California Public Utilities Commission

San Jose Water Company Balancing Accounts Audit

January 1, 2024 through December 31, 2024

October 2025

SJOBERG EVASHENK CONSULTING, INC

455 Capitol Mall • Suite 700 • Sacramento, California • 95814 • Tel 916.443.1300 • www.secteam.com

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EXECUTIVE SUMMARY

Purpose of the Audit

The California Public Utilities Commission (CPUC or Commission) Utility Audits Branch (UAB) within the Utility Audits, Risk and Compliance Division, engaged Sjoberg Evashenk Consulting, Inc., to conduct an audit of San Jose Water Company's 2024 balancing accounts. The purpose of this balancing account audit was to determine if transactions and activities reported and recorded in San Jose Water Company's (San Jose) balancing accounts were for allowable purposes, supported by appropriate documentation, and maintained in compliance with applicable laws and CPUC regulations.

Findings Summary

San Jose Water Company Overcharged Customers Nearly $30,000 for Water Revenue Adjustment Mechanism (WRAM) Surcharge

On May 8, 2023, the WRAM surcharge was scheduled to expire which required the utility to prorate customers' total water usage to allocate the portion of usage to the $0.3026 rate. However, San Jose Water Company did not prorate customers' usage which resulted in an overcharge billed to its customers. In a single example bill, San Jose did not perform a proration and instead billed the WRAM surcharge at the total centum cubic feet (CCF) resulting in a customer bill reflecting a $0.78 overcharge. This incorrect method to bill the WRAM surcharge at the customer's total CCF resulted in $30,000 in total overcharges to customers in 2024.

San Jose Water Company Did Not Report to CPUC Cumulative Balances for Some of Its Balancing Accounts Causing Ending Balances to be Significantly Over/Understated

At the beginning of 2024, San Jose transferred the balances at the end of December 31, 2023 for four balancing accounts—Full Cost Balancing Account, Customer Assistance Program (CAP), Pension, and Drinking Water Fees Balancing Account—into a newly created and separate account "Balancing Account Pending 2023". As a result of the transfer of these 2024 beginning balances, the 2024 ending balance in each of those four accounts as reported to CPUC represented only the incremental activity for that year and not the true accumulated balance, which does not follow the directives of the preliminary statements. The practice of lumping all ending balances for these four accounts into another account and starting each account with zero creates a transparency issue and does not allow for proper scrutiny of the true balances of each of those accounts.

Recommendations

The report provides San Jose with two recommendations for improvement:

1. Enhance procedures to ensure surcharge expiration dates are programmed into the billing system in line with regulatory rules and requirements.

2. Redistribute the balances in the Balancing Account Pending 2020, 2021, 2022, and 2023—and their share of interest earned—to each of the four balancing accounts (Full Cost, CAP, Pension, and Drinking Water) since 2020. Correct the balance information submitted to CPUC.

INTRODUCTION

Audit Authority

This audit was conducted under the general authority outlined in Public Utility (PU) Code sections 314.5, 314.6, 451, 581, 582, 584. Furthermore, PU Code section 792.5 requires the CPUC to review or audit all balancing accounts periodically to ensure that the transactions recorded in the balancing accounts are for allowable purposes and supported by appropriate documentation.

Background

CPUC has a responsibility to authorize the rates that regulated utilities may charge their customers. Considering that the rates are derived from projected costs and projected consumption of service, CPUC authorizes regulated utilities to establish balancing accounts to track the actual costs and the related revenues the utilities collect from ratepayers for specified activities. The primary purpose of a balancing account is to ensure that a utility recovers its CPUC-authorized revenue requirement from ratepayers for a given program or function, but not more or less.

