SAN GABRIEL VALLEY WATER COMPANY

August 15, 2025

U337W

Carmen Rocha, Utilities Engineer
Water Division
California Public Utilities Commission
505 Van Ness Avenue, Room 3200
San Francisco, CA 94102

(by email)

Subject: Authorized Balancing Account Outstanding Balances for June 2025

Dear Ms. Rocha:

Per Bruce DeBerry's letter dated June 16, 2014, and your January 16, 2015 email, San Gabriel Valley Water Company provides its June 30, 2025 balancing account balances below.

Additionally, San Gabriel identifies each balancing account consistent with the following criteria:

(1) Balancing accounts with a quarter-end balance with more than a 10-percent differential from the balancing account's authorized revenue amount.

RESPONSE: San Gabriel interprets "authorized revenue amount" to be the most recent balance reviewed by Water Division in an advice letter, the balance audited by the Commission's Utility Audits Branch in 2021, or the balance reviewed by the Commission's Public Advocates Office in San Gabriel's General Rate Case A.22-01-003, (whichever is more recent). The following table lists the accounts with a quarter-end balance with more than a 10% differential from the "authorized revenue amount." The table also shows the account balance as a percentage of current authorized revenues in the division.

Div.	Balancing Account	Balance at 06/30/2025	Most Recent Conducted Review Balance	GRC/AL/UAB	% Differential	Authorized Revenue Requirement for Division	6/30/2025 Balance as % of Authorized Revenue Requirement
LA	Water Cost	($138,288)	$597,960	2022 GRC	123.1%	$100,480,000	0.1%
LA	WRAM	$577,701	$1,088,276	2022 GRC	46.9%	$100,480,000	0.6%
LA	Power Cost	$538,908	$2,006,769	AL 573	73.1%	$100,480,000	0.5%
LA	CAP	$1,395,325	$458,680	2022 GRC	204.2%	$100,480,000	1.4%
LA	Cons. Prog.	$105,719	($30,114)	UAB Audit	451.1%%	$100,480,000	0.1%
LA	PABBA	$7,077	$14,982	2022 GRC	52.8%	$100,480,000	0.0%
LA	A.19-01-001 Interim Rates	($311,569)	($411,348)	2022 GRC	24.3%	$100,480,000	0.3%
LA	Water Rights	($1,414,559)	($1,894,000)	2022 GRC	25.3%	$100,480,000	1.4%
LA	A.22-01-003 Interim Rates	$5,899,904	$6,718,698	AL 615	12.2%	$100.480.000	5.9%
LA	Drought Lost Revenue	$1,024,436	$1,790,496	AL 604	42.8%	$100,480,000	1.0%
FWC	Power Cost	($1,780,113)	$431,113	2022 GRC	512.9%	$98,590,000	1.8%
FWC	CAP	$652,276	$510,183	2022 GRC	27.9%	$98,590,000	0.7%
FWC	Cons. Prog.	($391,164)	($229,257)	2022 GRC	70.6%	$98,590,000	0.4%
FWC	Water Cost	($9,321,111)	($7,264,913)	AL 593	28.3%	$98,590,000	9.5%
FWC	WRAM	$586,666	$509,545	2022 GRC	15.1%	$98,590,000	0.6%
FWC	PABBA	($61,844)	($1,525)	2022 GRC	3955.3%	$98,590,000	0.1%
FWC	A.22-01-003 Interim Rates	$4,268,504	$4,885,081	AL 615	12.6%	$98,590,000	4.3%
FWC	Drought Lost Revenue	$1,821,217	$3,218,702	AL 604	43.4%	$98,590,000	1.8%

(2) Balancing accounts with an authorized revenue amount that is in the top 25th percentile of all balancing accounts.

RESPONSE: San Gabriel interprets "authorized revenue amount" to be the most recent balance reviewed by Water Division in an advice letter, the balance audited by the Commission's Utility Audits Branch in 2021, or the balance reviewed by the Commission's Public Advocates Office in San Gabriel's GRC A.22-01-003, (whichever is more recent). The following table lists the five accounts with the largest authorized balances (i.e. top 25th percentile).

Div.	Balancing Account	Authorized Balance	Balance Reviewed in:
FWC	Water Cost Balancing Account	($7,264,913)	2023 (AL 593)
LA	A.22-01-003 Interim Rates Balancing Account	$6,718,698	2025 (AL 615)
FWC	A.22-01-003 Interim Rates Balancing Account	$4,885,081	2025 (AL 615)
FWC	Drought Lost Revenue Balancing	$3,218,702	2024 (AL 604)
LA	Power Cost Balancing Account	$2,006,769	2021 (AL 573)

(3) Balancing accounts with fluctuations within 20 percent from the previous semiannual balance.

