

Report on Summary of Balancing Account
For
Class A and B Water Investor-Owned Utilities
For the Six-Month Period Ending December 31, 2025

This is the Semi-Annual Balancing Account Report on the status of balancing accounts¹ for the Class A and B Water Investor-Owned Utilities (IOU) for the six-month period ending December 31, 2025. Pursuant to Public Utilities Code §792.5 (c), the Commission is to maintain an inventory of all Class A and B large Water IOUs' balancing accounts.

Summary

The total number of balancing accounts for Class A Water IOUs is 125, a decrease of 10 balancing accounts from the number of accounts on June 30, 2025, report (see Table 1).

The total number of balancing accounts for Class B Water IOUs is 25, changed/unchanged from the June 30, 2025, report (see Table 1). In addition, the following reporting requirements as specified in the Public Utilities Code (PUC) §792.5 (e) are included for all the Class A and B water utilities:

- 1) Balancing accounts with a Semiannual-end balance with more than a 10-percent differential from the balancing account's authorized revenue amount (Table 2).
- 2) Balancing accounts with an authorized revenue amount that is in the 25th percentile of all balancing accounts (Table 3).
- 3) Balancing accounts that have experienced volatile fluctuations in their semiannual balances over time (Table 4).
- 4) Balancing accounts that have not been reviewed in the previous three years (Table 5).

The utilities' responses to the reporting requirements are listed in Tables 2 through 6 of this report. This report includes revision of instruction 5, to keep consistent with the balancing accounts sign convention from the Energy Investor-Owned Utilities (IOU's). This sign convention reports as positive all undercollection account balances (revenue or adopted target is less than expenses) and as negative all overcollection account balances (revenue or adopted revenue target exceeds expenses). In addition, Table 6 lists whether an account is undercollection or overcollection.

¹ The balancing accounts names of all the accounts are listed at the end of the report in Table 6.

Table 1. Total Number of Balancing Accounts for class A and B Water Utilities.

		Utility Name	Total No. of accounts as of June 30, 2025	Total No. of accounts as of December 31, 2025	Comments
Class A	1	Liberty Utilities (Apple Valley Ranchos)	14	14	No changes
	2	California American Water Company	22	22	No changes, some corrections reported, see next page for an explanation.
	3	California Water Service Company	22	18	Four accounts closed, see next page for an explanation.
	4	Golden State Water Company	7	9	Omitted two accounts, see next page for an explanation.
	5	Great Oaks Water Company	6	6	One account was added and one account was closed, see next page for an explanation.
	6	Liberty Utilities (Park Water Company)	9	9	No changes, except for a note, see next page for an explanation.
	7	San Gabriel Valley Water Company	24	20	Four accounts closed, see next page for an explanation.
	8	San Jose Water Company	17	9	Seven accounts closed and one account no longer listed, see next page for an explanation.
	9	Suburban Water Systems	14	18	Four new accounts, see next page for an explanation.
Total Class A Balancing Accounts			135	125	Decrease of 10 accounts.
Class B	1	Alisal Water Company	5	5	No changes
	2	Bakman Water Company	4	4	No changes
	3	Del Oro Water Company	16	16	No changes
Total Class B Balancing Accounts			25	25	

San Jose Water Company

Accounts Closed

San Jose closed seven accounts as directed in the in the 2024 General Rate Case (GRC), since their balances were amortized.

The following four accounts authorized in Decision D. 14-08-006, & PUC Code 792 are closed:

1. Balancing Account Pending (2020).
2. Balancing Account Pending (2021).
3. Balancing Account Pending (2022).
4. Balancing Account Pending (2023).

The following two accounts authorized in Decision D.22-10-005 & Advice Letters (ALs) numbers AL 581 & AL 562 are also closed:

5. Amortization of Undercollection of various Balancing Accounts GRC 2021.
6. Amortization of Undercollection of various Memorandum Accounts GRC 2021.

The last account authorized in Decisions, D. 19-06-010 & D. 20-04-003, and in Resolution W-5228 & by advice letter AL 582 is also closed:

7. The Recovery of Pressure Reducing Valve Balancing Account.

Account No Longer Listed

Note that San Jose listed in the previous report as of June 30, 2025, the account named, “Balancing Account Pending (2025) also known as Balancing Account Pending 2024”, which is no longer listed in this report².

Great Oaks Water Company

Added Account

Great Oaks Water Company added the Monterey WRAM Balancing Account because this account should have been a balancing account, instead of a memorandum account per the CPUC Audit Report for balancing accounts.

Removed Account

Great Oaks removed the Pension Expense Balancing Account, as it was ordered in Decision D.25-06-011, dated June 20, 2025, and Advice Letter AL 326-W.

² This account was the sum of the following five account balances, 1) Full Cost Balancing Account, 2) CAP Program, 3) Pension, 4) Drinking Water Fees Balancing Account, and 5) Group Insurance Balancing Account. This account was never authorized by the CPUC. and there is no reference of it, in decision D.24-12-077, dated December 19, 2024.

Park Water Company

Park Water lists the 2022 WRAM/MCBA on its report on Balancing Accounts, note that its 18-month authorized surcharge effective April 7, 2023, has expired.³.

San Gabriel Valley Water Company

San Gabriel closed four accounts reviewed in the GRC 2022 in Application A 22.01.003:

For the Los Angeles County Division,

1. 2018 Tax Accounting Balancing Account and
2. El Monte Office Balancing Account.

For the Fontana Water Company Division,

3. 2018 Tax Accounting BA, and
4. A 19-01-001 Interim Rates Balancing Account.

On March 17, 2026, San Gabriel submitted a revised report reflecting corrections to eight balancing account balances. The corrected balances are reflected in this report and are listed below:

LA County Division:

Water Cost: -\$167,104 instead of -\$163,195

Power Cost: \$155,950 instead of \$195,259

Conservation Program: \$231,142 instead of \$128,886

Drinking Water Fees BA: \$118,944 instead of \$35,170

Fontana Water Company Division:

Water Cost: -\$13,395,992 instead of -\$7,804,502

Power Cost: -\$866,436 instead of -\$968,401

Conservation Program: -\$496,064 instead of -\$448,796

Drinking Water Fees: \$55,838 instead of -\$13,517

California American Water Company

Cal Am reported that six balances of its balancing accounts were adjusted due to the following reporting errors:

³ In Decision D.20.08-047, dated August 27, 2020, the Commission ordered Liberty Park Water to not include a proposal to continue the WRAM and MCBA decoupling mechanism, but rather may include a proposal for a Monterey-Style WRAM with Incremental Cost Balancing Account in its next GRC application Pg. 67 of Decision D.23-02-003, dated February 2, 2023.

