

Report of Summary of Balancing Accounts

For

Class A and B Water Investor-Owned Utilities

For the Six-Month Period Ending June 30, 2018

This is a report on the status of the balancing accounts¹ for the Semi-Annual reports from the large Water Investor Owned Utilities (IOU) submitted as of June 2018 pursuant to Public Utilities Code §792.5.

Summary

The total net change in the number of balancing accounts for Class A Water IOUs decreased from December 2017 (155) to June 2018 (153) (see Table 1). The total net change in the number of balancing accounts for Class B Water IOUs remained the same (a total of 24 accounts), see Table 1.

The following reporting requirements as specified in the Public Utilities Code §792.5 were requested of 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.
- 2) Balancing accounts with an authorized revenue amount that is in the 25th percentile of all balancing accounts.
- 3) Balancing accounts that have experienced volatile fluctuations in their semiannual balances over time.
- 4) Balancing accounts that have not been reviewed in the previous three years.

¹ The balancing accounts names include and are not limited to, drought balancing account, purchased power, purchased water, pump tax, payroll, conservation expense, low income discount, water revenue adjustment mechanism/modified cost balancing account (WRAM/MCBA), etc.

The utility responses to the reporting requirements are listed in tables numbers two thru five of this report. Positive dollar amounts indicate over collection balances and negative dollar amounts in red text indicate under collection balances.

Table 1. List of total Number of Accounts for class A and B Water Utilities

		Utility Name	Total No. of Accounts as of December 2017	Total No. of accounts as of June 2018
Class A	1	Liberty Utilities (Apple Valley Ranchos)	14	14 ²
	2	California American Water Company	57	57
	3	California Water Service Company	12 ³	9 ⁴
	4	Golden State Water Company	16	16
	5	Great Oaks Water Company	9	9
	6	Liberty Utilities (Park Water Company)	8	9 ⁵
	7	San Gabriel Valley Water Company	14	14
	8	San Jose Water Company	24 ⁶	24 ⁷
	9	Suburban Water Systems	1	1
Total Class A Balancing Accounts			155	153
Class B	1	Alisal Water Company	3	3
	2	Bakman Water Company	4	4
	3	East Pasadena Water Company	4	4
	4	Del Oro Water Company	12	12
	5	Fruitridge Vista Water Company	1	1
Total Class B Balancing Accounts			24	24

² Apple Valley Ranchos has a new account, "2018 WRAM/MCBA", There are four accounts with zero balances in the December 31, 2017 report and three accounts with zero balances in the June 30, 2018 report.

³ There are four accounts with zero balance in the December 2017 report.

⁴ There are nine accounts with zero balance in the June 2018 report.

⁵ Added one new account "2018 WRAM/MCBA"

⁶ One account has zero balance in the December 2017 report.

⁷ There were six accounts that have a zero balance and a new account, entitled "Balancing Account-Pending (2017)"

Table 2. Balancing accounts with a semiannual-end balance with more than a 10-percent differential from the balancing account’s authorized revenue amount.

Liberty Utilities (Apple Valley Ranchos)		Balance as of December 31, 2017	Balance as of June 30, 2018	
		2018 WRAM/MCBA	\$0	\$86,277
California American Water Company		Balance as of December 31, 2017	Balance as of June 30, 2018	
		OPEB Balancing Account - San Diego	\$11,889	\$31,715
		OPEB Balancing Account - Monterey	\$70,678	\$185,081
		OPEB Balancing Account - Monterey WW	\$5,493	\$23,699
		OPEB Balancing Account - Toro	\$751	\$1,908
		OPEB Balancing Account - LA	\$23,078	\$69,520
		OPEB Balancing Account - Ventura	\$10,836	\$28,671
		OPEB Balancing Account - Sacramento	\$20,467	\$69,114
		OPEB Balancing Account - Larkfield	-\$86	\$2,515
		Pension Balancing Account - San Diego	\$577,653	\$605,521
		Pension Balancing Account - Monterey	\$2,024,034	\$2,120,285
		Pension Balancing Account - Monterey WW	\$190,363	\$194,047
		Pension Balancing Account - Toro	\$20,866	\$21,844
		Pension Balancing Account - LA	\$797,268	\$837,280
		Pension Balancing Account - Ventura	\$ 488,457	\$510,272
		Pension Balancing Account - Sacramento	\$1,055,201	\$1,107,121
		Pension Balancing Account - Larkfield	\$146,259	\$153,717
		Old Monterey Style WRAM Balancing Account	-\$961,845	-\$966,003
		Monterey San Clemente Dam Project Balancing Account	-\$354,904	-\$948,403
		Monterey Coastal Water Project	\$1,707,587	\$1,741,844
	Larkfield Conservation Balancing Account	\$24,851	\$1,758	

