	-

Learn about EPS Estimates

Historical Surprises

Estimate vs. Actual In U.S. Dollars	Estimate	Actual	Difference	Surprise (%)
REVENUE				

REUTERS
KNOW. NOW.

About Reuters | Products & Services | Customer Zone | Careers

Change Edition | Symbol GO Symbol Lookup | Search | News GO | My Profile | Help & Info | Logout

Updated Tue 14 Dec 2004 | 1 13 PM ET

Get your weather forecast

- HOME
- INVESTING
- News
- Markets
- Industries
- Stocks
  - Overview
  - Quote
  - Option Quote
  - Charts
  - Profile & Snapshot
  - Officers & Directors
- NEWS
  - Key Developments
  - npany News
  - ss Releases
- FINANCES
  - Financial Highlights
  - Ratios
  - Financial Statements
- SENTIMENT
  - Performance
  - Shares Shorted
  - Insider Trading
  - Institutional Holders
- ANALYSIS
  - Risk Alerts
  - Estimates
  - Recommendations
  - Research Reports
- Funds
- ETFs
- Options
- Commodities
- Bonds
- Currencies
- Research Reports
- 's & Screening
- ..tfolio
- Television
- NEWS

Estimates FOR SWWC.C GO Symbol Lookup

Printable version

SOUTHWEST WATER CO (UTC)

LAST	CHANGE	Risk Alert for SWWC O	sponsored by
13.27	▲ 0.03 (0.23%) 12 57 PM ET	Low	

SECTOR: Utilities | **INDUSTRY:** Water Utilities

▸ Best 5 Stocks for 2005 ▸ Free offer at Ameritrade ▸ $7 Trades at Scottrade

Consensus Estimates Analysis | Historical Surprises |
Consensus Estimates Trend | Estimates Revisions Summary

Consensus Recommendation	Company Fiscal Year End Month	Last Updated
OUTPERFORM	December	13-Dec-04

Consensus Estimates Analysis

In U.S. Dollars	# of Ests.	Mean Est.	High Est.	Low Est.	Std. Dev.	Proj. Pr/Est.
REVENUE (in Millions)						**Pr/Sales**
Quarter Ending Dec-04	1	46.79	46 79	46.79	0 00	-
Quarter Ending Mar-05	1	40 98	40 98	40.98	0 00	-
Year Ending Dec-04	2	188.61	190 00	187.23	1 39	1.29
Year Ending Dec-05	1	195.85	195 85	195 85	0 00	1.24
Earnings (per Share)						**P/E**
Quarter Ending Dec-04	3	0 12	0.17	0 08	0 04	-
Quarter Ending Mar-05	2	0 02	0 03	0 01	0 01	-
Year Ending Dec-04	5	0 45	0 48	0.41	0 03	29 29
Year Ending Dec-05	5	0 55	0.62	0.50	0.04	23 99
LT Growth Rate (%)	3	8.33	11 00	5 00	2 49	-

▸ Learn about EPS Estimates

Historical Surprises

Estimate vs. Actual In U.S. Dollars	Estimate	Actual	Difference	Surprise (%)
REVENUE (in Millions)				

Estimates FOR YORW O GO Symbol Lookup

YORK WATER CO (UTC)

LAST	CHANGE	
19.28	▼ -0.01 (-0.05%)	12 07 PM ET

Risk Alert for YORW.O — sponsored by — **Low**

SECTOR: Utilities | **INDUSTRY:** Water Utilities

Consensus Estimates Analysis | Historical Surprises |
Consensus Estimates Trend | Estimates Revisions Summary

Consensus Recommendation	Company Fiscal Year End Month	Last Updated
HOLD	December	13-Dec-04

Consensus Estimates Analysis

In U.S. Dollars	# of Ests.	Mean Est.	High Est.	Low Est.	Std. Dev.	Proj. Pr/Est.
REVENUE						**Pr/Sales**
Quarter Ending Dec-04		-	-	-	-	-
Quarter Ending Mar-05		-	-	-	-	-
Year Ending Dec-04		-	-	-	-	-
Year Ending Dec-05		-	-	-	-	-
Earnings (per Share)						**P/E**
Quarter Ending Dec-04	1	0.16	0.16	0.16	0.00	-
Quarter Ending Mar-05	1	0.26	0.26	0.26	0 00	-
Year Ending Dec-04	2	0 75	0.75	0.75	0.00	25.72
Year Ending Dec-05	1	0.79	0.79	0.79	0.00	24.42
LT Growth Rate (%)	2	6.00	7 00	5 00	1.00	-

Learn about EPS Estimates

Historical Surprises

Estimate vs. Actual In U.S. Dollars	Estimate	Actual	Difference	Surprise (%)
REVENUE				

» Detailed Research for AMERICAN STS WTR CO

Earnings Estimates

	This Quarter 12/2004	Next Quarter 03/2005	This Year 12/2004	Next Year 12/2005
Average Estimate	0 27	0.24	1 25	1 45
# of Estimates	2	1	2	2
Low Estimate	0 25	0 24	1.15	1.40
High Estimate	0 28	0.24	1 35	1 50
Year Ago EPS	-0 12	0 08	0 78	1 25
EPS Growth	320 83%	200.00%	60 26%	16 00%

Consensus EPS Earnings Trends

	This Quarter 12/2004	Next Quarter 03/2005	This Year 12/2004	Next Year 12/2005
Current	0 27	0 24	1 25	1.45
7 Days Ago	0 27	0 24	1 25	1 45
30 Days Ago	0 31	0 24	1.25	1 45
60 Days Ago	0 31	0.24	1 35	1 50
90 Days Ago	0.31	0 24	1 35	1.50

Historical EPS Surprises

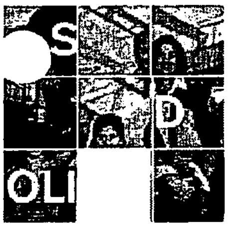
	09/2004	06/2004	03/2004	12/2003	09/2003
Estimate	0 60	0 36	n/a	0 22	0 57
Actual	0.52	0 44	0 08	-0 12	0.51
Difference	-0 08	0 08	n/a	-0 34	-0 06
Actual Surprise	-13 33	22.22	n/a	-154 55	-10 53

Analyst Ratings

	Today	1 Month Ago	2 Months Ago	3 Months Ago
Strong Buy	0	0	0	0
Buy	0	0	0	0
Hold	2	2	2	1
Sell	0	0	0	0
Strong Sell	0	0	0	1
Consensus (mean)	3 00	3 00	3 00	4 00

EPS Revisions

	This Quarter 12/2004	Next Quarter 03/2005	This Fiscal Year 12/2004	Next Fiscal Year 12/2005
EPS Revisions - Last 7 Days				
# Estimates Revised Up	0	0	0	0
# Estimates Revised Down	0	0	0	0
EPS Revisions - Last 30 Days				
# Estimates Revised Up	0	0	0	0
# Estimates Revised Down	1	0	0	0



Upcoming Earnings Release	12/2004	03/2005	12/2004	12/2005
Dates (approx)	03/22/2005	04/28/2005	03/22/2005	-

▷ Industry / Sector / S&P 500 Recommendations

	Company	Industry UTIL-WATER SPLY	Sector UTILITIES	S&P 500
Current Qtr Estimate	0 27	0.04	13 83	-999 00
Year Ago Qtr Estimate	-0 12	0 03	4.30	14 41
Next Qtr Estimate	0 24	0.03	11 81	-999 00
Next Year Estimate	0 08	0 03	18 71	14 88
Last Reported Fiscal year Actual	0 78	0 16	50 86	47.94
Current Fiscal Year Est	1 25	1 08	114 81	-999 00
Average Estimate Long Term Growth	-	13 79	8 67	6 00
Average Recommendation	3 00	2.34	2 71	2.48
P/E (F1)	20 30	21.72	13 25	18.09

▷ EPS Consensus: Recent Perspective

	This Quarter	Next Quarter	This Year	Next Year	Long-Term Growth
Current Consensus EPS Estimate	$ 0 27	$ 0 24	$ 1 25	$ 1 45	-%
Mean of 3 most recent estimates	$ 0 27	$-	$ 1 15	$ 1.40	-%
Age of 3 most recent est changes	13 days	0 days	38 days	38 days	0 days
# of estimates added in last 7 days	0	0	0	0	0
# of estimates removed in last 7 days	0	0	0	0	0
# of estimates unchanged in last 7 days	2	1	2	2	0
# of estimates revised UP in last 7 days	0	0	0	0	N/A
# of estimates revised DOWN in last 7 days	0	0	0	0	N/A

▷ EPS Consensus: 30 Day Perspective

	This Quarter	Next Quarter	This Year	Next Year	Long-Term Growth
30-day consensus mean	$ 0 25	$-	$-	$-	-%
# of estimates in 30-day consensus	1	0	0	0	0
# of estimates added in last 30 days	0	0	0	0	0
# of estimates removed in last 30 days	0	0	0	0	0
# of estimates unchanged in last 30 days	1	1	2	2	0
# of estimates revised UP in last 30 days	0	0	0	0	N/A
# of estimates revised DOWN in last 30 days	1	0	0	0	N/A

▷ EPS Consensus: 6 Month Perspective

	This Quarter	Next Quarter	This Year	Next Year	Long-Term Growth
Mean - Current	$ 0 27	$ 0 24	$ 1.25	$ 1 45	-%
Mean - 7 Days Ago	$ 0 27	$ 0 24	$ 1 25	$ 1 45	-%
Mean - 30 Days Ago	$ 0.31	$ 0 24	$ 1.25	$ 1 45	-%
Mean - 60 Days Ago	$ 0 31	$ 0.24	$ 1 35	$ 1 50	-%
Mean - 90 Days Ago	$ 0 31	$ 0 24	$ 1 35	$ 1 50	-%
Mean - 6 Months Ago	$-	$-	$ 1 35	$ 1 50	-%
% change in Mean from 6 months Ago	-%	-%	-14 81%	-6 67%	-%

ZACKS ADVISOR

Stock Picks based on Insider Trades.