- **WRAM/MCBA:** incorrect balances were inadvertently reported for the Central Satellites and Sacramento service areas. As of June 30, 2025, the correct balances as of June 30, 2025, were an undercollection of the amount of \$757,665 for the Central Satellites and an overcollection of the amount of \$9,798 for Sacramento districts respectively.
- **Monterey Seaside Groundwater Basin Balancing Account:** The same balance from December 31, 2024, was inadvertently carried forward. The correct balance in this account as of June 30, 2025, is an undercollection of the amount of \$91,096.
- **Drinking Water Fees Balancing Account:** The balance was incorrectly reported as \$0. The correct balance as of June 30, 2025, is an undercollection of the amount of \$1,503,134.
- **Incremental Cost Balancing Account:** The balance was mistakenly reported as an overcollection, however, the correct balance as of June 30, 2025, was an undercollection of the amount of \$175,997.
- **Conservation Adjustment for Rate Tier Designs Mechanism:** An undercollection of the amount of \$27,003 for the Central Satellites services area was inadvertently excluded.
- **Customer Assistance Program Balancing Account:** Pursuant to Decision 24-12-025, credit and debit card expenses, as well as costs associated with the San Diego Service Area Multifamily Housing in Disadvantaged Communities Program and the Low-Income Joint Water and Energy Direct Install Program, are to be recorded in the CAP balancing account. As of June 30, 2025, these amounts reflect undercollection of \$381,054 (card fees) and \$133,206, (program-related costs).

Suburban Water Systems

Suburban Water identifies four new balancing accounts for which it has requested amortization of net under-collections through advice letters from its Reserve Account⁴. This Reserve Account is related to the Volume Related Cost Balancing Account -Purchased Power, Pump water, and Purchased Power (PP, PW, and PP).

Two of these Reserve Account apply to the San Jose Hills Service Area: they amortize the net under-collections in the purchased water, pumped water, and purchased power reserve accounts for the period July 1, 2022, through June 30, 2024. Recovery is implemented through a temporary surcharge on customer water consumption. The effective date of the Advice Letter (AL) 414 is August 1, 2025, with an amortization period of 24 months or until the under-collections are fully recovered.

⁴ Suburban uses its reserve accounts to track monthly differences between adopted and adopted and actual water revenues and expenses, including any necessary adjustments. When it files a Tier 1 Advice Letter or a General Rate Case application with the CPUC, Suburban retroactively applies interest to over-or under-collected balances. Upon CPUC approval, these balances are transferred to the appropriate balancing accounts and recovered through customer charges or refunded to customers, as applicable.

- 1) Volume Related Cost Balancing Account-(PP, PW, and PP) AL 414.
- 2) Volume Related Cost Balancing Account-(PP, PW, and PP) AL 414.

The remaining two accounts apply to the Whittier La Mirada Service Area. They amortize net under collections for July 1, 2024, through June 30, 2025, also through a temporary surcharge on customer water consumption. The effective date of AL 418 is January 1, 2026, with an amortization period of 12 months or until the balances are fully recovered.

- 3) Volume Related Cost Balancing Account-(PP, PW, and PP) AL 418.
- 4) Volume Related Cost Balancing Account-(PP, PW, and PP) AL 418.

Golden State Water Company

Golden State omitted two accounts in the report as of June 30, 2025, previously submitted. This is because the preliminary statements did not exist at the time of filing the report. In this report, Golden State Water Company now includes these two accounts.

In ordering paragraph 4 of D.25-01-036, dated January 30, 2025 (Application A.23-08-010), the Commission directed Golden State to discontinue its use of the full Water Revenue Adjustment Mechanism and Modified Cost Balancing Account and to transition to the Monterey Water Revenue Adjustment Mechanism (account added by AL 1970, dated September 16, 2025, and previously omitted), and also to establish an Incremental Cost Balancing Account (account also added via Advice Letter 1988 dated December 29, 2025, and previously omitted).

California Water Service Water Company

California Water Service has closed and removed from its report the following four accounts:

1. **Conservation 2018 GRC (CEBA 4)**, finalized its amortization that approved refunding of unused conservation expenses to customers through one time or 12-month surcredits depending on the district service area by Advice Letter AL 2478, effective May 5, 2023.
2. **Pension 2015 GRC (PCBA 3)**, finalized its amortization that approved an amortization of a 24-month period via Advice Letter AL 2406, effective April 15, 2021.
3. **Pension 2018 GRC (PCBA 4)**, finalized its amortization that approved an amortization via Advice Letter AL 2482, effective July 31, 2023, of a surcharge per customer per consumption for meter customers, and a fixed surcharge per service for flat-rate customers. The amortization period is 12 months except for a lumpsum charge for the Travis district.
4. **Health Cost BA 2018 GRC (HCBA 4)**, finalized its amortization that approved an amortization through a fixed sur-credit per service connection via AL 2482.

Table 2. Balancing accounts with a semi-annual ending balance with more than a 10-percent differential from the balancing account's authorized revenue amount.⁵

Utility Name	Balancing Account Name	Balance as of June 30, 2025	Balance as of December 31, 2025
Liberty Utilities (Apple Valley Ranchos)	2019 WRAM/MCBA	\$35,913	\$36,636
California American Water Company	Other Post-Employment Benefits - All Districts	-\$385,259	-\$471,276
	Pension Balancing Account-All Districts	\$2,024,955	\$2,486,581
	Monterey San Clemente Dam Project Balancing Account	\$54,282,054	\$52,909,922
	Conservation Balancing Account-All Districts	\$9,145	-\$7,090
	Water Revenue Adjustment Mechanism/MCBA	-\$915,409 ⁶	\$1,167,497
	Monterey WW Purchased Power BA	-\$171,198	-\$172,637
	Monterey Seaside Groundwater Basin Balancing Account ⁷	\$91,096 ⁸	\$166,904
	Consolidated Expense Balancing Account (CEBA)	\$2,644,626	-\$268,247
	Garrapata SDWSRF Loan Repayment BA	\$23,513	\$23,956

⁵ Authorized revenue amount is interpreted as the most recent balance authorized for amortization (i.e., amortization revenues), or the balance reviewed in the utility's last GRC, whichever is more recent. Table 2 lists the accounts with a semi-annual ending balance with more than 10% differential from the "authorized revenue amount".