Functionally, a balancing account tracks the difference between actual expenditures associated with the account, revenue authorized for recovery by CPUC (authorized revenue requirement), and the actual revenues collected within customer rates to cover those specific expenditures. Applicable rules for a given balancing account are presented in the account's preliminary statement, which also includes description of the purpose of the account, the types of costs and/or revenues that are to be tracked in the account, and specific accounting procedures that the utility must follow to record transactions for the balancing account. Additionally, unless approved otherwise, a balancing account is required to accumulate monthly interest at a rate equal to one-twelfth of the most recent month's interest rate on three-month Commercial Paper published by the Federal Reserve.

Actual revenues collected by a utility in rates can be more or less than what CPUC had authorized to collect because rates are always forward-looking and based on forecasted sales. Thus, the balance in a balancing account can either be over-or under-collected. If a balancing account is over-or under-collected, the net balance is typically recovered from or refunded to ratepayers on an annual basis through an adjustment in rates.

In 2024, San Jose Water Company was authorized 14 balancing accounts with a total combined under-collected balance of $14,221,727 as of December 31, 2024. A breakdown of the reported amounts by balancing account is provided in Appendix A.

San Jose provides service to approximately 230,000 customers in San Jose, California.

Objectives

The objectives of the audit were to determine whether San Jose's transactions and activities reported and recorded in its balancing accounts were for allowable purposes, supported by appropriate documentation, and complied with all applicable laws and CPUC regulations.

Scope

The audit covered January 1, 2024, through December 31, 2024.

Methodology

To meet the audit objectives, the audit team:

- Reviewed applicable CPUC directives and decisions, CPUC's UAB Standard Practice Manual; prior balancing account audit reports and audited financial statements; and internal policies and procedures.
- Interviewed key personnel to obtain an understanding of the accounting and billing processes related to balancing accounts.
- Identified and evaluated internal controls over its balancing accounts.
- Evaluated whether appropriate corrective action had been taken in addressing findings and recommendations from previous CPUC's UAB audits significant to the audit objectives, if any.
- Reconciled ending balances on monthly tracking statements to accounting records and the Annual Balancing Account and Memorandum Account report submitted to the Commission.
- Performed a risk assessment of the balancing accounts. In assessing significance, evaluated the relative importance of transactions in each balancing account, performed an assessment using qualitative and quantitative factors to identify risks, evaluated the relative importance of the identified risks, including how those risks could impact the accuracy and validity of the transactions and activities reported in the balancing accounts. Of San Jose Water Company's 14 balancing accounts, selected the following five accounts to include in revenue and expenditure testing: Full Cost Balancing Account (FCBA); Customer Assistance Program (CAP) Balancing Account; Pension Expense Balancing Account (PEBA); Group Insurance Balancing Account (GIBA); and Water Revenue Adjustment Mechanism (WRAM) Balancing Account.
- For revenue testing of the CAP, PEBA, GIBA, and WRAM balancing accounts, compared amounts billed to customers against amounts recorded as collections/recoveries in accounting records. Also, selected a sample of hard copy bills to compare against system billing information to ensure reliability of the system information and to determine if rates charged on

customer billings complied with CPUC directives and approved tariffs.

- For expenditure testing of the Full Cost Balancing Account (FCBA), Group Insurance Balancing Account (GIBA) and Water Revenue Adjustment Mechanism (WRAM) Balancing Account, the accounts had the following net expenses recorded in 2024:

Balancing Account	2024 Costs Recorded	Absolute Value of Costs Recorded	Absolute Value of Costs Tested	Percentage Tested
FCBA	$4,298,689	$11,131,249	$2,554,215	23%
GIBA	$8,858,037	$8,858,037	$2,235,919	25%
WRAM	$4,515,465	$8,684,842	$3,392,307	39%
Total	**$17,672,191**	**$28,674,128**	**$8,182,441**	**29%**

  For the FCBA, we selected three sample months and tested the transactions because all were generally the same type of costs such as purchase power and water, and pump taxes. Similarly, we selected three sample months and tested the transactions in the WRAM because all were generally the same type of costs, including usage, tiers, and rates.