» Detailed Research for AQUA AMERICA INC

Earnings Estimates

	This Quarter 12/2004	Next Quarter 03/2005	This Year 12/2004	Next Year 12/2005
Average Estimate	0 24	0 19	0 86	0 97
# of Estimates	3	2	6	6
Low Estimate	0 23	0 18	0 82	0.95
High Estimate	0 25	0.19	0 90	0 98
Year Ago EPS	0 20	0 17	0.79	0 86
EPS Growth	20 00%	8.82%	8 86%	12 21%

Consensus EPS Earnings Trends

	This Quarter 12/2004	Next Quarter 03/2005	This Year 12/2004	Next Year 12/2005
Current	0 24	0 19	0 86	0 97
7 Days Ago	0 24	0 19	0 86	0 97
30 Days Ago	0 24	0 19	0 87	0 96
60 Days Ago	0 24	0.19	0 87	0 96
90 Days Ago	0 24	0.19	0 88	0.96

Historical EPS Surprises

	09/2004	06/2004	03/2004	12/2003	09/2003
Estimate	0 27	0 20	0 17	0 20	0 26
Actual	0 26	0.19	0 17	0.20	0.26
Difference	-0 01	-0.01	0 00	0 00	0 00
Actual Surprise	-3.70	-5 00	0 00	0 00	1 54

Analyst Ratings

	Today	1 Month Ago	2 Months Ago	3 Months Ago
Strong Buy	3	3	3	3
Buy	1	1	1	1
Hold	3	3	3	3
Sell	0	0	0	0
Strong Sell	0	0	0	0
Consensus (mean)	2 00	2 00	2.00	2 00

EPS Revisions

	This Quarter 12/2004	Next Quarter 03/2005	This Fiscal Year 12/2004	Next Fiscal Year 12/2005
EPS Revisions - Last 7 Days				
# Estimates Revised Up	0	0	0	0
# Estimates Revised Down	0	0	0	0
EPS Revisions - Last 30 Days				
# Estimates Revised Up	0	0	0	1
# Estimates Revised Down	0	0	1	0

Upcoming Earnings Release	12/2004	03/2005	12/2004	12/2005
Dates (approx)	02/09/2005	05/11/2005	02/09/2005	-

▷ Industry / Sector / S&P 500 Recommendations

	Company	Industry UTIL-WATER SPLY	Sector UTILITIES	S&P 500
Current Qtr Estimate	0.24	0 04	13.83	-999 00
Year Ago Qtr Estimate	0 20	0 03	4 30	14 41
Next Qtr Estimate	0.19	0.03	11 81	-999.00
Next Year Estimate	0 17	0 03	18.71	14 88
Last Reported Fiscal year Actual	0 79	0 16	50 86	47 94
Current Fiscal Year Est	0 86	1 08	114 81	-999 00
Average Estimate Long Term Growth	9.30	13 79	8 67	6 00
Average Recommendation	2 00	2 34	2 71	2 48
P/E (F1)	27 90	21 72	13 25	18 09

▷ EPS Consensus: Recent Perspective

	This Quarter	Next Quarter	This Year	Next Year	Long-Term Growth
Current Consensus EPS Estimate	$ 0 24	$ 0 19	$ 0 86	$ 0.97	9 25%
Mean of 3 most recent estimates	$ 0 25	$ 0 18	$ 0.86	$ 0 98	10.00%
Age of 3 most recent est changes	41 days	104 days	41 days	20 days	41 days
# of estimates added in last 7 days	0	0	0	0	0
# of estimates removed in last 7 days	0	0	0	0	0
# of estimates unchanged in last 7 days	3	2	6	6	4
# of estimates revised UP in last 7 days	0	0	0	0	N/A
# of estimates revised DOWN in last 7 days	0	0	0	0	N/A

▷ EPS Consensus: 30 Day Perspective

	This Quarter	Next Quarter	This Year	Next Year	Long-Term Growth
30-day consensus mean	$-	$-	$ 0 86	$ 0.98	-%
# of estimates in 30-day consensus	0	0	1	1	0
# of estimates added in last 30 days	0	0	0	0	0
# of estimates removed in last 30 days	0	0	0	0	0
# of estimates unchanged in last 30 days	3	2	5	5	4
# of estimates revised UP in last 30 days	0	0	0	1	N/A
# of estimates revised DOWN in last 30 days	0	0	1	0	N/A

▷ EPS Consensus: 6 Month Perspective

	This Quarter	Next Quarter	This Year	Next Year	Long-Term Growth
Mean - Current	$ 0 24	$ 0 19	$ 0 86	$ 0 97	9 25%
Mean - 7 Days Ago	$ 0 24	$ 0.19	$ 0.86	$ 0 97	9 25%
Mean - 30 Days Ago	$ 0 24	$ 0 19	$ 0 87	$ 0 96	9.40%
Mean - 60 Days Ago	$ 0 24	$ 0 19	$ 0 87	$ 0 96	8 80%
Mean - 90 Days Ago	$ 0 24	$ 0.19	$ 0.88	$ 0 96	8 33%
Mean - 6 Months Ago	$ 0 23	$ 0 19	$ 0 88	$ 0 95	7.00%
% change in Mean from 6 months Ago	8 89%	-6 90%	-3 69%	3 16%	34 29%

» Detailed Research for CALIFORNIA WTR SVC GROUP

Real-Time Insider Trade Alerts

▷ Earnings Estimates

	This Quarter 12/2004	Next Quarter 03/2005	This Year 12/2004	Next Yea 12/2005
Average Estimate	0 32	0.11	1 59	1 68
# of Estimates	3	1	5	5
Low Estimate	0 31	0 11	1 55	1 63
High Estimate	0.33	0 11	1 65	1.72
Year Ago EPS	0 29	0.08	1.02	1 59
EPS Growth	9 20%	37.50%	56 08%	5 53%

▷ Consensus EPS Earnings Trends

	This Quarter 12/2004	Next Quarter 03/2005	This Year 12/2004	Next Yea 12/2005
Current	0 32	0 11	1 59	1.68
7 Days Ago	0 32	0 11	1 59	1 68
30 Days Ago	0 32	0 11	1 62	1 69
60 Days Ago	0 32	0 11	1 65	1 70
90 Days Ago	0 32	0 11	1 65	1.70

▷ Historical EPS Surprises

	09/2004	06/2004	03/2004	12/2003	09/200
Estimate	0 73	0 39	0 02	0 27	0 57
Actual	0 59	0.59	0 08	0 29	0 53
Difference	-0 14	0 20	0 06	0 02	-0.04
Actual Surprise	-19 18	51 28	300 00	7.41	-7 02

▷ Analyst Ratings

	Today	1 Month Ago	2 Months Ago	3 Months Ago
Strong Buy	0	1	1	1
Buy	1	0	0	0
Hold	4	3	3	3
Sell	0	0	0	0
Strong Sell	0	0	0	0
Consensus (mean)	2 80	2.50	2 50	2 50

▷ EPS Revisions

	This Quarter 12/2004	Next Quarter 03/2005	This Fiscal Year 12/2004	Next Fiscal Y 12/2005
EPS Revisions - Last 7 Days				
# Estimates Revised Up	0	0	0	0
# Estimates Revised Down	0	0	0	0
EPS Revisions - Last 30 Days				
# Estimates Revised Up	0	0	0	0
# Estimates Revised Down	1	0	1	0

ZACKS ADVISOR

- About Zacks Advisor
- Click to Logout
- Contact Us

Tue 14, 2004 1:13pm CST

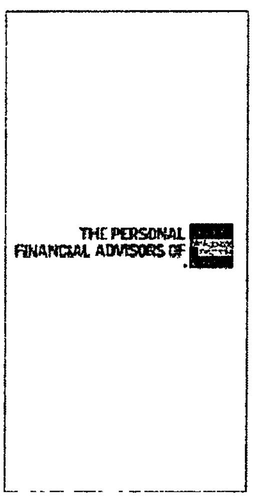
.e My Portfolio Screening Focus List Timely Buys Zacks #1 Rank Model Portfolios Equity Rese

Enter Symbol:

Quote & Chart

GET REPORT

- Quote & Chart
- Interactive Java Chart
- Company Profile
- Company News
- » Detailed Research
- Quarterly Income Statement
- Annual Income Statement
- Quarterly Balance Sheet
- Annual Balance Sheet
- Annual Cash Flow Statement
- PDF Snapshot
- Earnings Calendar



» Detailed Research for ARTESIAN RESOURCES CORP CL A

More Profitable Than Microso

Earnings Estimates

	This Quarter 12/2004	Next Quarter 03/2005	This Year 12/2004	Next 12/2
Average Estimate	0.30	0.17	1.14	1
# of Estimates	2	2	3	:
Low Estimate	0.30	0.14	1.08	1
High Estimate	0.30	0.20	1.24	1
Year Ago EPS	0.22	0.18	0.96	1
EPS Growth	36.36%	-5.56%	19.10%	20.4

Consensus EPS Earnings Trends

	This Quarter 12/2004	Next Quarter 03/2005	This Year 12/2004	Next 12/2
Current	0.30	0.17	1.14	1.
7 Days Ago	0.30	0.17	1.14	1.
30 Days Ago	0.30	0.17	1.14	1.
60 Days Ago	0.30	0.14	1.19	1.
90 Days Ago	0.30	0.14	1.19	1.