⁶ The balance previously reported of an amount of -\$1,585,652 is not the correct amount, the correct balance is an amount of -\$915,409, see note on page no. 4 of this report.

⁷ The balance previously reported of the amount of \$16,682 is not the correct amount, the correct balance is an amount of \$91,096, see the note on page no. 4 of this report.

⁸ The balance previously reported of the amount of \$16,682 is not the correct amount, the correct balance is an amount of \$91,096.

Table 2. Balancing accounts with a semi-annual ending balance with more than a 10-percent differential from the balancing account's authorized revenue amount.

Utility Name	Balancing Account Name	Balance as of June 30, 2025	Balance as of December 31, 2025
California American Water Company	Customer Assistance Program Balancing Account (CAP) -All Districts	\$1,416,561 ⁹	\$1,966,146
	Group Insurance Balancing Account	-\$2,644,235	-\$2,884,520
	Incremental Cost BA	\$175,997 ¹⁰	-\$236,950
	Conservation Adjustment for Rate Tier Designs Mechanism (CART)	\$14,754,582 ¹¹	\$17,732,860
	Fruitridge SDWSRF Loan Repayment Balancing Accounts Loan D.06-04-073	\$109,872	\$109,874
	Fruitridge SDWSRF Loan Repayment Balancing Accounts Loan D.10-05-043	\$234,819	\$234,825
California Water Service Company	Drinking Water Fees BA	\$2,569,045	\$3,066,294
Golden State Water Company	American Recovery and Reinvestment Act BA	\$220,982	\$261,546
	Pension and Benefits BA	\$1,254,194	\$2,051,445
	Customer Assistance Program	-\$10,230,732	-\$10,581,737

⁹ The amount \$902,302 that Cal Am reported on the June 30, 2025, report was not the correct balance, the correct balance is \$1,416,561, see the note on page no. 4 of this report.

¹⁰ The amount -\$175,997 that Cal Am inadvertently reported on the June 30, 2025, report as an overcollection was instead an undercollection of an amount of \$175,997, see the note on page no. 4 of this report.

¹¹ The amount \$14,727,579 that Cal Am reported on the June 30, 2025, was not the correct balance, the correct balance is an amount of \$14,754,582, see the note on page no. 4 of this report.

Table 2. *Balancing accounts with a semi-annual ending balance with more than a 10-percent differential from the balancing account's authorized revenue amount.*

Utility Name	Balancing Account Name	Balance as of June 30, 2025	Balance as of December 31, 2025
Golden State Water Company	WRAM/MCBA	-\$18,341,142	-\$8,407,468
	Clearlake Supply Cost BA	-\$155,808	-\$138,257
	General Ratemaking Area BA	\$454,424	\$487,395
	Drinking Water Fees BA	-\$1,470,572	-\$1,161,861
Great Oaks Water Company	Great Oaks Water Company does not have any accounts that meet this criterion.		
Liberty Utilities (Park Water Company)	Park Water does not have any accounts that meet this criterion.		
San Gabriel Valley Water Company	LA Water Cost BA	-\$138,288	-\$167,104
	LA WRAM BA	\$577,701	\$492,705
	LA Power Cost BA	\$538,908	\$155,950
	LA CAP BA	\$1,395,325	\$1,294,701
	LA Cons. Prog. BA	\$105,719	\$231,142
	LA PABBA	\$7,077	\$7,220
	LA-A.19-01-001 Interim Rates	-\$311,569	-\$248,379
	LA Water Rights	-\$1,414,559	-\$1,113,843
	LA-A.22-01-003 Interim Rates	\$5,899,904	\$4,136,483
	LA Drought Lost Revenue	\$1,024,436	\$9,442
	LA Drinking Water Fees	\$89,843	\$118,944
	FWC Power Cost	-\$1,780,113	-\$866,436
	FWC CAP	\$652,276	\$241,694
	FWC- Conservation Program	-\$391,164	-\$496,064
	FWC WRAM	\$586,666	\$244,506
	FWC PABBA	-\$61,844	-\$63,089
	FWC A.22-01-003 Interim Rates	\$4,268,504	\$2,889,501
	FWC-Drought Lost Revenue	\$1,821,217	\$161,307
	FWC Drinking Water Fees	\$47,371	\$55,838

Table 2. Balancing accounts with a semi-annual ending balance with more than a 10-percent differential from the balancing account's authorized revenue amount.

Utility Name	Balancing Account Name	Balance as of June 30, 2025	Balance as of December 31, 2025
San Jose Water Company	San Jose Water Company does not have any accounts that meet this criterion		
Suburban Water Systems	Suburban Water Systems does not have any accounts that meet this criterion		
Alisal Water Company	Alisal Water Company does not have any accounts that meet this criterion.		
Bakman Water Company	Purchased Power Balancing Account	\$1,254,434	\$1,408,290
	Purchased Water Balancing Account	\$398,879	\$458,031
	Water Quality Balancing Account	\$104,910	\$103,968
	California Department of Public Health User Fees Balancing Account	\$73,150	\$101,121
Del Oro Water Company	Lime Saddle-Purchased Power & Water BA	\$106,043	\$84,400
	Paradise Pines-Purchased Power & Water BA	\$341,925	\$406,631
	Magalia-Purchased Power & Water BA	\$69,730	\$57,834
	California Pines-Drought BA ¹²	-\$12,154	-\$12,154
	Paradise Pines-Drought BA	-\$1,190,701	-\$1,190,701
	River Island-Drought BA	-\$48,393	-\$48,393

¹² All Drought and Lost Revenue Balancing Accounts list identical balances for the following reasons. The Lost Revenue Balancing Accounts were subject to legal proceedings involving PG&E, causing a delay in reaching a settlement. Del Oro Water Company's 2023 General Rate Case (GRC) was not finalized until July 11, 2024. In 2023, Del Oro Water Company confirmed receipt of 60% of the settlement amount, after deducting attorney fees. As a result, DOWC is considering refunding a portion of the Lost Revenue surcharge collected to its customers.