  For each transaction tested, we reviewed supporting documentation to determine whether transactions were accurate, allowable, supported by appropriate source documents, and in compliance with applicable CPUC directives, orders, rules, and regulations.

- Calculated the amount of interest in each balancing account and determined if the calculation method used complied with applicable rules, such as earning interest monthly at a rate equal to one-twelfth of the most recent month's interest rate on three-month Commercial Paper published by the Federal Reserve.

Statement of Auditing Standards

Sjoberg Evashenk Consulting, Inc. (SEC) conducted this performance audit in accordance with generally accepted government auditing standards (GAGAS). Those standards require that auditors plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for findings and conclusions based on the audit objectives. SEC believes that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

AUDIT RESULTS

Finding 1

San Jose Water Company Overcharged Customers Nearly $30,000 for Water Revenue Adjustment Mechanism (WRAM) Surcharge

In April 2023, San Jose Water Company submitted Advice Letter 590 to implement a 12-month surcharge to amortize the under collection in the WRAM balancing account with an effective date of May 8, 2023. The audit found in 2024 San Jose overcharged 48,643 customers a total of $29,856 for the WRAM surcharge due to a manual system programming error.

Specifically, once the WRAM surcharge expired on May 8, 2024, San Jose should have prorated customers total water usage to allocate the portion of usage to its associated rate. In one example bill issued in 2024, a customer used 19 centum cubic feet (CCF) of water during a billing period that spanned 58 days, and the WRAM surcharge was effective for 50 days. Prorating the water usage using the 50 days that the WRAM surcharge was effective should result in the following:

- (19 total CCF usage * 50 days) / 58 total days) = 16.38 CCF of usage to be charged at the $0.3026 WRAM rate. This results in a $4.96 WRAM surcharge.

However, San Jose did not prorate the usage, but billed the WRAM surcharge at the customer's total water usage. In the example bill described above, a $5.74 charge was billed for the WRAM surcharge—resulting in a $0.78 overcharge on this customer's bill.

According to San Jose, a surcharge expiration date must be manually programmed into the billing system, but the expiration of the WRAM surcharge was incorrectly delayed until May 23—15 days after the surcharge's correct expiration date. As a result, San Jose's reported 2024 under-collected WRAM balance of $9,984,657 was overstated by $29,856; the under-collected balance should have been recorded as $9,954,801.

According to San Jose, once the audit identified this issue, the utility took action to correct the error and issued the required credits to affected customers August 2025.

Recommendation

To ensure that proration is performed accurately when there are scheduled rate changes, San Jose Water Company should:

1. Enhance procedures to ensure surcharge expiration dates are programmed into the billing system in line with regulatory rules and requirements.

Finding 2

San Jose Water Company Did Not Report to CPUC Cumulative Balances for Some of Its Balancing Accounts Causing Ending Balances to be Significantly Over/Understated

The 2024 ending balances for four balancing accounts did not reflect cumulative balances but rather only current year activity due to a practice that was neither pre-approved by the CPUC nor in line with generally accepted accounting practices or preliminary statements. Specifically, at the beginning of the year, San Jose transferred the balances at the end of December 31, 2023 for four balancing accounts—Full Cost Balancing Account, Customer Assistance Program (CAP), Pension, and Drinking Water Fees Balancing Account—into a newly created and separate Account "Balancing Account-Pending". In fact, San Jose has followed this practice for several years. Although this this account is not a CPUC approved balancing account, San Jose created and have been reporting a Balancing Account-Pending for 2020, 2021, 2022, and 2023. Thus, the ending balance in those four accounts as reported to CPUC in 2024 represents only the incremental activity for that year and not the true cumulative balance. According to San Jose, this practice has been ongoing for at least four years and was not authorized by CPUC but has been reported in this manner on balancing accounts or GRC for the four years.