Report on Balancing Accounts as of June 30, 2018

		Balance as of December 31, 2017	Balance as of December 31, 2017
California American Water Company	Los Angeles Conservation Balancing Account	\$19,861	-\$41,846
	Monterey Conservation Balancing Account	-\$322,177	-\$68,781
	Sacramento Conservation Balancing Account	-\$94,796	-\$43,347
	Ventura Conservation Balancing Account	-\$72,975	-\$49,882
	Ventura WRAM/MCBA	-\$9,131,608	-\$10,262,103
	Larkfield WRAM/MCBA	-\$1,327,000	-\$1,499,303
	Monterey WRAM/MCBA	-\$56,637,015	-\$52,700,195
	Sand City Desalination Plant Purchased Water Balancing Account	-\$1,746,453	-\$1,863,484
	Sacramento Purchased Water and Power Balancing Account	-\$195,074	-\$195,074
	Monterey Seaside Basin Adjudication Balancing Account	-\$418,671	-\$291,045
	Consolidated Expense Balancing Account – San Diego	-\$19,550	\$60,461.06
	Consolidated Expense Balancing Account - Monterey	-\$6,021,699	-\$4,984,836
	Consolidated Expense Balancing Account - Toro	-\$63,144	-\$51,659
	Consolidated Expense Balancing Account - LA	-\$667,989	-\$251,518
	Consolidated Expense Balancing Account - Ventura	-\$91,980	\$6,505
	Consolidated Expense Balancing Account - Sacramento	-\$2,148,480	-\$1,578,406
	Consolidated Expense Balancing Account - Larkfield	-\$143,212	-\$108,450
	Consolidated Expense Balancing Account -Monterey (Ambler)	\$45,238	\$35,501
	Garrapata SDWSRF Loan Repayment Balancing Accounts	\$14,712	\$15,756
	Low-Income Ratepayer Assistance (LIRA) Program Balancing Account -San Diego	-\$839,678	-\$903,991
Low-Income Ratepayer Assistance (LIRA) Program Balancing Account - Ventura	\$162,777	\$242,903	

Report on Balancing Accounts as of June 30, 2018

California American Water Company		Balance as of December 31, 2017	Balance as of December 31, 2017
	Low-Income Ratepayer Assistance (LIRA) Program Balancing Account - Sacramento	-\$1,473,632	-\$1,447,819
	Low-Income Ratepayer Assistance (LIRA) Program Balancing Account - Larkfield	-\$43,332	-\$38,206
	Low-Income Ratepayer Assistance (LIRA) Program Balancing Account – Monterey	-\$51,988	-\$72,980
	Low-Income Ratepayer Assistance (LIRA) Program Balancing Account - Los Angeles	-\$1,037,292	-\$1,054,462
California Water Service Company		Balance as of December 31, 2017	Balance as of June 30, 2018
	WRAM/MCBA	-\$69,127,443	-\$65,823,174
	Conservation 2015 GRC (CEBA 3)	\$2,261,248	\$4,526,557
	Pension 2015 GRC (PCBA 3)	-\$2,321,617	-\$5,136,396
	Health Cost BA - 2015 GRC (HCBA3)	\$7,749,543	\$11,127,400
	LIRA Balancing Account	-\$1,463,395	-\$1,714,463
	Interim Rates (old GRCs) Balancing Accounts	\$405,703	-\$129,638
Golden State Water Company		Balance as of December 31, 2017	Balance as of June 30, 2018
	Well Study Balancing Account	-\$95,471	\$24,065
	Pension and Benefits Balancing Account	\$588,185	\$1,325,467
	California Alternative Rates for Water	-\$5,569,052	-\$4,569,764
	Region 3 Rate Base Surcharge	-\$16,018	\$19,645
	Clearlake Supply Cost Balancing Account	-\$15,568	\$19,989

