



**Suburban  
Water Systems**

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**VIA EMAIL**

August 15, 2025

James Boothe  
Water Division  
California Public Utilities Commission  
505 Van Ness Avenue  
San Francisco, CA 94102

Dear Mr. Boothe:

Pursuant to Division of Water and Audit's letters dated April 15, 2014, and June 16, 2014, Suburban Water Systems ("Suburban") hereby submits its Semi-Annual Report on Balances in Utility Balancing Accounts and Reserve Accounts, in addition to the response to the data request as detailed in Attachment A.

Sincerely,

/s/ Kiki Carlson

Kiki Carlson  
Director, Regulatory Affairs

cc: Linda Serizawa, Director of Public Advocates Office  
Terence Shia, Director of Water Division  
Chris Ungson, Public Advocates Office's Deputy Director for Communications and Water  
Bruce DeBerry, Program Manager – Water Division

**Attachment A**  
**Suburban Water Systems**  
**Balancing Account and Reserve Account Balances**  
**As of June 30, 2025**

Below are the balances in Suburban's Purchased Power, Purchased Water and Pumped Water Balancing Accounts excluding interest:

**TABLE 1**

| No. | Commission – authorized      | Outstanding Under/(Over) Collection Balance as of June 30, 2025 |                                       |
|-----|------------------------------|-----------------------------------------------------------------|---------------------------------------|
|     |                              | San Jose Hills (SJH) Service Area                               | Whittier/La Mirada (WLM) Service Area |
| 1.  | D.21-10-024, related to WRAM | \$(183,724)                                                     | \$(69,884)                            |
| 2.  | AL 364-W                     | \$774,323<br>Recycled water \$20,083                            | \$472,515                             |

The estimated balances in Suburban's Purchased Power, Purchased Water and Pumped Water Reserve Accounts excluding interest are as follows:

**TABLE 2**

| No. | Description                             | Reserve Accounts – Under/(Over) Collection Balance as of June 30, 2025 |                                 |
|-----|-----------------------------------------|------------------------------------------------------------------------|---------------------------------|
|     |                                         | SJH Service Area                                                       | WLM Service Area                |
| 1.  | Estimated accrual (Jul. '22 – Jun. '25) | \$5,602,261;<br>Recycled water \$78,986                                | \$4,244,511<br>Sativa \$308,999 |
| 2.  | Estimated WRAM (Jan. '21 – Jun. '25)    | \$1,421,709                                                            | \$738,102                       |

The total company reserve account balance as of June 30, 2025, pursuant to D.19-05-029 is as follows:

- Employee Healthcare \$(351,413)

The total company reserve account balance as of June 30, 2025, pursuant to D.24-12-030 is as follows:

- Conservation Expense One-Way for period 2024 – 2026, \$(144,318)

The total company reserve account balance as of June 30, 2025, pursuant to Advice Letter 395-W-A is as follows:

- Drinking Water Fees, \$82,859

The following are the authorized Test Year 2025 revenue requirements based on D.25-07-012 for the respective ratemaking area(s):

**TABLE 3**

| SJH Service Area           | WLM Service Area |
|----------------------------|------------------|
| \$59,419,397               | \$45,500,121     |
| Recycled water \$1,353,538 |                  |

Below are the additional information pursuant to Public Utilities Code Section 792.5(e) 1-4 (The Commission shall adopt balancing account review procedures that prioritize the review of the following balancing accounts):

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

Response:

None

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

Response:

- AL 364-W for service areas in SJH = \$774,323.
- Future filing for SJH WRAM \$1,421,709.
- Future filing for purchased power, purchased water and pumped water in SJH = \$5,602,261, and WLM service areas = \$4,244,511.

- (3) Balancing accounts that have experienced volatile fluctuations in their quarterly balances over time.

Response:

- AL 364-W for SJH and WLM service areas, and recycled water.
- Conservation Expenses One-Way Balancing Account.
- Drinking Water Fees Balancing Account.

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

Response:

The reserve accounts provided in Table 2 above.