Table 2. *Balancing accounts with a semi-annual ending balance with more than a 10-percent differential from the balancing account's authorized revenue amount.*

Utility Name	Balancing Account Name	Balance as of June 30, 2025	Balancing Accounts as of December 31, 2025
Del Oro Water Company	Metropolitan-Drought BA	-\$6,056	-\$6,056
	Paradise Pines-Lost Revenue BA	-\$543,115	-\$543,115
	Lime Saddle-Lost Revenue BA	-\$93,152	-\$93,152
	Magalia-Lost Revenue BA	-\$66,820	-\$66,820
	Buzztail-Lost Revenue BA	-\$8,153	-\$8,153

Table 3. *Balancing accounts with an authorized revenue amount that is in the top 25th percentile of all balancing accounts.*

Utility Name	Balancing Account Name	Balance as of June 30, 2025	Balance as of December 31, 2025
Liberty Utilities (Apple Valley Ranchos)	Incremental Cost BA	\$2,152,336* ¹³	\$306,201
	Monterey WRAM BA	\$969,080*	\$858,784
	CARW Revenue Reallocation BA	\$559,811*	\$582,367
California American Water Company	Monterey San Clemente Dam Project Balancing Account	\$54,282,054	\$52,909,922
	Conservation Adjustment for Rate Tier Designs Mechanism	\$14,754,582 ¹⁴	\$17,732,860
	Group Insurance-All Districts	-\$2,644,235	-\$2,884,520
	Pension BA-All Districts	\$2,024,955	\$2,486,581
	Customer Assistance Program BA-All Districts	\$1,416,561 ¹⁵	\$1,966,146
California Water Service Company	Pension 2021 GRC (PCBA 5)	-\$16,047,671	-\$17,836,731
	District Specific BAs	\$10,524,102	\$10,666,269
	M-WRAM BA	\$50,425,624	\$46,611,306
	Conservation 2021 GRC (CEBA 5)	-\$2,888,811	-\$5,202,340
	Power ICBA 2025	\$1,837,103	\$5,699,738
Golden State Water Company	CAP BA	-\$10,230,732	-\$10,581,737
	WRAM/MCBA	-\$18,341,142	-\$8,407,468
Great Oaks Water Company	Purchased Power Balancing Account	\$638,410	\$593,227
	M-WRAM Balancing Account	NA	\$221,446

¹⁴ The balance previously reported of an amount of \$14,727,579 was not the correct balance, the correct balance is an amount of \$14,754,582.

¹⁵ The balance previously reported of an amount \$902,302 was not the correct balance, the correct balance is \$1,416,561.

Table 3. *Balancing accounts with an authorized revenue amount that is in the top 25th percentile of all balancing accounts.*

Utility Name	Balancing Account Name	Balance as of June 30, 2025	Balance as of December 31, 2025
Liberty Utilities (Park Water Company)	Monterey WRAM	\$3,976,631	\$4,665,743
	Incremental Cost BA	\$2,084,691	\$2,476,262
	CARW Revenue Reallocation BA	-\$1,513,942	-\$1,554,654
San Gabriel Valley Water Company	FWC-Water Cost BA	-\$9,321,111	-\$13,395,992
	LA-A.22-01-003 Interim Rates BA	\$5,899,904	\$4,136,483
	FWC-A.22-01-003 Interim Rates BA	\$4,268,504	\$2,889,501
	FWC-Drought Lost Revenue BA	\$1,821,217	-\$161,307
	LA-Water Cost BA	-\$138,288	-\$167,104
San Jose Water Company	Pension BA	-\$7,016,603	-\$8,770,920
	Water Revenue Adjustment Mechanism (WRAM) Balancing Account	\$14,753,084	\$8,553,516
	CAP Program	\$2,263,669	\$3,696,327
	2024 GRC Balancing and Memorandum Account Amortization	\$9,845,091	\$1,162,890
Suburban Water Systems	Volume Related Cost BA (PP, PW and PW AL 414) for SJH SA	NA	\$3,958,881
	Volume Related Cost BA-PP, PW, and PW (AL 414) for WLM	NA	\$3,409,502
	Volume Related Cost BA (PP, PW and PW) AL 418)	NA	\$2,537,105

Table 3. *Balancing accounts with an authorized revenue amount that is in the top 25th percentile of all balancing accounts.*

Utility Name	Balancing Account Name	Balance as of June 30, 2025	Balance as of December 31, 2025
Suburban Water Systems	WRAM BA (D.24-12-030) for SJH SA	\$1,421,709	\$1,574,323
	Reserve Account-Volume Related Cost BA (PP, PW and PW) for SJH SA	\$5,602,261	\$1,247,150
Alisal Water Company	Alisal Water Company does not have any accounts that meet this criterion.		
Bakman Water Company	Purchased Power BA	\$1,254,434	\$1,408,290
Del Oro Water Company ¹⁶	River Island District Drought BA	-\$48,393	-\$48,393
	Metropolitan District Drought BA	-\$6,056	-\$6,056
	Paradise Pines District-Lost Revenue BA	-\$543,115	-\$543,115
	Lime Saddle District Lost Revenue BA	-\$93,152	-\$93,152
	Magalia Lost Revenue BA	-\$66,820	-\$66,820
	Buzztail Lost Revenue BA	-\$8,153	-\$8,153

¹⁶ All Drought and Lost Revenue Balancing Accounts list identical balances for the following reasons. The Lost Revenue Balancing Accounts were subject to legal proceedings involving PG&E, causing a delay in reaching a settlement. Del Oro Water Company's 2023 General Rate Case (GRC) was not finalized until July 11, 2024. In 2023, Del Oro Water Company confirmed receipt of 60% of the settlement amount, after deducting attorney fees. As a result, DOWC is considering refunding a portion of the Lost Revenue surcharge collected to its customers.

Table 4. Balancing accounts that have experienced volatile fluctuations in their semi-annual balances over time (accounts that have fluctuations of 20 percent or more from the previous semi-annual balance).