The preliminary statements—though not explicit, discuss having accumulated balances. For example, the preliminary statement for Full Cost require in the accounting procedure, that the company will record the accumulated balance monthly and, in the "Disposition" that if the accumulated balance exceeds 2 percent of the total authorized revenue requirement for the prior calendar year, San Jose will file an advice letter to amortize the balance. Thus, it is implied that the balance is to accumulate and not start a new each year and would be consistent with generally accepted accounting practices. The practice of lumping all ending balances for these four accounts into another account and starting each account with zero creates a transparency issue and does not allow for proper scrutiny of the true balance of each of those accounts. As shown in the table on the following page, for 2024 alone, while the total balances are accounted for in total, transferring the prior year ending balance out of the four balancing accounts into a separate account result in a significant under/over reporting to CPUC for the year-end individual balances.

Balancing Account	2023 Ending Balance and Amount Reported to CPUC	2024 Beginning Balance	2024 Incremental Activity	2024 Ending Balance Reported to CPUC	Auditor Calculated 2024 Year End Balance
Full Cost	$10,078,343	$0	$4,531,750	$4,531,750	$14,610,093
CAP	($2,040,175)	$0	($1,753,854)	($1,753,854)	($3,794,029)
Pension	($549,324)	$0	$3,909,464	$3,909,464	$3,360,140
Drinking Water	($778,453)	$0	$232,951	$232,951	($545,502)
BA Pending 2023	*$0*	*$6,710,391*	*$347,529***	*$7,057,920*	*$347,529***
Total	**$6,710,391**	**$6,710,391**	**$7,267,840**	**$13,978,231**	**$13,978,231**

Note: * This excludes amounts that may have accumulated in 2000 – 2022 and only has accumulated activity for 2023 and 2024, as well as interested earned in all years.
** This is interest earned in 2024 in the newly created line item—should be allocated to the appropriate balancing accounts.

While this table demonstrates how skewed the balances for the four balancing accounts resulted with this practice, it does not provide the true cumulative balance in each of those accounts. Since 2021, San Jose has been creating a new account "Balancing Account-Pending" where it sweeps up the ending balances for four balancing accounts and creates a new account to report one balance (not separately tracked to the original balancing account), resulting in inaccurate ending balances that only reflect the annual incremental activity rather than the accumulated balance. According to San Jose, as of 2025, it no longer follows this practice. However, the balancing accounts as reported to CPUC in its 2024 report of Balancing Accounts, do not reflect the true accumulated balance in each of the four accounts which make it difficult for decision-makers to assess the over/undercollections of each account.

To ensure that CPUC and decision-makers have the correct information about the true balances in each of these accounts, San Jose should:

2. Redistribute the balances in the Balancing Account Pending 2020, 2021, 2022, and 2023—and their share of interest earned—to each of the four balancing accounts (Full Cost, CAP, Pension, and Drinking Water) since 2020. Correct the balance information submitted to CPUC.