Suburban Water Systems

| Utility Name                                             | Balancing Account Name                               | Balancing Account Description                                                                                                                                                               | Authorizing Decision or Resolution or Advice Letter | Under/(Over) Balance as of June 30, 2025 | Date Last Reviewed | Most Recent Conducted Review/Audit (either GRC or other Method)                                            | Notes or Comments                                                                                                     | active connection As of 6/30/25 |
|----------------------------------------------------------|------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------|------------------------------------------|--------------------|------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------|---------------------------------|
| Suburban Water Systems - San Jose Hills Service Area     | Water Revenue Adjustment Mechanism Balancing Account | To track differences between recorded quantity rate water revenues received under conservation rates versus uniform rates for residential customers.                                        | D.21-10-024                                         | (\$183,724)                              | 1/3/23 - 7/28/25   | During 2023 GRC - D.24-12-030, D.25-07-012                                                                 |                                                                                                                       |                                 |
|                                                          |                                                      |                                                                                                                                                                                             | D.24-12-030                                         | \$1,421,709                              | 1/3/23 - 7/28/25   | Included in GRC A.23-01-001 for periods through Aug. 2022. Future filing for periods Sept. 2022 - current. | The estimated unaudited WRAM balance in San Jose Hills Service Area includes period Sept. 2022 through Jun. 2025.     |                                 |
|                                                          | Volume Related Cost Balancing Account                | Balancing Account for Purchased Power, Purchased Water and Pumped Water/ Pumped Water                                                                                                       | AL 364-W                                            | \$774,323                                | 2/22/22 - 5/19/22  | AL 364-W                                                                                                   |                                                                                                                       |                                 |
|                                                          |                                                      | Reserve Account for Purchased Power, Purchased Water and Pumped Water/ Pumped Water                                                                                                         |                                                     | \$5,602,261                              | None               | Future filing                                                                                              | This is the estimated balance in San Jose Hills Service Area for period Jul. 2022 through Jun. 2025.                  | 42,399                          |
|                                                          | Recycled Water Balancing Account                     | To record the difference between recorded and authorized cost per acre foot vs. recorded cost per acre foot.                                                                                | AL 364-W                                            | \$20,083                                 | 2/22/22 - 5/19/22  | AL 364-W                                                                                                   |                                                                                                                       |                                 |
|                                                          |                                                      |                                                                                                                                                                                             |                                                     | \$78,986                                 | None               | Future filing                                                                                              | This is the estimated balance in San Jose Hills Service Area for period Jul. 2022 through Jun. 2025.                  | 41                              |
| Suburban Water Systems - Whittier/La Mirada Service Area | Water Revenue Adjustment Mechanism Balancing Account | To track differences between recorded quantity rate water revenues received under conservation rates versus uniform rates for residential customers.                                        | D.21-10-024                                         | (\$69,884)                               | 1/3/23 - 7/28/25   | During 2023 GRC - D.24-12-030, D.25-07-012                                                                 |                                                                                                                       |                                 |
|                                                          |                                                      |                                                                                                                                                                                             | D.24-12-030                                         | \$738,102                                | 1/3/23 - 7/28/25   | Included in GRC A.23-01-001 for periods through Aug. 2022. Future filing for periods Sept. 2022 - current. | The estimated unaudited WRAM balance in Whittier/La Mirada Service Area includes period Sept. 2022 through Jun. 2025. |                                 |
|                                                          | Volume Related Cost Balancing Account                | Balancing Account for Purchased Power, Purchased Water and Pumped Water/ Pumped Water                                                                                                       | AL 364-W                                            | \$472,515                                | 2/22/22 - 5/19/22  | AL 364-W                                                                                                   |                                                                                                                       |                                 |
|                                                          |                                                      | Reserve Account for Purchased Power, Purchased Water and Pumped Water/ Pumped Water                                                                                                         |                                                     | \$4,244,511                              | None               | Future filing                                                                                              | This is the estimated balance in Whittier/La Mirada Service Area for period Jul. 2022 through Jun. 2025.              | 33,425                          |
|                                                          | Sativa Production Cost Balancing Account             | To record the difference between the recorded Water Replenishment District (WRD) Assessment and Liberty Park rates, and the adopted rates of \$382 and \$1,800 per acre foot, respectively. |                                                     | \$308,999                                | None               | Future filing                                                                                              | This is the estimated balance in Sativa system for Dec. 2022 through Jun. 2025.                                       | 1,334                           |
|                                                          |                                                      |                                                                                                                                                                                             |                                                     |                                          |                    |                                                                                                            |                                                                                                                       |                                 |

Suburban Water Systems

| Utility Name                           | Balancing Account Name                          | Balancing Account Description                                                                                                                                                                        | Authorizing Decision or Resolution or Advice Letter | Under/(Over) Collection Balance as of June 30, 2025 | Date Last Reviewed | Most Recent Conducted Review/Audit (either GRC or other Method)    | Notes or Comments                            | active connection As of 6/30/25 |
|----------------------------------------|-------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------|-----------------------------------------------------|--------------------|--------------------------------------------------------------------|----------------------------------------------|---------------------------------|
| Suburban Water Systems - Total Company | Employee Healthcare Balancing Account           | To record and recover the difference between the adopted and actual costs of employee healthcare expenses.                                                                                           | D.19-05-029                                         | (\$351,413)                                         | 1/3/23 - 7/28/25   | Included in GRC A.23-01-001, Authorized in D.24-12-030/D.25-07-012 |                                              | 77,199                          |
|                                        | Conservation Expenses One-Way Balancing Account | To track the actual versus authorized conservation expenses, plus rebates received over the 3-year GRC cycle (2024 - 2026). Any unspent funds collected through rates can be returned to ratepayers. | D.24-12-030                                         | (\$144,318)                                         | None               | Future filing                                                      |                                              |                                 |
|                                        | Drinking Water Fees Balancing Account           | To track the difference between all actual fees charged by the State Water Resources Control Board and the fees authorized in rates.                                                                 | AL 395-W-A                                          | \$82,859                                            | None               | Future filing                                                      | This is an estimated amount as of Jun. 2025. |                                 |
|                                        |                                                 |                                                                                                                                                                                                      |                                                     |                                                     |                    |                                                                    |                                              |                                 |