Utility Name	Balancing Account Name	Balance as of June 30, 2025	Balance as of December 31, 2025
Apple Valley Water Company	Pension Expense BA	\$375,427*	-\$149,514
	Drinking Water Fees BA	\$77,963*	\$94,455
	Incremental Cost BA	\$393,936	\$306,201
California American Water Company	Conservation BA	\$9,145	-\$7,090
	WRAM/MCBA	-\$915,409 ¹⁷	\$1,167,497
	Monterey Seaside Groundwater Basin BA	\$91,096 ¹⁸	\$166,904
	Consolidated Expense Balancing Account (CEBA)	\$2,644,626	-\$268,247
	Customer Assistance Program (CAP) -All Districts	\$1,416,561 ¹⁹	\$1,966,146
	Incremental Cost BA	\$175,997 ²⁰	-\$236,950
	Hillview Grant Tax BA	-\$68,938	-\$95,804

¹⁷ The previous balance ~~-\$1,585,652~~ is not the correct amount, the correct balance is an amount of -- \$915,409, see note on page no. 4 of this report.

¹⁸ The previous balance \$16,682 is not the correct amount, the correct balance is an amount of \$91,096, see note on page no. 4 of this report.

¹⁹ The previous balance \$902,302 was not the correct balance, the correct balance is \$1,416,561, see the note on page no. 4 of this report.

²⁰ The previous balance ~~-\$175,997~~ was not the correct balance, the correct balance is an amount of \$175,997, see the note on page no. 4 of this report.

Table 4. Balancing accounts that have experienced volatile fluctuations in their semi-annual balances over time (accounts that have fluctuations of 20 percent or more from the previous semi-annual balance).

Utility Name	Balancing Account Name	Balance as of June 30, 2025	Balance as of December 31, 2025
California Water Service Company	WRAM/MCBA	\$3,636,020	\$2,073,204
	Conservation 2021GRC (CEBA5)	-\$2,888,811	-\$5,202,340
	Pension 2021 GRC (PCBA 5)	-\$16,047,671	-\$17,836,731
	CAP LIRA BA	\$5,980,114	\$1,930,820
	RSF BA	\$2,787,139	\$719,863
	Drinking Water Fees BA	\$2,569,045	\$3,066,294
	M-WRAM BA	\$50,425,624	\$46,611,306
	Water, Pump Tax, and Power ICBA for 2023	-\$2,281,444	-\$16,300
	Water ICBA 2024	-\$1,470,141	-
	Pump Tax ICBA 2024	\$793,821	-
	Power ICBA 2024	\$4,504,469	\$3,179,765
Golden State Water Company	Pension and Benefits BA	\$1,254,194	\$2,051,445
	WRAM/MCBA	-\$18,341,142	-\$8,407,468
	Drinking Water Fees BA	-\$1,470,572	-\$1,161,861
	Monterey-WRAM	-\$272,424	\$339,853
	Incremental Cost BA	\$662,177	-\$84,641
Great Oaks Water Company	GOWC does not have any accounts that meet this criterion.		
Park Water Company	Group Pension BA	\$1,220,422	\$677,002

Table 4. Balancing accounts that have experienced volatile fluctuations in their semi-annual balances over time (accounts that have fluctuations of 20 percent or more from the previous semi-annual balance).

Utility Name	Balancing Account Name	Balance as of June 30, 2025	Balance as of December 31, 2025
San Gabriel Valley Water Company	LA Cons. Prog. BA	\$105,719	\$231,142
	LA Power Cost Balancing Account BA	\$538,908	\$155,950
	LA A.19-01-001 Interim Rates BA	-\$311,569	-\$248,379
	LA Drinking Water Fees BA	\$89,843	\$118,944
	LA A.22-01-003 Interim Rates BA	\$5,899,904	\$4,136,483
	LA Drought Lost Revenue BA	\$1,024,436	\$9,442
	LA Water Rights BA	-\$1,414,559	-\$1,113,843
	FWC CAP BA	\$652,276	\$241,694
	FWC Power Cost BA	-\$1,780,113	-\$866,436
	FWC WRAM BA	\$586,666	\$244,506
	FWC A.22-01-003 Interim Rates BA	\$4,268,504	\$2,889,501
	FWC Drought Lost Revenue BA	\$1,821,217	-\$161,307
	FWC Drinking Water Fees BA	\$47,371	\$55,838
San Jose Water Company	Full Cost Balancing Account (FCBA)	-\$5,212,772	\$376,877
	CAP Program BA	\$2,263,669	\$3,696,327
	Pension BA	-\$7,016,603	-\$8,770,919
	Drinking Water Fees BA	\$105,680	\$481,397
	Group Insurance Balancing Account (GIBA)	\$1,021,851	\$764,861
	State Revolving Fund Loan (SRF 2)	\$118,064	\$91,484
	2024 GRC Balancing and Memorandum Account Amortization	\$9,845,090	\$1,162,889

Table 4. Balancing accounts that have experienced volatile fluctuations in their semi-annual balances over time (accounts that have fluctuations of 20 percent or more from the previous semi-annual balance).

Utility Name	Balancing Account Name	Balance as of June 30, 2025	Balance as of December 31, 2025
San Jose Water Company	State Revolving Fund Loan (SRF 2)	\$118,065	\$91,484
	2024 GRC Balancing and Memorandum Account Amortization	\$9,845,090	\$1,162,889
	Water Revenue Adjustment Mechanism (WRAM) Balancing Account	\$14,753,084	\$8,553,515
Suburban Water Systems, San Jose Hills Service Area (SJH SA) and Whittier La Mirada Service Area, WLM SA	Volume Related Cost BA [PP, PW, and PW (AL 364) SJH SA]	\$774,323	\$0
	Volume Related Cost BA [PP, PW, and PW (AL 364) WLM SA]	\$472,515	\$0
	Recycled Water BA (AL 364)	\$20,083	\$0
	Volume Related Cost BA (PP, PW, and PW (AL 414) for SJH	\$0	\$3,958,881
	Volume Related Cost BA (PP, PW, and PW (AL 414) for WLM	\$0	\$3,409,503
	Recycled Water BA (AL 414)	\$0	\$83,064
	Volume Related Cost BA (PP, PW, and PW (AL 418) for SJH	\$0	\$2,537,105
	Volume Related Cost BA (PP, PW, and PW (AL 418) for WLM	\$0	\$1,044,252
	Reserve Account: Volume Related Cost PP, PW, and PW for SJH SA	\$5,602,261	\$1,247,150
	Reserve Account: Volume Related Cost PP, PW, and PW for WLM	\$4,244,511	\$503,791

Table 4. Balancing accounts that have experienced volatile fluctuations in their semi-annual balances over time (accounts that have fluctuations of 20 percent or more from the previous semi-annual balance).