Historical EPS Surprises

	09/2004	06/2004	03/2004	12/2003	09/
Estimate	0.45	0.30	0.20	0.31	0
Actual	0.36	0.24	0.18	0.22	0
Difference	-0.09	-0.06	-0.02	-0.09	-(
Actual Surprise	-20.00	-20.00	-10.00	-29.03	-3

Analyst Ratings

	Today	1 Month Ago	2 Months Ago	3 Months
Strong Buy	2	2	2	2
Buy	1	1	1	1
Hold	0	0	0	0
Sell	0	0	0	0
Strong Sell	0	0	0	0
Consensus (mean)	1.33	1.33	1.33	1.33

EPS Revisions

	This Quarter 12/2004	Next Quarter 03/2005	This Fiscal Year 12/2004	Next Fisc 12/20
EPS Revisions - Last 7 Days				
# Estimates Revised Up	0	0	0	0
# Estimates Revised Down	0	0	0	0
EPS Revisions - Last 30 Days				
# Estimates Revised Up	0	0	0	0
# Estimates Revised Down	0	0	0	0

Upcoming Earnings Release	12/2004	03/2005	12/2004	12/2
Dates (approx)	02/09/2005	04/26/2005	02/09/2005	

▷ Industry / Sector / S&P 500 Recommendations

	Company	Industry UTIL-WATER SPLY	Sector UTILITIES
Current Qtr Estimate	0 30	0 04	13 83
Year Ago Qtr Estimate	0 22	0 03	4 30
Next Qtr Estimate	0 17	0 03	11 81
Next Year Estimate	0 18	0 03	18 71
Last Reported Fiscal year Actual	0 96	0 16	50 86
Current Fiscal Year Est	1.14	1 08	114 81
Average Estimate Long Term Growth	8.50	13.79	8 67
Average Recommendation	1 33	2 34	2.71
P/E (F1)	24.80	21 72	13 25

▷ EPS Consensus: Recent Perspective

	This Quarter	Next Quarter	This Year	Next Year	Lo
Current Consensus EPS Estimate	$ 0.30	$ 0.17	$ 1 14	$ 1 38	
Mean of 3 most recent estimates	$-	$-	$ 1 10	$-	
Age of 3 most recent est changes	0 days	0 days	41 days	0 days	1
# of estimates added in last 7 days	0	0	0	0	
# of estimates removed in last 7 days	0	0	0	0	
# of estimates unchanged in last 7 days	0	0	3	3	
# of estimates revised UP in last 7 days	0	0	0	0	
# of estimates revised DOWN in last 7 days	0	0	0	0	

▷ EPS Consensus: 30 Day Perspective

	This Quarter	Next Quarter	This Year	Next Year	Lo
30-day consensus mean	$-	$-	$-	$-	
# of estimates in 30-day consensus	0	0	0	0	
# of estimates added in last 30 days	0	0	0	0	
# of estimates removed in last 30 days	0	0	0	0	
# of estimates unchanged in last 30 days	0	0	3	3	
# of estimates revised UP in last 30 days	0	0	0	0	
# of estimates revised DOWN in last 30 days	0	0	0	0	

▷ EPS Consensus: 6 Month Perspective

	This Quarter	Next Quarter	This Year	Next Year	Lo
Mean - Current	$ 0 30	$ 0 17	$ 1 14	$ 1 38	
Mean - 7 Days Ago	$ 0 30	$ 0 17	$ 1.14	$ 1 38	
Mean - 30 Days Ago	$ 0 30	$ 0.17	$ 1 14	$ 1 38	
Mean - 60 Days Ago	$ 0 30	$ 0 14	$ 1 19	$ 1 41	
Mean - 90 Days Ago	$ 0 30	$ 0 14	$ 1 19	$ 1 41	
Mean - 6 Months Ago	$-	$-	$ 1 26	$ 1 38	
% change in Mean from 6 months Ago	-%	-%	-13 32%	-%	

Upcoming Earnings Release	12/2004	03/2005	12/2004	12/2005
Dates (approx)	01/26/2005	04/27/2005	01/26/2005	-

▷ Industry / Sector / S&P 500 Recommendations

	Company	Industry UTIL-WATER SPLY	Sector UTILITIES	S&F
Current Qtr Estimate	0 32	0 04	13 83	-99
Year Ago Qtr Estimate	0 29	0 03	4 30	14
Next Qtr Estimate	0 11	0 03	11 81	-99
Next Year Estimate	0.08	0 03	18.71	14
Last Reported Fiscal year Actual	1 02	0 16	50 86	47
Current Fiscal Year Est	1.59	1 08	114 81	-99
Average Estimate Long Term Growth	8.70	13 79	8 67	6
Average Recommendation	2.80	2 34	2 71	2
P/E (F1)	23.30	21.72	13.25	18

▷ EPS Consensus: Recent Perspective

	This Quarter	Next Quarter	This Year	Next Year	Long-T Grow
Current Consensus EPS Estimate	$ 0 32	$ 0 11	$ 1 59	$ 1 68	8 70
Mean of 3 most recent estimates	$ 0.32	$-	$ 1 59	$ 1 67	13 4
Age of 3 most recent est changes	41 days	0 days	117 days	41 days	117 d
# of estimates added in last 7 days	0	0	0	0	0
# of estimates removed in last 7 days	0	0	0	0	0
# of estimates unchanged in last 7 days	3	1	5	5	4
# of estimates revised UP in last 7 days	0	0	0	0	N/
# of estimates revised DOWN in last 7 days	0	0	0	0	N/

▷ EPS Consensus: 30 Day Perspective

	This Quarter	Next Quarter	This Year	Next Year	Long-T Grow
30-day consensus mean	$ 0.31	$-	$ 1 57	$-	-%
# of estimates in 30-day consensus	1	0	1	0	0
# of estimates added in last 30 days	0	0	0	1	0
# of estimates removed in last 30 days	0	0	0	0	0
# of estimates unchanged in last 30 days	2	1	4	4	4
# of estimates revised UP in last 30 days	0	0	0	0	N/A
# of estimates revised DOWN in last 30 days	1	0	1	0	N/A

▷ EPS Consensus: 6 Month Perspective

	This Quarter	Next Quarter	This Year	Next Year	Long-T Grow
Mean - Current	$ 0 32	$ 0 11	$ 1 59	$ 1 68	8.70
Mean - 7 Days Ago	$ 0 32	$ 0 11	$ 1 59	$ 1.68	8 70
Mean - 30 Days Ago	$ 0 32	$ 0 11	$ 1 62	$ 1 69	8 70
Mean - 60 Days Ago	$ 0 32	$ 0 11	$ 1 65	$ 1 70	8 70
Mean - 90 Days Ago	$ 0 32	$ 0 11	$ 1 65	$ 1 70	8.70
Mean - 6 Months Ago	$ 0 41	$ 0 06	$ 1 55	$ 1 63	9 90
% change in Mean from 6 months Ago	-22 76%	-%	2 37%	1 83%	-12 12

» Detailed Research for CONNECTICUT WTR SVC INC

Earnings Estimates

	This Quarter 12/2004	Next Quarter 03/2005	This Year 12/2004	Next Year 12/2005
Average Estimate	n/a	n/a	n/a	n/a
# of Estimates	0	0	0	0
Low Estimate	n/a	n/a	n/a	n/a
High Estimate	n/a	n/a	n/a	n/a
Year Ago EPS	0 25	0 25	1.15	n/a
EPS Growth	n/a%	n/a%	n/a%	n/a%

Consensus EPS Earnings Trends

	This Quarter 12/2004	Next Quarter 03/2005	This Year 12/2004	Next Year 12/2005
Current	-	-	-	-
7 Days Ago	0.26	0 26	1 30	1.27
30 Days Ago	0 26	0 26	1 30	1.27
60 Days Ago	0.26	0 26	1 30	1 27
90 Days Ago	0 26	0.26	1 30	1 27

Historical EPS Surprises

	09/2004	06/2004	03/2004	12/2003	09/2003
Estimate	0.53	0 17	0 27	n/a	n/a
Actual	0.47	0 26	0.25	n/a	0 49
Difference	-0 06	0 09	-0 02	n/a	n/a
Actual Surprise	-11 32	52.94	-7 41	n/a	n/a

Analyst Ratings

	Today	1 Month Ago	2 Months Ago	3 Months Ago
Strong Buy	0	0	0	0
Buy	0	0	0	0
Hold	1	1	1	1
Sell	0	0	0	0
Strong Sell	0	0	0	0
Consensus (mean)	3 00	3 00	3 00	3 00

EPS Revisions

	This Quarter 12/2004	Next Quarter 03/2005	This Fiscal Year 12/2004	Next Fiscal Ye 12/2005
EPS Revisions - Last 7 Days				
# Estimates Revised Up	0	0	0	0
# Estimates Revised Down	0	0	0	0
EPS Revisions - Last 30 Days				
# Estimates Revised Up	0	0	0	0
# Estimates Revised Down	0	0	0	0

Upcoming Earnings Release	12/2004	03/2005	12/2004	12/2005
Dates (approx)	-	05/09/2005	-	-

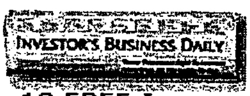
▷ Industry / Sector / S&P 500 Recommendations

	Company	Industry UTIL-WATER SPLY	Sector UTILITIES	S&P
Current Qtr Estimate	-	0.04	13.83	-999
Year Ago Qtr Estimate	-	0.03	4 30	14.
Next Qtr Estimate	-	0 03	11 81	-999
Next Year Estimate	0.25	0 03	18.71	14
Last Reported Fiscal year Actual	1.15	0.16	50.86	47
Current Fiscal Year Est	-	1 08	114 81	-999
Average Estimate Long Term Growth	-	13 79	8 67	6 0
Average Recommendation	3 00	2 34	2 71	2.4
P/E (F1)	-	21.72	13 25	18