APPENDIX A: SAN JOSE WATER'S BALANCING ACCOUNTS

	Balancing Account Name	Purpose of the Balancing Account	Balance at 12/31/2024
1	Full Cost Balancing Account	Tracks change in water supply mix and purchased power for water production cost.	$4,531,750
2	Customer Assistance Program Balancing Account (CAP)	Tracks discounts given to Low Income Programs for water related costs.	($1,753,854)
3	Pension Expense Balancing Account	Tracks difference between pension expense authorized in rates and the lesser of the actual cash contributions or FAS 87 expense.	$3,909,464
4	Drinking Water Fees Balancing Account (DWFBA)	Tracks differences between actual invoice received from DDW against what has been authorized.	$232,951
5	Group Insurance Balancing Account (GIBA)	Tracks differences between Commission authorized net company costs of group Insurance and actual costs incurred for expenses related to medical, dental and opt-out insurance expenses.	($1,260,669)
6	Water Revenue Adjustment Mechanism (WRAM) Balancing Account	Tracks differences between recorded quantity rate water revenues received under tiered rates to the equivalent rates revenue received if San Jose Water company had single quantity rates, known as uniform rates for residential customers	($9,984,657)
7	Recovery of Pressure Reducing Valve Balancing Account (PRVBA)	Tracks recovery of net under collection Pressure Reducing Valve Modernization and Energy Recovery Balancing Account	($113,213)
8	Balancing Account Pending (2020)	Tracks incremental change in water supply mix and purchased power for water production cost. Tracks discounts given to Low Income Programs for water related costs. Tracks difference between pension expense authorized in rates and the lesser of the actual cash contributions or FAS 87 expense.	($5,938,637)
9	Balancing Account Pending (2021)	Tracks incremental change in water supply mix and purchased power for water production cost. Tracks discounts given to Low Income Programs for water related costs. Tracks difference between pension expense authorized in rates and the lesser of the actual cash contributions or FAS 87 expense.	($6,501,086)
10	Balancing Account Pending (2022)	Tracks incremental change in water supply mix and purchased power for water production cost. Tracks discounts given to Low Income Programs for water related costs. Tracks difference between pension expense authorized in rates and the lesser of the actual cash contributions or FAS 87 expense.	($4,160,349)
11	Balancing Account Pending (2023)	Tracks incremental change in water supply mix and purchased power for water production cost. Tracks discounts given to Low Income Programs for water related costs. Tracks difference between pension expense authorized in rates and the lesser of the actual cash contributions or FAS 87 expense.	$7,057,919
12	SRF Loan I Balancing Account	Tracks surcharges to pay State Revolving Fund loan.	$21,356
13	SRF Loan II Balancing Account	Tracks surcharges to pay State Revolving Fund loan	($144,894)
14	Amortization of Undercollection of Various Balancing Accounts GRC 2021	Tracks adjusted balance of the authorized $6,674,556 written-off against WCMA Drought surcharge	($117,808)
		Total Balance	**($14,221,727)**

APPENDIX B: SAN JOSE WATER'S RESPONSE

SAN JOSE WATER
110 W. Taylor Street
San Jose, CA 95110-2131

October 9, 2025

Lynda McCallum, Partner
Sjoberg Evashenk Consulting, Inc.
445 Capitol Mall Suite 700
Sacrament, CA 95814

Re: Comments on Draft Report of San Jose Water Company Balancing Accounts Audit

Dear Ms. McCallum:

Thank you for the opportunity to provide comments on the draft report of the Audit of San Jose Water Company's Balancing Accounts for the period for January 1, 2024, through December 31, 2024.

The draft report identified two findings. SJWC's responses to those findings are as follows:

- **Finding 1: San Jose Water Company Overcharged Customer Nearly $30,000 for Water Revenue Adjustment Mechanism (WRAM) Surcharge**

  Response:
  The expiration of the WRAM surcharge was processed on May 23 – 15 days after the sucharge's correct expiration date. Due to the delay, customer bills during the 15-day delay included a higher WRAM surcharge. SJWC investigated the matter and promptly issued a refund to affected customers. SJWC notes that the overcollected surcharge was used to offset the ongoing WRAM balance and that SJWC did not in any way benefit from the overbilled amount. Once the refunds were issued, the amount was also credited back to the WRAM balance. This error has a zero net effect on SJWC's overall revenue.

  Going forward SJWC will enhance our surcharge configuration procedures to ensure automatic expiration of surcharges in compliance with applicable regulatory rules and requirements..

- **Finding 2: San Jose Water Did Not Report to CPUC Cumulative Balances for Some of Its Balancing Accounts Causing Ending Balances to be Significantly Over/Understated**

  Response:
  SJWC has historically summed up the year-end balances in the balancing accounts into a single balancing account. Interest is then imputed in this single account rather than for each individual balancing account. The CPUC has not found an issue with this methodology.

  However, SJWC understand that this methology can create confusion with the CPUC and audit staff. The accounts that had been tracked in this manner (balances prior to Janaury 1, 2024) have been amortized in SJWC's GRC Decision 24-12-077 and is now in a 2024 GRC Balancing and Memorandum Recovery Account offsetted by a surcharge

implemented in January 1, 2025. This is a general practice followed by SJWC and the CPUC when accounts are lumped together to be amortized as a part of the GRC Decision.