RESPONSE: San Gabriel interprets this request as identifying those accounts that have experienced fluctuations of 20 percent or more relative to the previous semiannual balance:

Div.	Balancing Account	Fluctuation from Previous Semi-Annual Balance (%)
LA	Power Balancing Account	39.8%
LA	Cons. Prog. Balancing Account	203.8%
LA	Water Cost Balancing	106.9%
LA	PABBA Balancing Account	34.3%
LA	Drinking Water Fees Balancing Account	327.3%
FWC	CAP Balancing Account	21.7%
FWC	Power Balancing Account	64.4%
FWC	Cons. Prog. Balancing Account	60.5%
FWC	PABBA Balancing Account	48.4%
FWC	WRAM	29.6%
FWC	Water Cost Balancing	28.3%
FWC	Drinking Water Fees Balancing	89.0%

(4) Balancing accounts that have not been reviewed in the previous three years.

RESPONSE: The Los Angeles County Division Conservation Program balancing account was audited in 2021, by the CPUC's Utility Audits Branch, and the Los Angeles County Division Power Cost balancing account was reviewed in Advice Letter 573 in 2021. Additionally, the Los Angeles County Division and Fontana Water Company Division Drinking Water Fees balancing accounts have not been reviewed, as they were opened on January 1, 2024. All other balancing accounts have been reviewed in the previous three years. Additionally, the CPUC's Utility Audits Branch is currently conducting an audit of San Gabriel's balancing accounts for the year 2023.

Very truly yours,

Joel M. Reiker
Vice President of Regulatory Affairs

cc:
Wilson Tsai, CPUC – Water Division (Wilson.Tsai@cpuc.ca.gov)
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Utility Name	Balancing Account Name	Balancing Account Description	Authorizing Decision or Resolution or Advice Letter	Reported Balance as of End of December 2024	Balance as of the End of June 2025	Most Recent Conducted Review/Audit (either GRC or other method)	Notes or Comments
San Gabriel Valley Water Company	Total number of connections per 2024 Los Angeles County Division Annual Report: 51,353						
Los Angeles County Division	Water Cost	Tracks variances in pumped & purchased water related costs	P.U. Code 792.5, Resolution 4505-W	$2,008,917	($138,288)	2022 (GRC A.22-01-003)	
	Power Cost	Tracks variances in purchased power related costs	P.U. Code 792.5, Resolution 4505-W	$895,489	$538,908	2021 (AL 573)	
	Water Revenue Adjustment Mechanism (WRAM)	Tracks the quantity rate revenues under Schedule No. LA-1C against revenues that would be collected under single-block quantity rate	D.10-04-031; April 8, 2010 & AL 429	$721,064	$577,701	2022 (GRC A.22-01-003)	Note_1
	Customer Assistance Program (CAP)	Tracks recorded program costs vs. costs reflected in rates	D.05-05-015; May 5, 2005	$1,461,831	$1,395,325	2022 (GRC A.22-01-003)	
	Conservation Program	Tracks water conservation program related costs	D.11-11-018; November 10, 2011	($101,846)	$105,719	2019 (UAB Audit conducted in 2021)	
	Previously Authorized Balances Balancing Account (PABBA)	Tracks residual balances transferred from memo accounts that have been approved and amortized	Resolution W-5043	$5,271	$7,077	2022 (GRC A.22-01-003)	
	2018 Tax Accounting Balancing Account	Tracks authorized amortization of balance previously recorded in 2018 Tax Acct. Memo Acctount	D.24-03-005, March 7, 2024	$96,485	N/A	2022 (GRC A.22-01-003)	Note_2
	El Monte Office Balancing Account	Tracks authorized amortization of balance previously recorded in El Monte Office Memo Account	D.24-03-005, March 7, 2024	$1,007	N/A	2022 (GRC A.22-01-003)	Note_3
	A.19-01-001 Interim Rates Balancing Account	Tracks authorized amortization of balance previously recorded in A.19-01-001 Interim Rate Memo Account	D.24-03-005, March 7, 2024	($371,877)	($311,569)	2022 (GRC A.22-01-003)	
	Drinking Water Fees Balancing Account (DWBA)	Tracks difference between actual fees charged by State Water Board and amount authroized in rates	Resolution W-4698	($39,520)	$89,843	N/A	
	A.22-01-003 Interim Rates Balancing Account	Tracks authorized amortization of balance previously recorded in A.22-01-003 Interim Rate Memo Account	D.24-03-005, March 7, 2024	N/A	$5,899,904	2025 (AL 615)	Note_4
	Drought Lost Revenue Balancing Account	Tracks authorized amortization of balance previously recorded in Drought Lost Revenue Memo Account	Resolution W-5282	N/A	$1,024,436	2024 (AL 604)	Note_5
	Water Rights Balancing Account	Tracks authorized amortization of balance previously recorded in the Water Rights Memo Account	D.24-03-005, March 7, 2024	($1,701,676)	($1,414,559)	2022 (GRC A.22-01-003)	
				$2,975,145	$7,774,497		

Note_1: The Water Revenue Adjustment Mechanism is technically a memorandum account.