There is currently no Recent Perspective available for 'CTWS'

There is currently no 30-Day Perspective available for 'CTWS'

There is currently no 6 Month Perspective available for 'CTWS'



_id 51457

» Detailed Research for MIDDLESEX WATER CO

Earnings Estimates

	This Quarter 12/2004	Next Quarter 03/2005	This Year 12/2004	Next Year 12/2005
Average Estimate	0 22	n/a	0 85	n/a
# of Estimates	1	0	1	0
Low Estimate	0 22	n/a	0 85	n/a
High Estimate	0.22	n/a	0 85	n/a
Year Ago EPS	0 07	0 09	0 61	0 85
EPS Growth	214.29%	n/a%	39 34%	n/a%

Consensus EPS Earnings Trends

	This Quarter 12/2004	Next Quarter 03/2005	This Year 12/2004	Next Year 12/2005
Current	0 22	-	0 85	-
7 Days Ago	0 22	-	0 85	-
30 Days Ago	-	-	0 67	0 74
60 Days Ago	-	-	0 67	0 74
90 Days Ago	0 14	0 12	0.67	0 74

Historical EPS Surprises

	09/2004	06/2004	03/2004	12/2003	09/2003
Estimate	n/a	0 23	0 14	n/a	n/a
Actual	0 29	0 16	0 09	n/a	0 17
Difference	n/a	-0 07	-0 05	n/a	n/a
Actual Surprise	n/a	-30 43	-35 71	n/a	n/a

Analyst Ratings

	Today	1 Month Ago	2 Months Ago	3 Months Ago
Strong Buy	1	1	1	1
Buy	0	0	0	0
Hold	1	0	0	0
Sell	0	0	0	0
Strong Sell	0	0	0	0
Consensus (mean)	2 00	1.00	1 00	1 00

EPS Revisions

	This Quarter 12/2004	Next Quarter 03/2005	This Fiscal Year 12/2004	Next Fiscal Year 12/2005
EPS Revisions - Last 7 Days				
# Estimates Revised Up	0	0	0	0
# Estimates Revised Down	0	0	0	0
EPS Revisions - Last 30 Days				
# Estimates Revised Up	0	0	0	0
# Estimates Revised Down	0	0	0	0

Upcoming Earnings Release	12/2004	03/2005	12/2004	12/2005
Dates (approx)	-	04/27/2005	-	-

▷ Industry / Sector / S&P 500 Recommendations

	Company	Industry UTIL-WATER SPLY	Sector UTILITIES	S&P 500
Current Qtr Estimate	0 22	0.04	13 83	-999.00
Year Ago Qtr Estimate	-	0 03	4 30	14 41
Next Qtr Estimate	-	0 03	11 81	-999 00
Next Year Estimate	0 09	0 03	18 71	14 88
Last Reported Fiscal year Actual	0 61	0.16	50 86	47 94
Current Fiscal Year Est	0 85	1.08	114 81	-999 00
Average Estimate Long Term Growth	6 00	13 79	8 67	6.00
Average Recommendation	2.00	2 34	2 71	2 48
P/E (F1)	-	21.72	13.25	18 09

▷ EPS Consensus: Recent Perspective

	This Quarter	Next Quarter	This Year	Next Year	Long-Term Growth
Current Consensus EPS Estimate	$ 0 22	$-	$ 0 85	$-	6 00%
Mean of 3 most recent estimates	$-	$-	$-	$-	6 00%
Age of 3 most recent est changes	0 days	0 days	0 days	0 days	210 days
# of estimates added in last 7 days	0	0	0	0	0
# of estimates removed in last 7 days	0	0	0	0	0
# of estimates unchanged in last 7 days	0	0	0	0	1
# of estimates revised UP in last 7 days	0	0	0	0	N/A
# of estimates revised DOWN in last 7 days	0	0	0	0	N/A

▷ EPS Consensus: 30 Day Perspective

	This Quarter	Next Quarter	This Year	Next Year	Long-Term Growth
30-day consensus mean	$-	$-	$-	$-	-%
# of estimates in 30-day consensus	0	0	0	0	0
# of estimates added in last 30 days	0	0	0	0	0
# of estimates removed in last 30 days	0	0	0	0	0
# of estimates unchanged in last 30 days	0	0	0	0	1
# of estimates revised UP in last 30 days	0	0	0	0	N/A
# of estimates revised DOWN in last 30 days	0	0	0	0	N/A

▷ EPS Consensus: 6 Month Perspective

	This Quarter	Next Quarter	This Year	Next Year	Long-Term Growth
Mean - Current	$ 0 22	$-	$ 0 85	$-	6 00%
Mean - 7 Days Ago	$ 0 22	$-	$ 0.85	$-	6 00%
Mean - 30 Days Ago	$-	$-	$ 0 67	$ 0 74	6 00%
Mean - 60 Days Ago	$-	$-	$ 0.67	$ 0 74	6 00%
Mean - 90 Days Ago	$ 0 14	$ 0.12	$ 0 67	$ 0 74	6 00%
Mean - 6 Months Ago	$-	$-	$-	$-	6 00%
% change in Mean from 6 months Ago	-%	-%	-%	-%	0 00%

» Detailed Research for SJW CORP

Earnings Estimates

	This Quarter 12/2004	Next Quarter 03/2005	This Year 12/2004	Next Year 12/2005
Average Estimate	0.35	0.21	1 77	2 06
# of Estimates	1	1	1	1
Low Estimate	0.35	0 21	1 77	2 06
High Estimate	0 35	0 21	1 77	2 06
Year Ago EPS	0 11	0 19	0.57	1 77
EPS Growth	218.18%	10 53%	210 53%	16 38%

Consensus EPS Earnings Trends

	This Quarter 12/2004	Next Quarter 03/2005	This Year 12/2004	Next Year 12/2005
Current	0 35	0 21	1 77	2 06
7 Days Ago	0 35	0 21	1 77	2 06
30 Days Ago	0.35	0.21	1.77	2 06
60 Days Ago	0.35	0 21	1 77	2 06
90 Days Ago	-	-	-	-

Historical EPS Surprises

	09/2004	06/2004	03/2004	12/2003	09/2003
Estimate	0 70	n/a	n/a	n/a	n/a
Actual	0 60	0 53	0 19	0 11	0 65
Difference	-0 10	n/a	n/a	n/a	n/a
Actual Surprise	-14 29	n/a	n/a	n/a	n/a

Analyst Ratings

	Today	1 Month Ago	2 Months Ago	3 Months Ago
Strong Buy	0	0	0	0
Buy	0	0	0	0
Hold	1	1	1	0
Sell	0	0	0	0
Strong Sell	0	0	0	0
Consensus (mean)	3 00	3 00	3 00	0 00

EPS Revisions

	This Quarter 12/2004	Next Quarter 03/2005	This Fiscal Year 12/2004	Next Fiscal Year 12/2005
EPS Revisions - Last 7 Days				
# Estimates Revised Up	0	0	0	0
# Estimates Revised Down	0	0	0	0
EPS Revisions - Last 30 Days				
# Estimates Revised Up	0	0	0	0
# Estimates Revised Down	0	0	0	0

Upcoming Earnings Release	12/2004	03/2005	12/2004	12/2005
Dates (approx)	01/27/2005	04/28/2005	01/27/2005	-

▷ Industry / Sector / S&P 500 Recommendations

	Company	Industry UTIL-WATER SPLY	Sector UTILITIES	S&P 500
Current Qtr Estimate	0 35	0.04	13 83	-999 00
Year Ago Qtr Estimate	0 11	0 03	4 30	14.41
Next Qtr Estimate	0 21	0 03	11.81	-999 00
Next Year Estimate	0 19	0 03	18 71	14.88
Last Reported Fiscal year Actual	0.57	0.16	50 86	47 94
Current Fiscal Year Est.	1 77	1 08	114 81	-999 00
Average Estimate Long Term Growth	-	13 79	8 67	6 00
Average Recommendation	3.00	2.34	2.71	2 48
P/E (F1)	21.40	21 72	13.25	18.09

▷ EPS Consensus: Recent Perspective

	This Quarter	Next Quarter	This Year	Next Year	Long-Term Growth
Current Consensus EPS Estimate	$ 0 35	$ 0 21	$ 1.77	$ 2 06	-%
Mean of 3 most recent estimates	$ 0 35	$ 0 21	$ 1 77	$ 2 06	-%
Age of 3 most recent est changes	83 days	83 days	83 days	83 days	0 days
# of estimates added in last 7 days	0	0	0	0	0
# of estimates removed in last 7 days	0	0	0	0	0
# of estimates unchanged in last 7 days	1	1	1	1	0
# of estimates revised UP in last 7 days	0	0	0	0	N/A
# of estimates revised DOWN in last 7 days	0	0	0	0	N/A

▷ EPS Consensus: 30 Day Perspective

	This Quarter	Next Quarter	This Year	Next Year	Long-Term Growth
30-day consensus mean	$-	$-	$-	$-	-%
# of estimates in 30-day consensus	0	0	0	0	0
# of estimates added in last 30 days	0	0	0	0	0
# of estimates removed in last 30 days	0	0	0	0	0
# of estimates unchanged in last 30 days	1	1	1	1	0
# of estimates revised UP in last 30 days	0	0	0	0	N/A
# of estimates revised DOWN in last 30 days	0	0	0	0	N/A