The balance for each balancing account since January 1, 2024, is representative of the cumulative amount for each account. SJWC has since changed its tracking methodology to track cumulative balances for each account separately rather than grouping them into a "Balancing Account – Pending". Please see attached the 2025 semi annual report submission demonstrating how SJWC has addressed this issue.

We appreciate the thoroughness of the this audit and your consideration of these comments in the final report.

Very truly yours,

John Tang
Vice President of Regulatory Affairs
and Government Relations

Attachment

cc: Nanci Tran, SJWC

Utility Name	Balancing Account Name	Balancing Account Description	Authorizing Decision or Resolution or Advice Letter	Balance as of the End of December 2024	Balance as of the End of June 2025	Most Recent Conducted Review/Audit	Notes or Comments
San Jose Water Company	Total number of connections at June 2025	223,183					
	Balancing Account-Pending (2020)	Tracks incremental change in water supply mix and purchased power for water production cost, Tracks discounts given to Low Income Programs for water related costs, Tracks difference between pension expense authorized in rates and the lesser of the actual cash contributions or FAS 87 expense.	D.14-08-006, August, 2014 & PUC Code 792.5	$5,938,637	$0	Yes	Closed, amount was amortized in 2024 GRC along with other balancing and memo account. See 2024 GRC Balancing and Memorandum Account Amortization below.
	Balancing Account-Pending (2021)	Tracks incremental change in water supply mix and purchased power for water production cost, Tracks discounts given to Low Income Programs for water related costs, Tracks difference between pension expense authorized in rates and the lesser of the actual cash contributions or FAS 87 expense.	D.14-08-006, August, 2014 & PUC Code 792.5	$6,501,086	$0	Yes	Closed, amount was amortized in 2024 GRC along with other balancing and memo account. See 2024 GRC Balancing and Memorandum Account Amortization below.
	Balancing Account-Pending (2022)	Tracks change in water supply mix and purchased power for water production cost, Tracks discounts given to Low Income Programs for water related costs, Tracks difference between pension expense authorized in rates and the lesser of the actual cash contributions or FAS 87 expense.	D.14-08-006, August, 2014 & PUC Code 792.5	$4,160,349	$0	Yes	Closed, amount was amortized in 2024 GRC along with other balancing and memo account. See 2024 GRC Balancing and Memorandum Account Amortization below.
	Balancing Account-Pending (2023)	Tracks change in water supply mix and purchased power for water production cost, Tracks discounts given to Low Income Programs for water related costs, Tracks difference between pension expense authorized in rates and the lesser of the actual cash contributions or FAS 87 expense.	D.14-08-006, August, 2014 & PUC Code 792.5	($7,057,919)	$0	Yes	Closed, amount was amortized in 2024 GRC along with other balancing and memo account. See 2024 GRC Balancing and Memorandum Account Amortization below.
	Full Cost Balancing Account	Tracks change in water supply mix and purchased power for water production cost	D20-010-005 & PUC Code 792.5	($4,531,750)	($5,212,772)	Yes	Balance from December 2023 was amortized in the 2024 GRC, it's included in the 2024 GRC Balancing and Memorandum Account Amortization. Balancing from 1/1/2024 forward will be amortize in 2027 GRC.
	CAP Program	Tracks discounts given to Low Income Programs for water related costs	D.04-08-054, August 19, 2004 & D.13-11-008; November 14, 2013 & AL454	$1,753,853	$2,263,669	Yes	Balance from December 2023 was amortized in the 2024 GRC, it's included in the 2024 GRC Balancing and Memorandum Account Amortization. Balancing from 1/1/2024 forward will be amortize in 2027 GRC.