Note_2: The 2018 Tax Accounting Balancing Account was closed by AL 620 and the under-collected balance of -$6,249 was transferred to the PABBA effective May 2025.

Note_3: The El Monte Office Balancing Account was closed by AL 620 and the over-collected balance of $25 was transferred to the PABBA effective May 2025.

Note_4: The A.22-01-003 Interim Rates Balancing Account was established on March 1, 2025, by Advice Letter 615 for the purpose of amortizing the undercollected balance recorded in the A.22-01-003 Interim Rates Memorandum Account.

Note_5: The Drought Lost Revenue Balancing Account was established on January 1, 2025, by Advice Letter 604-B for the purpose of amortizing the undercollected balance recorded in the Drought Lost Revenue Memorandum Account.

A positive balance reflects an undercollection.

A negative balance reflects an overcollection.

Utility Name	Balancing Account Name	Balancing Account Description	Authorizing Decision or Resolution or Advice Letter	Reported Balance as of End of December 2024	Balance as of the End of June 2025	Most Recent Conducted Review/Audit (either GRC or other method)	Notes or Comments
San Gabriel Valley Water Company	Total number of connections per Fontana Water Company 2024 Annual Report: 48,716						
Fontana Water Company Division	Water Cost	Tracks variances in water production related costs	P.U. Code 792.5, Resolution 4505-W	($7,262,572)	($9,321,111)	2023 (AL 593)	
	Power Cost	Tracks variances in purchased power related costs	P.U. Code 792.5, Resolution 4505-W	($1,082,999)	($1,780,113)	2022 (GRC A.22-01-003)	
	Water Revenue Adjustment Mechanism (WRAM)	Tracks the quantity rate revenues under Schedule No. FO-1C against revenues that would be collected under single-block quantity rate	D.10-04-031; April 8, 2010	$452,608	$586,666	2022 (GRC A.22-01-003)	Note_1
	Customer Assistance Program (CAP)	Tracks recorded program costs vs. costs reflected in rates	D.05-05-015; May 5, 2005 & D.04-07-034; July 8, 2004	$833,053	$652,276	2022 (GRC A.22-01-003)	
	Conservation Program	Tracks water conservation program related costs	D.14-05-001; May 1, 2014	($243,786)	($391,164)	2022 (GRC A.22-01-003)	
	Previously Authorized Balances Balancing Account (PABBA)	Tracks residual balances transferred from memo accounts that have been approved and amortized	Resolution W-5043	($41,686)	($61,844)	2022 (GRC A.22-01-003)	
	2018 Tax Accounting Balancing Account	Tracks authorized amortization of balance previously recorded in 2018 Tax Acct. Memo Account	D.24-03-005, March 7, 2024	$78,489	N/A	2022 (GRC A.22-01-003)	Note_2
	A.19-01-001 Interim Rates Balancing Account	Tracks authorized amortization of balance previously recorded in A.19-01-001 Interim Rate Memo Account	D.24-03-005, March 7, 2024	$145,441	N/A	2022 (GRC A.22-01-003)	Note_3
	A.22-01-003 Interim Rates Balancing Account	Tracks authorized amortization of balance previously recorded in A.22-01-003 Interim Rate Memo Account	D.24-03-005, March 7, 2024	N/A	$4,268,504	2025 (AL 615)	Note_4
	Drought Lost Revenue Balancing Account	Tracks authorized amortization of balance previously recorded in Drought Lost Revenue Memo Account	Resolution W-5282	N/A	$1,821,217	2024 (AL 604)	Note_5
	Drinking Water Fees Balancing Account (DWBA)	Track difference between actual fees charged by State Water Board and amount authroized in rates	Resolution W-4698	$25,064	$47,371	N/A	
				($7,096,388)	($4,178,198)		

Note_1: The Water Revenue Adjustment Mechanism is technically a memorandum account.

Note_2: The 2018 Tax Accounting Balancing Account was closed by AL 620 and the over-collected balance of $7,134 was transferred to the PABBA effective May 2025.

Note_3: The A.19-01-001 Interim Rates Balancing Account was closed by AL 620 and the over-collected balance of $12,451 was transferred to the PABBA effective May 2025.

Note_4: The A.22-01-003 Interim Rates Balancing Account was established on March 1, 2025, by Advice Letter 615 for the purpose of amortizing the undercollected balance recorded in the A.22-01-003 Interim Rates Memorandum Account.

Note_5: The Drought Lost Revenue Balancing Account was established on January 1, 2025, by Advice Letter 604-B for the purpose of amortizing the undercollected balance recorded in the Drought Lost Revenue Memorandum Account.

A positive balance reflects an undercollection.

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