▷ EPS Consensus: 6 Month Perspective

	This Quarter	Next Quarter	This Year	Next Year	Long-Term Growth
Mean - Current	$ 0.35	$ 0 21	$ 1 77	$ 2 06	-%
Mean - 7 Days Ago	$ 0 35	$ 0 21	$ 1.77	$ 2 06	-%
Mean - 30 Days Ago	$ 0 35	$ 0.21	$ 1.77	$ 2 06	-%
Mean - 60 Days Ago	$ 0 35	$ 0 21	$ 1.77	$ 2 06	-%
Mean - 90 Days Ago	$-	$-	$-	$-	-%
Mean - 6 Months Ago	$-	$-	$-	$-	-%
% change in Mean from 6 months Ago	-%	-%	-%	-%	-%

» Detailed Research for SOUTHWEST WTR CO

Earnings Estimates

	This Quarter 12/2004	Next Quarter 03/2005	This Year 12/2004	Next Year 12/2005
Average Estimate	0 08	0 01	0 48	0 51
# of Estimates	1	1	3	2
Low Estimate	0 08	0 01	0.41	0 50
High Estimate	0.08	0.01	0 54	0 52
Year Ago EPS	0 13	0 00	0 49	0 48
EPS Growth	-38 46%	n/a%	-2.72%	6 99%

Consensus EPS Earnings Trends

	This Quarter 12/2004	Next Quarter 03/2005	This Year 12/2004	Next Year 12/2005
Current	0 08	0.01	0 48	0.51
7 Days Ago	0 11	0 02	0.50	0.55
30 Days Ago	0 11	0 02	0 50	0 55
60 Days Ago	0 13	0.02	0 50	0 55
90 Days Ago	0 13	0 02	0 50	0 55

Historical EPS Surprises

	09/2004	06/2004	03/2004	12/2003	09/2003
Estimate	0.23	0 14	0 00	0 05	n/a
Actual	0.13	0 15	0.00	0 13	0 22
Difference	-0 10	0 01	0.00	0 08	n/a
Actual Surprise	-43 48	7.14	n/a	160 00	n/a

Analyst Ratings

	Today	1 Month Ago	2 Months Ago	3 Months Ago
Strong Buy	1	2	2	2
Buy	0	0	0	0
Hold	2	2	2	2
Sell	0	0	0	0
Strong Sell	0	0	0	0
Consensus (mean)	2 33	2 00	2.00	2 00

EPS Revisions

	This Quarter 12/2004	Next Quarter 03/2005	This Fiscal Year 12/2004	Next Fiscal Year 12/2005
EPS Revisions - Last 7 Days				
# Estimates Revised Up	0	0	0	0
# Estimates Revised Down	0	0	0	0
EPS Revisions - Last 30 Days				
# Estimates Revised Up	0	0	1	0
# Estimates Revised Down	0	0	1	0

Upcoming Earnings Release	12/2004	03/2005	12/2004	12/2005
Dates (approx)	03/15/2005	05/10/2005	03/15/2005	-

▷ Industry / Sector / S&P 500 Recommendations

	Company	Industry UTIL-WATER SPLY	Sector UTILITIES	S&P 500
Current Qtr Estimate	0 08	0 04	13.83	-999 00
Year Ago Qtr Estimate	0.13	0 03	4 30	14 41
Next Qtr Estimate	0 01	0 03	11 81	-999 00
Next Year Estimate	0 00	0.03	18 71	14 88
Last Reported Fiscal year Actual	0 49	0 16	50.86	47 94
Current Fiscal Year Est	0.48	1 08	114 81	-999 00
Average Estimate Long Term Growth	8 30	13 79	8 67	6 00
Average Recommendation	2 33	2.34	2 71	2 48
P/E (F1)	27 80	21 72	13 25	18 09

▷ EPS Consensus: Recent Perspective

	This Quarter	Next Quarter	This Year	Next Year	Long-Term Growth
Current Consensus EPS Estimate	$ 0.08	$ 0 01	$ 0 48	$ 0 51	8 33%
Mean of 3 most recent estimates	$ 0 08	$-	$ 0.48	$-	8 33%
Age of 3 most recent est changes	41 days	0 days	105 days	0 days	215 days
# of estimates added in last 7 days	0	0	0	0	0
# of estimates removed in last 7 days	2	1	1	2	0
# of estimates unchanged in last 7 days	1	1	3	2	3
# of estimates revised UP in last 7 days	0	0	0	0	N/A
# of estimates revised DOWN in last 7 days	0	0	0	0	N/A

▷ EPS Consensus: 30 Day Perspective

	This Quarter	Next Quarter	This Year	Next Year	Long-Term Growth
30-day consensus mean	$-	$-	$ 0 48	$-	-%
# of estimates in 30-day consensus	0	0	2	0	0
# of estimates added in last 30 days	0	0	0	0	0
# of estimates removed in last 30 days	2	1	1	2	0
# of estimates unchanged in last 30 days	1	1	1	2	3
# of estimates revised UP in last 30 days	0	0	1	0	N/A
# of estimates revised DOWN in last 30 days	0	0	1	0	N/A

▷ EPS Consensus: 6 Month Perspective

	This Quarter	Next Quarter	This Year	Next Year	Long-Term Growth
Mean - Current	$ 0 08	$ 0 01	$ 0 48	$ 0 51	8 33%
Mean - 7 Days Ago	$ 0 11	$ 0 02	$ 0 50	$ 0 55	8 33%
Mean - 30 Days Ago	$ 0 11	$ 0.02	$ 0 50	$ 0 55	8 33%
Mean - 60 Days Ago	$ 0 13	$ 0 02	$ 0 50	$ 0 55	8 33%
Mean - 90 Days Ago	$ 0 13	$ 0 02	$ 0 50	$ 0 55	8 33%
Mean - 6 Months Ago	$ 0.12	$ 0 03	$ 0 49	$ 0 55	8 00%
% change in Mean from 6 months Ago	-33 33%	-%	-1 72%	-%	4.17%

ZACKS ADVISOR

» Detailed Research for YORK WTR CO

▷ Earnings Estimates

	This Quarter 12/2004	Next Quarter 03/2005	This Year 12/2004	Next Year 12/2005
Average Estimate	0.16	0.26	0 75	0 79
# of Estimates	1	1	2	2
Low Estimate	0.16	0 26	0 75	0 79
High Estimate	0 16	0 26	0 75	0 79
Year Ago EPS	0 18	0 17	0 70	0 75
EPS Growth	-11 11%	52 94%	7 14%	5 33%

▷ Consensus EPS Earnings Trends

	This Quarter 12/2004	Next Quarter 03/2005	This Year 12/2004	Next Year 12/2005
Current	0 16	0 26	0 75	0 79
7 Days Ago	0 16	0 26	0 75	0 79
30 Days Ago	-	-	0.75	0 77
60 Days Ago	-	-	0 75	0.77
90 Days Ago	-	-	0 75	0 77

▷ Historical EPS Surprises

	09/2004	06/2004	03/2004	12/2003	09/2003
Estimate	n/a	0 16	0 15	0 15	n/a
Actual	0.18	0.16	0.17	0 18	0 24
Difference	n/a	0 00	0 02	0.03	n/a
Actual Surprise	n/a	0 00	13 33	20 00	n/a

▷ Analyst Ratings

	Today	1 Month Ago	2 Months Ago	3 Months Ago
Strong Buy	0	0	0	0
Buy	0	0	0	0
Hold	1	2	2	2
Sell	0	0	0	0
Strong Sell	0	0	0	0
Consensus (mean)	3 00	3 00	3 00	3 00

▷ EPS Revisions

	This Quarter 12/2004	Next Quarter 03/2005	This Fiscal Year 12/2004	Next Fiscal Year 12/2005
EPS Revisions - Last 7 Days				
# Estimates Revised Up	0	0	0	0
# Estimates Revised Down	0	0	0	0
EPS Revisions - Last 30 Days				
# Estimates Revised Up	0	0	0	1
# Estimates Revised Down	0	0	0	0

Upcoming Earnings Release	12/2004	03/2005	12/2004	12/2005
Dates (approx)	02/22/2005	05/06/2005	02/22/2005	-

▷ Industry / Sector / S&P 500 Recommendations

	Company	Industry UTIL-WATER SPLY	Sector UTILITIES	S&P 500
Current Qtr Estimate	0 16	0 04	13 83	-999 00
Year Ago Qtr Estimate	0 18	0 03	4 30	14 41
Next Qtr Estimate	0 26	0.03	11 81	-999 00
Next Year Estimate	0 17	0.03	18 71	14 88
Last Reported Fiscal year Actual	0 70	0.16	50 86	47 94
Current Fiscal Year Est	0 75	1.08	114 81	-999 00
Average Estimate Long Term Growth	7 00	13.79	8.67	6 00
Average Recommendation	3 00	2 34	2 71	2 48
P/E (F1)	25 70	21.72	13.25	18 09

▷ EPS Consensus: Recent Perspective

	This Quarter	Next Quarter	This Year	Next Year	Long-Term Growth
Current Consensus EPS Estimate	$ 0.16	$ 0 26	$ 0 75	$ 0 79	7 00%
Mean of 3 most recent estimates	$-	$ 0 26	$ 0.75	$ 0.79	-%
Age of 3 most recent est changes	0 days	24 days	24 days	24 days	0 days
# of estimates added in last 7 days	0	0	0	0	0
# of estimates removed in last 7 days	0	0	0	0	0
# of estimates unchanged in last 7 days	0	1	2	2	1
# of estimates revised UP in last 7 days	0	0	0	0	N/A
# of estimates revised DOWN in last 7 days	0	0	0	0	N/A

▷ EPS Consensus: 30 Day Perspective

	This Quarter	Next Quarter	This Year	Next Year	Long-Term Growth
30-day consensus mean	$-	$ 0 26	$ 0.75	$ 0 79	7 00%
# of estimates in 30-day consensus	0	1	1	2	1
# of estimates added in last 30 days	0	1	1	1	0
# of estimates removed in last 30 days	0	0	0	0	0
# of estimates unchanged in last 30 days	0	0	1	0	1
# of estimates revised UP in last 30 days	0	0	0	1	N/A
# of estimates revised DOWN in last 30 days	0	0	0	0	N/A