Utility Name	Balancing Account Name	Balance as of June 30, 2025	Balance as of December 31, 2025
Suburban Water Systems, San Jose Hills Service Area (SJH SA) and Whittier La Mirada Service Area, WLM SA	Employee Health Care BA (D.19-05-029, AL 406-W for SJH & SLM Service Areas)	-\$351,413	\$0
	Conservation Expenses One-Way BA (D.24-12-030 for SJH SA & WLM SA)	-\$144,318	\$5,374
	Drinking Water Fees BA [AL 395-W for SJH SA & WLM SA]	\$82,859	\$12,931
Alisal Water Company	Alisal Water Company does not have any accounts that meet this criterion.		
Bakman Water Company	Bakman Water Company does not have any accounts that meet this criterion.		
Del Oro Water Company	Lime Saddle-Purchased Power and Water	\$106,043	\$84,400
	Magalia-Purchased Power and Water	\$69,730	\$57,834

Table 5. *Balancing accounts that have not been reviewed in the previous three years.*

Utility Name	Balancing Account Name and Balance (if applicable)
Liberty Utilities (Apple Valley Ranchos)	The following accounts have been reviewed in the CPUC Audit to Apple Valley Ranchos in year 2023.
California American Water Company	All of California American Water’s Balancing Accounts were either reviewed in its most recent approved general rate case (D.24-12-025) or in advance letter filings within the previous three years.
California Water Service Company	All active accounts have been reviewed within the past 3 years.
Golden State Water Company	All accounts have been audited in GSWC’s GRC Application No. 23-08-010 (Decision D.25-01-036), except for the WRAM/MCBA audited in the year 2025 in Advice Letter No. 1958, filed on March 31, 2025.
Great Oaks Water Company	All accounts were reviewed by the CPUC Audit branch staff, the CPUC issued an audit report on January 2026 for Great Oaks Water Company.
Liberty Utilities (Park Water Company)	All accounts from the year 2023 were reviewed by the CPUC audit branch staff, except for Monterey WRAM that was recently authorized in Decision D.23-02-003, dated February 2, 2023.
San Gabriel Valley Water Company	According to San Gabriel, all balancing accounts have been reviewed by the Water Division through the advice letter process or in San Gabriel’s most recent general rate case A.25-01-001 within the previous three years. In addition, in 2025 the CPUC’s Utility Audits Branch conducted an audit of San Gabriel’s balancing accounts for the year 2023, with no findings.
San Jose Water Company	All accounts were reviewed in the 2024 GRC for San Jose Water Company.
Alisal Water Company	All accounts were reviewed in- the 2023 CPUC Audit Division or Advice Letters filed within the last three years.
Bakman Water Company	All accounts were reviewed in the 2023 Balancing Account Audit- completed in June 2024.

Table 5. *Balancing accounts that have not been reviewed in the previous three years*

Utility Name	Balancing Account Name and Balance (if applicable)
Del Oro Water Company	The following balancing accounts have not been reviewed within the last three years: • California Pines District-Drought Balancing Account • Magalia District-Drought Balancing Account • Strawberry District-Drought Balancing Account • Paradise Pines District-Drought Balancing Account • River Island District-Drought Balancing Account • Johnson Park District-Drought Balancing Account • Country Estates District-Drought Balancing Account • Metropolitan District-Drought Balancing Account • Paradise Pines District-Revenue Balancing Account • Lime Saddle District- Revenue Balancing Account • Magalia District- Revenue Balancing Account • Buzztail District-Revenue Balancing Account
Suburban Water Systems	According to Suburban Water System, the following reserve accounts have not been reviewed: • Volume Related Cost for Purchased Power, Purchased Water and Pumped Water (estimated for period July 2025 and December 2025): for SJH • Water Revenue Adjustment Mechanism (estimated for period September 2022 and December 2025) for SJH SA • Volume Related Cost for Purchased Power, Purchased Water and Pumped Water (estimated for period July 2025 and December 2025) for WLM SA • Water Revenue Adjustment Mechanism Balancing Account D.24-12-030 -Reserve Account (estimated for period September 2022 and December 2025) for WLM SA

Table 6. Balancing Account Names of Class A and B Water Utilities

Utility Name	Balancing Account Name		Overcollection or Undercollection
Liberty Utilities (Apple Valley Ranchos)	1	2019 WRAM/MCBA	Undercollection
	2	2020 WRAM/MCBA	Undercollection
	3	2021 WRAM/MCBA	Overcollection
	4	2022 WRAM/MCBA	Overcollection
	5	CARW Revenue Reallocation BA	Undercollection
	6	Employee and Retiree Healthcare BA	Overcollection
	7	Pension Expense BA	Overcollection
	8	One-Way Conservation BA	Overcollection
	9	Consolidated Expense BA	Overcollection
	10	Incremental Cost BA – Domestic Service	Undercollection
	11	Drinking Water Fees Balancing Account	Undercollection
	12	Yermo Water Revenue BA	Undercollection
	13	Incremental Cost BA-Irrigation	Undercollection
	14	Monterey WRAM/MCBA	Undercollection
California American Water Company	1	OPEB Balancing Account - San Diego	Overcollection
		OPEB Balancing Account -Monterey	
		OPEB Balancing Account -Monterey WW	
		OPEB Balancing Account – Toro	
		OPEB Balancing Account – LA	
		OPEB Balancing Account -Ventura	
		OPEB Balancing Account -Sacramento	
		OPEB Balancing Account -Larkfield	
	2	Pension Balancing Account -San Diego	Undercollection
		Pension Balancing Account -Monterey	
		Pension Balancing Account -Monterey WW	
		Pension Balancing Account – Toro	
		Pension Balancing Account – LA	
		Pension Balancing Account – Ventura	
		Pension Balancing Account – Sacramento	
		Pension Balancing Account -Larkfield	
	3	Monterey San Clemente Dam Project Balancing Account	Undercollection
	4	Conservation Balancing Account- Larkfield	Overcollection
		Conservation Balancing Account - Los Angeles	
		Conservation Balancing Account - Monterey Main	
		Conservation Balancing Account - Monterey Satellite	
		Conservation Balancing Account - Monterey WW	
		Conservation Balancing Account – Sacramento	
		Conservation Balancing Account - San Diego	
		Conservation Balancing Account – Ventura	
	5	WRAM/MCBA - San Diego	Undercollection
		WRAM/MCBA - Los Angeles	
		WRAM/MCBA – Ventura	