	Pension	Tracks difference between pension expense authorized in rates and the lesser of the actual cash contributions or FAS 87 expense.	D.18-11-025	($3,909,464)	($7,016,603)	Yes	Balance from December 2023 was amortized in the 2024 GRC, it's included in the 2024 GRC Balancing and Memorandum Account Amortization. Balancing from 1/1/2024 forward will be amortize in 2027 GRC.
	Drinking water fees balancing account	Tracks differences between actual invoice received from DDW against what has been authorized per our GRC 2021 decision D 22-10-005	AL602A	($232,951)	$105,680	Yes	Balance from December 2023 was amortized in the 2024 GRC, it's included in the 2024 GRC Balancing and Memorandum Account Amortization. Balancing from 1/1/2024 forward will be amortize in 2027 GRC.
	Group Insurance Balancing Account	Tracks differences between Commission authorized net company costs of group Insurance and actual costs incurred for expenses related to medical, dental and opt-out insurance expenses.	AL603	$1,260,668	$1,021,851	Yes	GIBA Account created to recover rising healthcare costs, it started on 1/1/2024. Balance will be amortized in the 2027 GRC.
	SRF Loan I Surcharge	Tracks surcharges to pay State Revolving Fund loan	D.03-07-013, July 10, 2003 & AL452	($21,356)	($21,715)	Yes	Surcharge expired, remaining balance will be amortized in the 2027 GRC.
	SRF Loan II Surcharge	Tracks surcharges to pay State Revolving Fund loan	D.05-01-048, January 27, 2005 & AL392	$144,894	$118,065	Yes	
	Balancing Account-Pending (2025)		**Total**	**($5,659,644)**	**($8,838,175)**		
	Recovery of Pressure Reducing Valve Balancing account	Tracks recovery of Net under collection pressure reducing valve modernization and Energy recovery Balancing account (PRVBA)	D.19-06-010, D-20-04-003 Res W5228 AL548A	$113,213	$0	Yes	Closed, surcharge have expired and the remaining amount was amortized in 2024 GRC along with other balancing and memo account. See 2024 GRC Balancing and Memorandum Account Amortization below.
	Amortization of Undercollection of various Balancing Accounts GRC 2021	Tracks adjusted balance of the authorized $6,674,556 written-off against WCMA Drought surcharge collected per D.22-10-005	D.22-10-005 & AL581 & AL582	$117,808	$0	Yes	Closed, remaining amount was amortized in 2024 GRC along with other balancing and memo account. See Amortization of Undercollection of various Memorandum and Balancing Accounts GRC 2024 below.
	Amortization of Undercollection of various Memorandum Accounts GRC 2021	Tracks adjusted balance of the authorized $11,499,403 written-off against WCMA Drought surcharge collected per D.22-10-005	D.22-10-005 & AL581 & AL582	$202,969	$0	Yes	Closed, remaining amount was amortized in 2024 GRC along with other balancing and memo account. See 2024 GRC Balancing and Memorandum Account Amortization below.
	2024 GRC Balancing and Memorandom Account Amortization	Tracks authorized $15,791,659 per D.24-12-077 against 12-months surcharge recovery beginning on 1/1/2025	D.24-12-077 & AL613	$0	$9,845,091	Yes	Tracks surcharge recovery & monthly interest, any remaining amount after the expiration of surcharge on 1/1/2026 will be amourtized in the 2027 GRC
	Water Revenue Adjustment Mechanism (WRAM) Balancing Account	Tracks differences between recorded quantity rate water revenues received under tiered rates to the equivalent rates revenue received if San Jose Water company had single quantity rates, known as uniform rates for residential customers per D.08-08-030	D.08-08-030 and D.94-06-033	$9,984,657	$14,753,084	Yes	2% filing threshold was not met at year end 2024, will review the year end balance of 2025 to see if it reach the 2% amortization filing threshold
	Total All Accounts		Total	**$14,424,695**	**$15,856,349**		

1 A positive balance means an overcollection.
A negative balance means an undercollection.