

**Notice of San Jose Water Company's Rate Increase Request
Application to the California Public Utilities Commission (CPUC)
A.26-04-010**

What is Being Requested?

San Jose Water Company (SJWC) is requesting an increase in revenue of \$25,171,741 or 4.05% to fund its Per- and polyfluoroalkyl substances (PFAS) compliance program at the company's Williams Station. PFAS are a family of widely used and long-lasting man-made chemicals with various industrial and consumer applications which have been produced since the 1940s. Perfluorooctane sulfonate (PFOS) and Perfluorooctanoic acid (PFOA) are two of the most widely recognized PFAS compounds and are used prevalently in firefighting foams and to make carpets, clothing, fabrics for furniture, paper packaging for food, non-stick cookware, and other items resistant to water, grease, fire, or stains.

The US Environmental Protection Agency (EPA) recently set a drinking water standard, or Maximum Contaminant Level (MCL), for PFAS and its related compounds. Six (6) out of the fifteen (15) wells at the Williams Station, which remain out of service, had average 2025 concentrations of PFOS above the MCL. To that end, SJWC is designing and constructing a remediation system at this facility using ion exchange treatment technology. This project will ensure SJWC can continue to deliver potable water meeting or surpassing State and Federal drinking water standards for PFOS, maximize the use of its groundwater supply, and maintain customer trust in the drinking water supply.

SJWC is submitting this application in order to ensure compliance with regulatory deadlines. Public water systems are currently required to comply with the newly established PFAS Maximum Contaminant Levels by 2029. A project of this size and scope takes many years to complete. Based on available EPA data, PFAS is a nationwide issue, and many public water systems are impacted. These utilities are also working towards compliance and competing for limited availability of goods and services from manufacturers and consulting firms. It is imperative for SJWC to move forward expeditiously and thus the reason behind this application.

Customer Class	\$ Increase	% Increase	Estimated Average Bill Changes (\$)
Residential Customer	\$25,171,741	4.05%	\$5.76

How Would This Impact the Average Residential Customer?

If the request is approved, the average residential customer with a 3/4-inch meter using 10 ccfs (1 ccf = 748 gallons) per month would see a rate increase of approximately \$5.76 per month, phased in over four years (\$0.83 in 2028, \$2.86 in 2029, \$1.72 in 2030, and \$0.35 in 2031). The actual impact will vary based on usage and other factors.

Additional Information

An administrative law judge will hold hearings, consider evidence, testimony, and public comments before drafting a proposed decision on this application. CPUC Commissioners will then vote on a final decision at a public meeting.

You can read more about the utility's request and make public comment by visiting apps.cpuc.ca.gov/c/A2604010. For questions about participating in CPUC matters, you can contact the Public Advisor's Office at Public.Advisor@cpuc.ca.gov, 1-866-849-8390, or 505 Van Ness Ave., San Francisco, CA 94102. Please reference A.26-04-010 in any communication with the CPUC.

Questions About the Request

For questions about this application, please contact SJWC at:

regulatoryaffairs@sjwater.com

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