Table 6. Balancing Account Names of Class A and B Water Utilities

Utility Name	Balancing Account Name		Overcollection or Undercollection
California American Water Company	5	WRAM/MCBA – Larkfield	Overcollection
		WRAM/MCBA – Monterey	
		WRAM/MCBA - Monterey-Ambler	
		WRAM/MCBA - Monterey-Toro	
		WRAM/MCBA - Sacramento	
	6	Monterey WW Purchased Power Balancing Account	Overcollection
	7	Monterey Seaside Groundwater Basin Balancing Account	Undercollection
	8	Consolidated Expense Balancing Account - San Diego	Overcollection
		Consolidated Expense Balancing Account - Monterey Main	
		Consolidated Expense Balancing Account – Monterey Central	
		Consolidated Expense Balancing Account – Monterey WW	
		Consolidated Expense Balancing Account – LA	
		Consolidated Expense Balancing Account – Ventura	
		Consolidated Expense Balancing Account – Sacramento	
		Consolidated Expense Balancing Account – Larkfield	
	9	Garrapata SDWSRF Loan Repayment Balancing Account	Undercollection
	10	Customer Assistance Program CAP -San Diego	Undercollection
		Customer Assistance Program CAP – Ventura	
		Customer Assistance Program CAP -Sacramento	
		Customer Assistance Program CAP– Larkfield	
		Customer Assistance Program CAP – Monterey Main	
		Customer Assistance Program CAP - Monterey Central, Monterey WW, and – Los Angeles	
	11	Group Insurance - San Diego	Overcollection
		Group Insurance – Monterey	
		Group Insurance – Monterey WW	
		Group Insurance – Toro	
		Group Insurance – LA	
		Group Insurance – Ventura	
		Group Insurance – Sacramento	
		Group Insurance – Larkfield	
	12	Drinking Water Fees Balancing Account	Undercollection
	13	Incremental Cost Balancing Account	Overcollection
	14	Conservation Adjustment for Rate Tier Designs Mechanism (CART)	Undercollection
	15	Hillview SDWSRF Loan Repayment Balancing	Undercollection
	16	Fruitridge SDWSRF Loan Repayment Balancing Accounts	Undercollection
	17	Fruitridge SDWSRF Loan Repayment Balancing Accounts	Undercollection

Table 6. Balancing Account Names of Class A and B Water Utilities

Utility Name	Balancing Account Name		Overcollection or Undercollection
California American Water Company	18	Hillview Water Treatment Balancing Account	Account Closed
	19	Hillview Grant Tax Balancing Account	Overcollection
	20	East Pasadena Purchased Power Balancing Account	Account Closed
	21	East Pasadena-Pumping Balancing Account	Account Closed
	22	East Pasadena Purchased Water Balancing Account, closed	Account Closed
California Water Service Company	1	WRAM/MCBA	Undercollection
	2	Lucerne BA	Undercollection
	3	Conservation 2021 GRC (CEBA 5)	Overcollection
	4	Pension 2021 GRC (PCBA 5)	Overcollection
	5	Health Cost BA 2021 GRC (HCBA 5)	Overcollection
	6	CAP/LIRA Balancing Account	Undercollection
	7	RSF Balancing Account	Undercollection
	8	District-Specific BAs	Undercollection
	9	Drinking Water Fees Balancing Account	Undercollection
	10	M-WRAM BA	Undercollection
	11	Water, Pump Tax, and Power ICBA 2023	Overcollection
	12	Water ICBA 2024	No Collection
	13	Pump Tax ICBA 2024	No Collection
	14	Power ICBA 2024	Undercollection
	15	Water ICBA 2025	Overcollection
	16	Pump Tax ICBA 2025	Undercollection
	17	Power ICBA 2025	Undercollection
	18	Capital One Way BA (21GRC COBA-Capital One Way BA)	Overcollection

Table 6. Balancing Account Names of Class A and B Water Utilities

Utility Name	Balancing Account Name		Overcollection or Undercollection
Golden State Water Company	1	American Recovery and Reinvestment Act of 2009	Undercollection
	2	Pension and Benefits Balancing Account	Undercollection
	3	Customer Assistance Program (formerly as California Alternative Rates for Water)	Overcollection
	4	WRAM/MCBA	Overcollection
	5	Clearlake Supply Cost Balancing Account	Overcollection
	6	General Ratemaking Area Balancing Account ("GRABA")	Undercollection
	7	Drinking Water Fees Balancing Account	Overcollection
	8, omitted	Monterey-WRAM	Undercollection
	9, omitted	Incremental Cost Balancing Account	Overcollection
Great Oaks Water Company	1	Purchased Power BA	Undercollection
	2	Groundwater Charges Other Than Agricultural Irrigation	No Collection
	3	Groundwater Charges, Agricultural Irrigation	No Collection
	4	Customer Assistance Program Surcharge Balancing Account	Undercollection
	5	Monterey WRAM Balancing Account	Undercollection
	6	Drinking Water Fees BA	Undercollection
Liberty Utilities (Park Water Company)	1	2022 WRAM/MCBA	Undercollection
	2	Recycled Water-Incremental Cost BA	Undercollection
	3	CARW Revenue Reallocation BA	Overcollection
	4	One-Way Conservation BA	Overcollection
	5	Group Pension Expense BA	Undercollection
	6	Consolidated Expense Balancing Account (CEBA)	Overcollection