▷ EPS Consensus: 6 Month Perspective

	This Quarter	Next Quarter	This Year	Next Year	Long-Term Growth
Mean - Current	$ 0.16	$ 0 26	$ 0.75	$ 0 79	7 00%
Mean - 7 Days Ago	$ 0.16	$ 0 26	$ 0.75	$ 0.79	7 00%
Mean - 30 Days Ago	$-	$-	$ 0 75	$ 0 77	7 00%
Mean - 60 Days Ago	$-	$-	$ 0.75	$ 0.77	7 00%
Mean - 90 Days Ago	$-	$-	$ 0 75	$ 0 77	7 00%
Mean - 6 Months Ago	$-	$-	$ 0 75	$ 0 77	-%
% change in Mean from 6 months Ago	-%	-%	0 00%	2 60%	-%

Title	20-Year Treasury Constant Maturity Rate
Series ID	DGS20
Source	Board of Governors of the Federal Reserve System
Release	H 15 Selected Interest Rates
Seasonal Adjustment	Not Applicable
Frequency	Daily
Units	Percent
Date Range	1993-10-01 to 2004-12 17
Last Updated	2004-12 21 8 54 AM CT
Notes	For further information regarding treasury constant maturity data
	please refer to
	http./ www federalreserve gov/releases/h15.current.h15 pdf and
	http //www treas gov/offices/domestic finance/debt management/interest-rate/index html
DATE	VALUE
2004-04-01	4 770
2004-04-02	4 970
2004-04-05	5 050
2004-04-06	5 010
2004-04-07	5 020
2004-04-08	5 040
2004-04-09	#N/A
2004-04-12	5 080
2004-04-13	5 170
2004-04-14	5 210
2004-04-15	5 220
2004-04-16	5 200
2004-04-19	5 220
2004-04-20	5 240
2004-04-21	5 250
2004-04-22	5 200
2004-04-23	5 270
2004-04-26	5 250
2004-04-27	5 220
2004-04-28	5 280
2004-04-29	5 330
2004-04-30	5 310
2004-05-03	5 300
2004-05-04	5 340
2004-05-05	5 380
2004-05-06	5 410
2004-05-07	5 530
2004 05-10	5 540
2004-05-11	5 530
2004-05-12	5 570
2004-05-13	5 610
2004-05-14	5 540
2004-05-17	5 470
2004-05-18	5 480
2004-05-19	5 540
2004-05-20	5 470
2004-05-21	5 500
2004-05-24	5 480
2004-05-25	5 450
2004-05-26	5 410
2004-05-27	5 340
2004-05-28	5 390
2004-05-31	#N/A
2004-06-01	5 450
2004-06-02	5 470
2004-06-03	5 460
2004-06-04	5 510
2004-06-07	5 510
2004-06-08	5 500
2004-06-09	5 540
2004-06-10	5 520
2004-06-11	#N/A
2004-06-14	5 590
2004-06-15	5 410
2004-06-16	5 460
2004-06-17	5 420
2004-06-18	5 430
2004-06-21	5 420
2004-06-22	5 430
2004-06-23	5 410
2004-06-24	5 360
2004-06-25	5 370
2004-06-28	5 460
2004-06-29	5 410
2004-06-30	5 330
2004-07-01	5 310
2004-07-02	5 220
2004-07-05	#N/A
2004-07-06	5 240
2004-07-07	5 240
2004-07-08	5 240
2004-07-09	5 230
2004-07-12	5 220
2004-07-13	5 250
2004-07-14	5 240
2004-07-15	5 240
2004 07-16	5 140
2004-07 19	5 140
2004-07-20	5 210
2004-07-21	5 240
2004-07-22	5 220
2004-07-23	5 200
2004-07-26	5 230
2004-07-27	5 350
2004 07 28	5 350
2004-07 29	5 340
2004-07-30	5 240

2004-08-02	5 220								
2004-08-03	5 200								
2004-08-04	5 200								
2004-08-05	5 180								
2004-08-06	5 040								
2004-08-09	5 060								
2004-08-10	5 080								
2004-08-11	5 070								
2004-08-12	5 050								
2004-08-13	5 020								
2004-08-16	5 060								
2004-08-17	5 020								
2004-08-18	5 040								
2004-08-19	5 030								
2004-08-20	5 030								
2004-08-23	5 080								
2004-08-24	5 080								
2004-08-25	5 060								
2004-08-26	5 030								
2004-08-27	5 020								
2004-08-30	4 990								
2004-08-31	4 930								
2004-09-01	4 930								
2004-09-02	4 990								
2004-09-03	5 070								
2004-09-06	#N/A								
2004-09-07	5 030								
2004-09-08	4 960								
2004-09-09	4 990								
2004-09-10	4 970								
2004-09-13	4 940								
2004-09-14	4 930								
2004-09-15	4 960								
2004-09-16	4 860								
2004-09-17	4 910								
2004-09-20	4 850								
2004-09-21	4 820								
2004-09-22	4 750								
2004-09-23	4 780								
2004-09-24	4 780								
2004-09-27	4 750								
2004-09-28	4 780								
2004-09-29	4 850								
2004-09-30	4 890								
2004-10-01	4 950								
2004-10-04	4 930								
2004-10-05	4 930								
2004-10-06	4 970								
2004-10-07	5 000								
2004 10-08	4 910								
2004-10-11	#N/A								
2004-10-12	4 880								
2004-10-13	4 860								
2004-10-14	4 810								
2004-10-15	4 840								
2004 10-18	4 840								
2004-10-19	4 830								
2004 10-20	4 770								
2004-10-21	4 760								
2004-10-22	4 750								
2004-10-25	4 740								
2004 10-26	4 750								
2004-10-27	4 850								
2004-10-28	4 830								
2004-10-29	4 790								
2004-11-01	4 840								
2004-11-02	4 840								
2004-11-03	4 830								
2004-11-04	4 820								
2004-11-05	4 920								
2004-11-08	4 950								
2004 11-09	4 950								
2004-11-10	4 970								
2004-11 11	#N/A								
2004-11 12	4 910								
2004-11-15	4 910								
2004-11-16	4 920								
2004-11-17	4 850								
2004-11-18	4 820								
2004 11-19	4 890								
2004-11-22	4 850								
2004-11-23	4 850								
2004-11-24	4 850								
2004 11-25	#N/A								
2004-11-26	4 900								
2004-11-29	4 990								
2004-11 30	5 030								
2004-12-01	5 040								
2004-12-02	5 070								
2004-12-03	4 950								
2004-12 06	4 920								
2004-12 07	4 910								
2004 12-08	4 800								
2004-12 09	4 840								
2004-12 10	4 830								
2004-12 13	4 810								
2004 12-14	4 790								
2004-12-15	4 720								
2004-12 16	4 840								
2004 12-17	4 850								

due 12/14 by noon
end of year cap str

#8307 DCF, CAPM.

TENNESSEE AMERICAN WATER
CAPITALIZATION
JANUARY 2000 - NOVEMBER 2004

2000	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
Common Stock	13,754,235	13,754,235	13,754,235	13,754,235	13,754,235	13,754,235	13,754,235	13,754,235	13,754,235	13,754,235	13,754,235	13,754,235
Paid-In Capital	4,781,958	4,781,958	4,781,958	4,781,958	4,781,958	4,781,958	4,781,958	4,781,958	4,781,958	4,781,958	4,781,958	4,781,958
Retained Earnings	14,997,131	15,305,828	15,230,287	15,593,657	15,970,410	15,784,180	16,322,903	16,819,098	16,403,137	16,749,893	17,046,184	16,003,435
Total Common Equity	33,533,324	33,842,021	33,766,480	34,129,850	34,506,603	34,320,373	34,859,096	35,355,291	34,939,330	35,286,086	35,582,377	34,539,628
Preferred Stock	1,553,000	1,553,000	1,553,000	1,553,000	1,553,000	1,527,500	1,527,500	1,527,500	1,527,500	1,527,500	1,527,500	1,527,500
Long-Term Debt	43,472,768	43,471,008	43,469,234	43,467,444	43,465,642	43,462,857	43,460,050	43,457,220	38,454,369	38,451,495	38,448,598	38,445,701
Short-Term Debt	1,102,000	702,000	2,155,000	2,535,000	1,682,000	3,394,000	2,640,312	932,224	7,379,618	6,725,270	6,577,591	9,086,064
Total Capitalization	79,661,092	79,568,029	80,943,714	81,685,294	81,207,245	82,704,730	82,486,958	81,272,235	82,300,817	81,990,351	82,136,066	83,598,893

2001	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
Common Stock	13,754,235	13,754,235	13,754,235	13,754,235	13,754,235	13,754,235	13,754,235	13,754,235	13,754,235	13,754,235	13,754,235	13,754,235
Paid-In Capital	4,781,958	4,781,958	4,781,958	4,781,958	4,781,958	4,781,958	4,781,958	4,781,958	4,781,958	4,781,958	4,781,958	4,781,958
Retained Earnings	16,179,231	16,334,676	15,919,829	16,076,816	16,451,943	16,393,240	16,769,778	17,067,451	16,709,077	16,903,954	17,103,674	16,559,387
Total Common Equity	34,715,424	34,870,869	34,456,022	34,613,009	34,988,136	34,929,433	35,305,971	35,603,644	35,245,270	35,440,147	35,639,867	35,095,580
Preferred Stock	1,527,500	1,527,500	1,527,500	1,527,500	1,527,500	1,527,500	1,527,500	1,527,500	1,527,500	1,527,500	1,527,500	1,527,500
Long-Term Debt	38,442,758	38,439,792	43,536,780	43,533,767	43,530,729	43,526,701	43,522,640	43,518,546	43,514,421	43,506,072	43,506,072	43,501,848
Short-Term Debt	9,788,778	7,199,403	3,313,630	4,170,408	3,174,770	6,304,820	3,893,360	2,299,366	3,276,256	2,731,430	3,572,959	2,980,864
Total Capitalization	84,474,460	82,037,564	82,833,932	83,844,684	83,221,135	86,288,454	84,249,471	82,949,056	83,563,447	83,205,149	84,246,398	83,105,792