Report on Balancing Accounts as of June 30, 2018

Great Oaks Water Company		Balance as of December 31, 2017	Balance as of June 30, 2018
	Purchased Power BA	-\$94,149	-\$148,332
Liberty Utilities (Park Water Company)		Balance as of December 31, 2017	Balance as of June 30, 2018
	2015 WRAM/MCBA	-\$842,603	-\$642,943
	2016 WRAM/MCBA	-\$3,237,755	-\$3,267,765
	2017 WRAM/MCBA	-\$3,497,275	-\$3,529,743
San Gabriel Valley Water Company	Los Angeles County Division (LACD)/ Fontana Water Company Division (FWCD)	Balance as of December 31, 2017	Balance as of June 30, 2018
	LA Water Cost	-\$731,665	-\$904,944
	LA Power Cost	\$769,827	\$523,782
	LA Water Revenue Adjustment Mechanism	-\$1,256,691	-\$1,388,570
	LA California Alternative Rates for Water	-\$2,091,242	-\$619,503
	LA Conservation Program	\$260,876	\$215,441
	LA Previously Authorized Balances Balancing Account (PABBA)	\$466,183	-\$518,973
	FW Power Cost	\$398,443	\$654,193
	FW Water Revenue Adjustment Mechanism	-\$1,673,746	-\$1,315,741
	FW California Alternative Rates for Water	-\$1,297,454	-\$1,362,113
	FW Conservation Program	-\$60,504	-\$63,697
	FW Previously Authorized Balances Balancing Account (PABBA)	\$4,157,004	-\$3,106,979
San Jose Water Company		Balance as of December 31, 2017	Balance as of June 30, 2018
	SRF Loan I Surcharge	-\$768,866	-\$713,959
Suburban Water Systems	San Jose Hills Service Area (SJHSA) or Whittier La Mirada Service Area (WLMSA)	Balance as of December 31, 2017	Balance as of June 30, 2018
	Purchased Power, Purchased Water and Pumped Water- SJHSA	-\$654,195	-\$17,109

Report on Balancing Accounts as of June 30, 2018

Alisal Water Company	Utility does not have a balancing account that meets this criterion.		
Bakman Water Company		Balance as of December 31, 2017	Balance as of June 30, 2018
	Purchased Power BA	-\$260,969	-\$227,518
	Purchased Water BA	-\$108,898	-\$126,689
East Pasadena Water Company	Utility does not have a balancing account that meets this criterion.		
Del Oro Water Company		Balance as of December 31, 2017	Balance as of June 30, 2018
	Lime Saddle District-Purchased Power and Water	\$114,732	\$139,671
	Paradise Pines District-Purchased Power and Water	\$153,228	\$263,278
	California Pines District-Drought Balancing	-\$15,909	-\$15,909
	Magalia District-Drought Balancing	-\$48,812	-\$55,454
	Paradise Pines District	-\$1,019,876	-\$828,852
	River Island District- Drought Balancing	-\$10,162	-\$13,116
	Metropolitan District- Drought Balancing	-\$924	-\$1,893
Fruitridge Vista Water Company	Utility does not have a balancing account that meets this criterion.		

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

Utility Name		
Liberty Utilities (Apple Valley Ranchos)	Balancing Account Name	Balance as of end of June 30, 2018
	CARW Revenue Reallocation	-\$1,111,141
	Pension Expense Balancing Account	\$944,319
	2014 WRAM/MCBA	-\$670,428
	2016 WRAM/MCBA	-\$249,279
California American Water Company	Balancing Account Name	Balance as of end of June 30, 2018
	Monterey District WRAM/MCBA	-\$52,700,195
California Water Service Company	Balancing Account Name	Balance as of end of June 30, 2018
	WRAM/MCBA	-\$65,823,174
	Health Cost BA - 2015 GRC (HCBA3)	\$11,127,400
	District-Specific BAs	-\$6,876,221
Golden State Water Company	Balancing Account Name	Balance as of end of June 30, 2018
	WRAM/MCBA	-\$30,456,715
	Aerojet Water Litigation Memorandum Account	-\$10,272,402
	2016 Interim Rate True-up Memorandum Account	-\$8,164,553
	California Alternative Rates for Water	-\$4,569,764
	Randall-Bold Balancing Account	-\$1,706,803
	Santa Maria Water Rights No. 2	-\$1,601,440
	2014 Water Conservation Memorandum Account	-\$561,725
	2018 Cost of Capital Interim Rate True-Up	\$952,024
	Pension and Benefits Balancing Account	\$1,325,467
	Tax Cuts and Jobs Act (TCJA)	\$6,412,205

