

California Water Service Group
Finance Committee Charter

Purpose. The Committee is established to assist the Board to review the Company's financial policies, strategies and capital structure, and to make reports and recommendations to the Board as the Committee deems advisable.

Membership. The Committee shall be composed of at least three Directors, and all members of the Committee shall meet the "independence" requirements of the New York Stock Exchange and any additional qualifications established by the Committee. The members of the Committee and a chair shall be appointed annually by the Board and shall serve until their successors are duly qualified and elected.

Responsibilities. The Board grants the Committee authority to review and recommend to the Board:

- (1) Long-term financial objectives and policies.
- (2) Financing requirements and financing plans.
- (3) The annual dividend plan.
- (4) The annual capital expenditure plan.
- (5) Mechanisms to maximize shareholder value.
- (6) Other finance matters as appropriate.
- (7) Annual revisions in this Committee charter.

Operations of the Finance Committee. The Chair shall preside at all meetings of the Committee and shall present findings and recommendations to the Board. The Committee shall have the authority to delegate to subcommittees.

Meetings. Committee meetings will be convened at the discretion of the Committee Chair. There shall be at least one meeting per year. A quorum shall consist of a majority of the members.

Annual Performance Evaluation. The Committee shall conduct an annual performance self-evaluation that considers matters related to its responsibilities.

Approved by Board 10/22/03