2002	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
Common Stock	13,754,235	13,754,235	13,754,235	13,754,235	13,754,235	13,754,235	13,754,235	13,754,235	13,754,235	13,754,235	13,754,235	13,754,235
Paid-In Capital	4,781,958	4,781,958	4,781,958	4,781,958	4,781,958	4,781,958	4,781,958	4,781,958	4,781,958	4,781,958	4,781,958	4,781,958
Retained Earnings	16,627,946	16,731,864	16,419,457	16,591,279	16,869,599	17,045,208	17,465,034	17,934,242	17,651,679	17,911,268	18,073,834	17,286,945
Total Common Equity	35,164,139	35,268,057	34,955,650	35,127,472	35,405,792	35,581,401	36,001,227	36,470,435	36,187,872	36,447,461	36,610,027	35,823,138
Preferred Stock	1,527,500	1,527,500	1,527,500	1,527,500	1,527,500	1,502,000	1,502,000	1,502,000	1,502,000	1,476,500	1,476,500	1,476,500
Long-Term Debt	43,497,590	43,493,299	43,488,974	43,484,615	43,480,221	33,474,825	33,469,386	33,463,903	33,458,378	33,452,808	33,447,195	33,441,537
Short-Term Debt	2,266,629	3,075,822	3,186,613	4,564,511	4,920,026	14,731,254	15,416,772	12,732,007	13,143,122	12,350,734	11,989,329	13,468,697
Total Capitalization	82,455,858	83,364,678	83,158,737	84,704,098	85,333,539	85,289,480	86,389,385	84,168,345	84,291,372	83,727,503	83,523,051	84,209,872

TENNESSEE AMERICAN WATER
CAPITALIZATION
JANUARY 2000 - NOVEMBER 2004

2003	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
Common Stock	13,754,235	13,754,235	13,754,235	13,754,235	13,754,235	13,754,235	13,754,235	13,754,235	13,754,235	13,754,235	13,754,235	13,754,235
Paid-In Capital	4,781,958	4,781,958	4,781,958	4,781,958	4,781,958	4,783,398	4,783,398	4,783,398	4,783,398	4,783,398	4,783,398	4,783,398
Retained Earnings	17,195,214	17,531,834	17,562,978	17,379,799	17,643,885	17,604,939	17,861,114	18,058,752	18,069,212	18,417,421	18,474,952	18,523,359
Total Common Equity	35,731,407	36,068,027	36,099,171	35,915,992	36,180,078	36,142,572	36,398,747	36,596,385	36,606,845	36,955,054	37,012,585	37,060,992
Preferred Stock	1,476,500	1,476,500	1,476,500	1,453,940	1,453,940	1,427,000	1,427,000	1,427,000	1,435,000	1,435,000	1,435,000	1,435,000
Long-Term Debt	33,435,836	33,430,088	33,424,295	33,418,456	33,412,572	24,406,318	24,400,013	24,387,257	24,387,257	24,380,803	24,374,297	24,367,741
Short-Term Debt	13,945,496	13,051,452	12,655,425	13,077,022	14,692,086	23,435,513	24,320,368	23,991,746	23,003,535	22,519,723	20,296,915	22,638,956
Total Capitalization	84,589,239	84,026,067	83,655,391	83,865,410	85,738,676	85,411,403	86,546,128	86,402,388	85,432,637	85,290,580	83,118,797	85,502,689

2004	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
Common Stock	13,754,235	13,754,235	13,754,235	13,754,235	13,754,235	13,754,235	13,754,235	13,754,235	13,754,235	13,754,235	13,754,235	
Paid-In Capital	4,783,398	4,783,398	4,783,398	4,783,398	4,783,398	4,788,768	4,788,768	4,788,768	4,788,768	4,788,768	4,788,768	
Retained Earnings	18,691,929	18,615,581	17,918,214	18,060,930	18,233,081	18,666,151	19,079,510	19,364,443	19,130,023	19,455,185	19,535,053	
Total Common Equity	37,229,562	37,153,214	36,455,847	36,598,563	36,770,714	37,209,154	37,622,513	37,907,446	37,673,026	37,998,188	38,078,056	
Preferred Stock	1,435,000	1,435,000	1,435,000	1,435,000	1,422,470	1,399,600	1,399,600	1,399,600	1,399,600	1,399,600	1,399,600	
Long-Term Debt	24,361,132	24,354,471	43,347,758	43,347,758	43,334,170	43,327,917	43,321,613	43,321,613	43,306,346	43,299,253	43,292,102	
Short-Term Debt	21,402,736	22,339,230	5,676,915	5,500,880	5,065,624	6,340,978	5,913,260	3,810,585	3,773,734	3,040,931	2,132,813	
Total Capitalization	84,428,430	85,281,915	86,915,520	86,882,201	86,592,978	88,277,649	88,256,986	86,439,244	86,152,706	85,737,972	84,902,571	

Source Unaudited Monthly Balance Sheets

Title	20-Year Treasury Constant Maturity Rate
Series ID	DGS20
Source	Board of Governors of the Federal Reserve System
Release	H 15 Selected Interest Rates
Seasonal Adjustment	Not Applicable
Frequency	Daily
Units	Percent
Date Range	1993-10-01 to 2004-12-17
Last Updated	2004-12-21 8 54 AM CT
Notes	For further information regarding treasury constant maturity data
	please refer to
	http://www federalreserve gov/releases/h15/current/h15 pdf and
	http //www treas gov/offices/domestic finance/debt management/interest rate/index html
DATE	VALUE
2004-04-01	4 770
2004-04-02	4 970
2004-04-05	5 050
2004-04-06	5 010
2004-04-07	5 020
2004-04-08	5 040
2004-04-09	#N/A
2004-04-12	5 080
2004-04-13	5 170
2004-04-14	5 210
2004-04-15	5 220
2004-04-16	5 200
2004-04-19	5 220
2004-04-20	5 240
2004-04-21	5 250
2004-04-22	5 200
2004-04-23	5 270
2004-04-26	5 250
2004-04-27	5 220
2004-04-28	5 280
2004-04-29	5 330
2004-04-30	5 310
2004-05-03	5 300
2004-05-04	5 340
2004-05-05	5 380
2004-05-06	5 410
2004-05-07	5 530
2004-05-10	5 540
2004-05-11	5 530
2004-05-12	5 570
2004-05-13	5 610
2004-05-14	5 540
2004-05-17	5 470
2004-05-18	5 480
2004-05-19	5 540
2004-05-20	5 470
2004-05-21	5 500
2004-05-24	5 480
2004-05-25	5 450
2004-05-26	5 410
2004-05-27	5 340
2004-05-28	5 390
2004-05-31	#N/A
2004-06-01	5 450
2004-06-02	5 470
2004 06-03	5 460
2004-06-04	5 510
2004-06-07	5 510
2004-06-08	5 500
2004-06-09	5 540
2004-06-10	5 520
2004-06-11	#N/A
2004-06-14	5 590
2004-06-15	5 410
2004-06-16	5 460
2004-06-17	5 420
2004-06-18	5 430
2004-06-21	5 420
2004-06-22	5 430
2004-06-23	5 410
2004-06-24	5 360
2004-06-25	5 370
2004-06-28	5 460
2004-06-29	5 410
2004-06-30	5 330
2004-07-01	5 310
2004-07-02	5 220
2004-07-05	#N/A
2004-07-06	5 240
2004-07-07	5 240
2004-07-08	5 240
2004-07-09	5 230
2004-07-12	5 220
2004-07-13	5 250
2004-07-14	5 240
2004-07-15	5 240
2004-07-16	5 140
2004-07-19	5 140
2004-07-20	5 210
2004-07-21	5 240
2004-07 22	5 220
2004-07-23	5 200
2004-07-26	5 230
2004-07 27	5 350
2004-07-28	5 350
2004 07-29	5 340
2004 07-30	5 240