Table 6. Balancing Account Names of Class A and B Water Utilities

Utility Name	Account Name		Overcollection or Undercollection
Liberty Utilities (Park Water Company)	7	ICBA	Undercollection
	8	Drinking Water Fees Balancing Account	Undercollection
	9	Monterey WRAM BA, New	Undercollection
San Gabriel Valley Water Company	1	LA-Water Cost	Overcollection
	2	LA-Power Cost	Undercollection
	3	LA-Water Revenue Adjustment Mechanism (WRAM)	Undercollection
	4	LA-Customer Assistance Program (CAP)	Undercollection
	5	LA-Conservation Program	Undercollection
	6	LA-Previously Authorized Balances Balancing Account (PABBA)	Undercollection
	7	LA-A.19-01-001 Interim Rates Balancing Account	Overcollection
	8	LA-Drinking Water Fees Balancing Account (DWFBA)	Undercollection
	9	LA-A.22-01-003 Interim Rates Balancing Account	Undercollection
	10	LA-Drought Lost Revenue Balancing Account	Undercollection
	11	LA-Water Rights Balancing Account	Overcollection
	12	FWC-Water Cost	Overcollection
	13	FWC-Power Cost	Overcollection
	14	FWC-Water Revenue Adjustment Mechanism (WRAM)	Undercollection
	15	FWC-Customer Assistance Program (CAP) Balancing Account	Undercollection
	16	FWC-Conservation Program	Overcollection
	17	FWC-Previously Authorized Balances Balancing Account (PABBA)	Overcollection

Table 6. Balancing Account Names of Class A and B Water Utilities

Utility Name	Account Name		Overcollection or Undercollection
San Gabriel Valley Water Company	18	FWC-A.22-01-003 Interim Rates Balancing Account	Undercollection
	19	FWC-Drought Lost Revenue Balancing Account	Overcollection
	20	FWC-Drinking Water Fees Balancing Account (DWFBA)	Overcollection
San Jose Water Company	1	Full Cost Balancing Account BA	Undercollection
	2	CAP Program BA	Undercollection
	3	Pension BA	Overcollection
	4	Drinking Water Fees BA	Undercollection
	5	Group Insurance BA	Undercollection
	6	SRF Loan I Surcharge BA	Overcollection
	7	SRF Loan II Surcharge BA	Undercollection
	8	2024 GRC Balancing and Memorandum Account Amortization	Undercollection
	9	Water Revenue Adjustment Mechanism (WRAM) BA	Undercollection

Table 6. Balancing Account Names of Class A and B Water Utilities

Utility Name	Account Name		Overcollection or Undercollection
Suburban Water Systems	1	WRAM BA (D2110024)- San Jose Hills SA	Overcollection
	2	Reserve Account-WRAM BA (D2412030)-San Jose Hills SA	Undercollection
	3	Volume Related Cost BA - Purchased Power, Purchased Water, and Pumped Water (AL 364) -SJH SA	No Collection
	4	Volume Related Cost BA - Purchased Power, Purchased Water, and Pumped Water (AL 414) -SJH SA	Undercollection
	5	Volume Related Cost BA - Purchased Power, Purchased Water, and Pumped Water (AL 418) -SJH SA	Undercollection
	6	Reserve Account-Purchased Power, Purchased Water, and Pumped Water-SJH SA	Undercollection
	7	Recycled Water (AL 364) -San Jose Hills SA	No Collection
	8	Recycled Water (AL 414) -San Jose Hills SA	Undercollection
	9	WRAM BA Whittier-La Mirada SA (D2110024)	Overcollection
	10	Reserve Account: WRAM BA -La Mirada SA (D2412030)	Undercollection
	11	Volume Related Cost - PP, PW, and PW (AL 364)-Whittier La Mirada SA	No Collection
	12	Volume Related Cost-PP, PW, and PW (AL 414) -La Mirada SA (Estimated Reserve Account Balance)	Undercollection
	13	Volume Related Cost-PP, PW, and PW (AL 418) -La Mirada SA (Estimated Reserve Account Balance)	Undercollection
	14	Reserve Account: Volume Related Cost -Purchased Power, PW, and PW-La Mirada SA	Undercollection
	15	Sativa Cost Production Cost Balancing Account for WLM SA	Undercollection
	16	Employee Healthcare (D1905029)- Both San Jose and Whittier La Mirada Service Areas	No Collection
	17	Conservation Expenses One Way BA-(D1905029, AL 406-W) for the San Jose and Whittier La Mirada Service Areas	Undercollection
	18	Drinking Water Fees BA (AL 395-W) for SJH & WLM SAs	Undercollection

Table 6. Balancing Account Names of Class A and B Water Utilities

Utility Name	Balancing Account Name		Overcollection or Undercollection
Alisal Water Company	1	Water Quality Expenses BA	Undercollection
	2	SWRCB User Fee Balancing Account (also known as Department of Public Health User Fee)	Undercollection
	3	Water Revenue Adjustment BA	Undercollection
	4	Water Conservation Expense One Way BA	Undercollection
	5	Purchased Power Balancing Account	Undercollection
Bakman Water Company	1	Purchased Power BA	Undercollection
	2	Purchased Water BA	Undercollection
	3	Water Quality BA	Undercollection
	4	California Department of Public Health User Fees Balancing Account BA	Undercollection
Del Oro Water Company	1	River Island District-Purchased Power and Water BA	Undercollection
	2	Lime Saddle District-Purchased Power and Water BA	Undercollection
	3	Magalia District-Purchased Power and Water BA	Undercollection
	4	Paradise Pines District-Purchased Power and Water BA	Undercollection
	5	California Pines District-Drought Balancing BA	Overcollection
	6	Magalia District-Drought Balancing	Overcollection
	7	Strawberry District-Drought BA	No Collection
	8	Paradise Pines District-Drought BA	Overcollection
	9	River Island District-Drought BA	Overcollection
	10	Johnson Park District-Drought BA	Overcollection
	11	Country Estates District-Drought BA	Overcollection
	12	Metropolitan District-Drought BA	Overcollection
	13	Paradise Pines District-Revenue BA	Overcollection
	14	Lime Saddle-Revenue BA	Overcollection
	15	Magalia District-Revenue BA	Overcollection
	16	Buzztail District-Revenue BA	Overcollection