2004-08-02	5 220
2004-08-03	5 200
2004-08-04	5 200
2004-08-05	5 180
2004-08-06	5 040
2004-08-09	5 060
2004-08-10	5 080
2004-08-11	5 070
2004-08-12	5 050
2004-08-13	5 020
2004-08-16	5 060
2004-08-17	5 020
2004-08-18	5 040
2004-08-19	5 030
2004-08-20	5 030
2004-08-23	5 080
2004-08-24	5 080
2004-08-25	5 060
2004-08-26	5 030
2004-08-27	5 020
2004-08-30	4 990
2004-08-31	4 930
2004-09-01	4 930
2004-09-02	4 990
2004-09-03	5 070
2004-09-06	#N/A
2004-09-07	5 030
2004-09-08	4 960
2004-09-09	4 990
2004-09-10	4 970
2004-09-13	4 940
2004-09-14	4 930
2004-09-15	4 960
2004-09-16	4 860
2004-09-17	4 910
2004-09-20	4 850
2004-09-21	4 820
2004-09-22	4 750
2004-09-23	4 780
2004-09-24	4 780
2004-09-27	4 750
2004-09-28	4 780
2004-09-29	4 850
2004-09-30	4 890
2004-10-01	4 950
2004-10-04	4 930
2004-10-05	4 930
2004-10-06	4 970
2004-10-07	5 000
2004-10-08	4 910
2004-10-11	#N/A
2004-10-12	4 880
2004-10-13	4 860
2004-10-14	4 810
2004-10-15	4 840
2004-10-18	4 840
2004-10-19	4 830
2004-10-20	4 770
2004-10-21	4 760
2004-10-22	4 750
2004-10-25	4 740
2004-10-26	4 750
2004-10-27	4 850
2004-10-28	4 830
2004-10-29	4 790
2004-11-01	4 840
2004-11-02	4 840
2004-11-03	4 830
2004-11-04	4 820
2004-11-05	4 920
2004-11-08	4 950
2004-11-09	4 950
2004-11-10	4 970
2004-11-11	#N/A
2004-11-12	4 910
2004-11-15	4 910
2004-11-16	4 920
2004-11-17	4 850
2004 11-18	4 820
2004-11-19	4 890
2004-11-22	4 850
2004 11 23	4 850
2004-11-24	4 850
2004-11 25	#N/A
2004-11-26	4 900
2004-11-29	4 990
2004-11-30	5 030
2004-12-01	5 040
2004-12-02	5 070
2004-12-03	4 950
2004-12 06	4 920
2004-12-07	4 910
2004 12 08	4 800
2004-12 09	4 840
2004-12-10	4 830
2004-12 13	4 810
2004 12-14	4 790
2004-12-15	4 720
2004-12-16	4 840
2004-12-17	4 850

due 12/14 by noon
end of year cap str

#8303 DCF, CAPM.

TENNESSEE AMERICAN WATER
CAPITALIZATION
JANUARY 2000 - NOVEMBER 2004

2000	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
Common Stock	13,754,235	13,754,235	13,754,235	13,754,235	13,754,235	13,754,235	13,754,235	13,754,235	13,754,235	13,754,235	13,754,235	13,754,235
Paid-In Capital	4,781,958	4,781,958	4,781,958	4,781,958	4,781,958	4,781,958	4,781,958	4,781,958	4,781,958	4,781,958	4,781,958	4,781,958
Retained Earnings	14,997,131	15,305,828	15,230,287	15,593,657	15,970,410	15,784,180	16,322,903	16,819,098	16,403,137	16,749,893	17,046,184	16,003,435
Total Common Equity	33,533,324	33,842,021	33,766,480	34,129,850	34,506,603	34,320,373	34,859,096	35,355,291	34,939,330	35,286,086	35,582,377	34,539,628
Preferred Stock	1,553,000	1,553,000	1,553,000	1,553,000	1,553,000	1,527,500	1,527,500	1,527,500	1,527,500	1,527,500	1,527,500	1,527,500
Long-Term Debt	43,472,768	43,471,008	43,469,234	43,467,444	43,465,642	43,462,857	43,460,050	43,457,220	38,454,369	38,451,495	38,448,598	38,445,701
Short-Term Debt	1,102,000	702,000	2,155,000	2,535,000	1,682,000	3,394,000	2,640,312	932,224	7,379,618	6,725,270	6,577,591	9,086,064
Total Capitalization	79,661,092	79,568,029	80,943,714	81,685,294	81,207,245	82,704,730	82,486,958	81,272,235	82,300,817	81,990,351	82,136,066	83,598,893

2001	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
Common Stock	13,754,235	13,754,235	13,754,235	13,754,235	13,754,235	13,754,235	13,754,235	13,754,235	13,754,235	13,754,235	13,754,235	13,754,235
Paid-In Capital	4,781,958	4,781,958	4,781,958	4,781,958	4,781,958	4,781,958	4,781,958	4,781,958	4,781,958	4,781,958	4,781,958	4,781,958
Retained Earnings	16,179,231	16,334,676	15,919,829	16,076,816	16,451,943	16,393,240	16,769,778	17,067,451	16,709,077	16,903,954	17,103,674	16,559,387
Total Common Equity	34,715,424	34,870,869	34,456,022	34,613,009	34,988,136	34,929,433	35,305,971	35,603,644	35,245,270	35,440,147	35,639,867	35,095,580
Preferred Stock	1,527,500	1,527,500	1,527,500	1,527,500	1,527,500	1,527,500	1,527,500	1,527,500	1,527,500	1,527,500	1,527,500	1,527,500
Long-Term Debt	38,442,758	38,439,792	43,536,780	43,533,767	43,530,729	43,526,701	43,522,640	43,518,546	43,514,421	43,506,072	43,506,072	43,501,848
Short-Term Debt	9,788,778	7,199,403	3,313,630	4,170,408	3,174,770	6,304,820	3,893,360	2,299,366	3,276,256	2,731,430	3,572,959	2,980,864
Total Capitalization	84,474,460	82,037,564	82,833,932	83,844,684	83,221,135	86,288,454	84,249,471	82,949,056	83,563,447	83,205,149	84,246,398	83,105,792

2002	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
Common Stock	13,754,235	13,754,235	13,754,235	13,754,235	13,754,235	13,754,235	13,754,235	13,754,235	13,754,235	13,754,235	13,754,235	13,754,235
Paid-In Capital	4,781,958	4,781,958	4,781,958	4,781,958	4,781,958	4,781,958	4,781,958	4,781,958	4,781,958	4,781,958	4,781,958	4,781,958
Retained Earnings	16,627,946	16,731,864	16,419,457	16,591,279	16,869,599	17,045,208	17,465,034	17,934,242	17,651,679	17,911,268	18,073,834	17,286,945
Total Common Equity	35,164,139	35,268,057	34,955,650	35,127,472	35,405,792	35,581,401	36,001,227	36,470,435	36,187,872	36,447,461	36,610,027	35,823,138
Preferred Stock	1,527,500	1,527,500	1,527,500	1,527,500	1,527,500	1,502,000	1,502,000	1,502,000	1,502,000	1,476,500	1,476,500	1,476,500
Long-Term Debt	43,497,590	43,493,299	43,488,974	43,484,615	43,480,221	33,474,825	33,469,386	33,463,903	33,458,378	33,452,808	33,447,195	33,441,537
Short-Term Debt	2,266,629	3,075,822	3,186,613	4,564,511	4,920,026	14,731,254	15,416,772	12,732,007	13,143,122	12,350,734	11,989,329	13,468,697
Total Capitalization	82,455,858	83,364,678	83,158,737	84,704,098	85,333,539	85,289,480	86,389,385	84,168,345	84,291,372	83,727,503	83,523,051	84,209,872

TENNESSEE AMERICAN WATER
CAPITALIZATION
JANUARY 2000 - NOVEMBER 2004

2003	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
Common Stock	13,754,235	13,754,235	13,754,235	13,754,235	13,754,235	13,754,235	13,754,235	13,754,235	13,754,235	13,754,235	13,754,235	13,754,235
Paid-In Capital	4,781,958	4,781,958	4,781,958	4,781,958	4,781,958	4,783,398	4,783,398	4,783,398	4,783,398	4,783,398	4,783,398	4,783,398
Retained Earnings	17,195,214	17,531,834	17,562,978	17,379,799	17,643,885	17,604,939	17,861,114	18,058,752	18,069,212	18,417,421	18,474,952	18,523,359
Total Common Equity	35,731,407	36,068,027	36,099,171	35,915,992	36,180,078	36,142,572	36,398,747	36,596,385	36,606,845	36,955,054	37,012,585	37,060,992
Preferred Stock	1,476,500	1,476,500	1,476,500	1,453,940	1,453,940	1,427,000	1,427,000	1,427,000	1,435,000	1,435,000	1,435,000	1,435,000
Long-Term Debt	33,435,836	33,430,088	33,424,295	33,418,456	33,412,572	24,406,318	24,400,013	24,387,257	24,387,257	24,380,803	24,374,297	24,367,741
Short-Term Debt	13,945,496	13,051,452	12,655,425	13,077,022	14,692,086	23,435,513	24,320,368	23,991,746	23,003,535	22,519,723	20,296,915	22,638,956
Total Capitalization	84,589,239	84,026,067	83,655,391	83,865,410	85,738,676	85,411,403	86,546,128	86,402,388	85,432,637	85,290,580	83,118,797	85,502,689

2004	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
Common Stock	13,754,235	13,754,235	13,754,235	13,754,235	13,754,235	13,754,235	13,754,235	13,754,235	13,754,235	13,754,235	13,754,235	
Paid-In Capital	4,783,398	4,783,398	4,783,398	4,783,398	4,783,398	4,788,768	4,788,768	4,788,768	4,788,768	4,788,768	4,788,768	
Retained Earnings	18,691,929	18,615,581	17,918,214	18,060,930	18,233,081	18,666,151	19,079,510	19,364,443	19,130,023	19,455,185	19,535,053	
Total Common Equity	37,229,562	37,153,214	36,455,847	36,598,563	36,770,714	37,209,154	37,622,513	37,907,446	37,673,026	37,998,188	38,078,056	
Preferred Stock	1,435,000	1,435,000	1,435,000	1,435,000	1,422,470	1,399,600	1,399,600	1,399,600	1,399,600	1,399,600	1,399,600	
Long-Term Debt	24,361,132	24,354,471	43,347,758	43,347,758	43,334,170	43,327,917	43,321,613	43,321,613	43,306,346	43,299,253	43,292,102	
Short-Term Debt	21,402,736	22,339,230	5,676,915	5,500,880	5,065,624	6,340,978	5,913,260	3,810,585	3,773,734	3,040,931	2,132,813	
Total Capitalization	84,428,430	85,281,915	86,915,520	86,882,201	86,592,978	88,277,649	88,256,986	86,439,244	86,152,706	85,737,972	84,902,571	

Source Unaudited Monthly Balance Sheets