Report on Balancing Accounts as of June 30, 2018

Great Oaks Water Company	Balancing Account Name	Balance as of end of June 30, 2018
	Groundwater Charges Other than Agricultural Irrigation	\$758,753
Liberty Utilities (Park Water Company)	Balancing Account Name	Balance as of end of June 30, 2018
	2018 WRAM/MCBA	-\$1,138,960
	Recycled Water-Incremental Cost BA	\$974.31
	CARW Revenue Reallocation BA	\$1,104,399
	One-Way Conservation BA	\$214,753.94
	Group Pension Expense BA	\$1,900,516
	Consolidated Expense Balancing Account (CEBA)	-\$18,874
San Gabriel Valley Water Company	Balancing Account Name	Balance as of end of June 30, 2018
	FWC Water Cost	\$654,193
	FWC CARW	-\$1,362,113
	LA CARW	-\$619,503
San Jose Water Company	Balancing Account Name	Balance as of end of June 30, 2018
	Amortization of Under collection of 2013 GRC Interim Rates Memorandum Account	-\$11,293,942
Suburban Water Systems	Utility does not have a balancing account that meets this criterion.	
Alisal Water Company	Utility does not have a balancing account that meets this criterion.	
Bakman Water Company	Balancing Account Name	Balance as of end of June 30, 2018
	Purchased Power	-\$227,518
East Pasadena Water Company	Balancing Account Name	Balance as of end of June 30, 2018
	Pumping Assessment Costs	-\$53,068

Report on Balancing Accounts as of June 30, 2018

Fruitridge Vista Water Company	Balancing Account Name	Balance as of end of June 30, 2018
	Purchased Power	\$49,538.23
Del Oro Water Company	Balancing Account Name	Balance as of end of June 30, 2018
	Paradise Pines District-Drought Balancing	-\$828,852
	Paradise Pines District-Purchased Power and Water	\$263,278.97
	Johnson Park District -Drought Balancing Account	-\$140,320
	Lime Saddle District -Purchased Power and Water	\$139,671
	Magalia District-Purchased Power and Water	\$74,323
	Magalia District-Drought Balancing	-\$55,454

Table 4. Balancing accounts that have experienced volatile fluctuations in their semiannual balances over time (accounts that have fluctuations within 20 percent from the previous semiannual balance).

Utility Name		
Liberty Utilities (Apple Valley Ranchos)	<ul style="list-style-type: none"> Apple Valley has no balancing accounts that have experience a volatile fluctuation in their semiannual balance from its previous balance. 	
California American Water Company	Balancing Account	Balance as of end of June 30, 2018
	San Diego -OPEB	\$31,715
	Monterey - OPEB	\$185,081
	Monterey WW - OPEB	\$23,699
	LA - OPEB	\$69,520
	Ventura - OPEB	\$28,671
	Sacramento - OPEB	\$69,114
	Monterey - SCD Project	-\$948,403
	LA - Conservation	-\$41,846
	Monterey - Conservation	-\$68,781
	Sacramento - Conservation	-\$43,347
	Ventura - Conservation	-\$49,882
	Monterey - Seaside Basin Adjudication	\$0
	Ventura - Consolidated Expense	\$6,505
	LA - Consolidated Expense	-\$251,518
	Sacramento - Consolidated Expense	-\$1,578,406
	Larkfield - Consolidated Expense	-\$108,450
	Monterey (Ambler) - Consolidated Expense	\$35,501
Ventura - LIRA	\$242,903	
Monterey - LIRA	-\$72,980	
California Water Service Company	Balancing Account Name	Balance as of end of June 30, 2018
	Conservation 2015 GRC (CEBA 3)	\$4,526,556
	Pension 2015 GRC (PCBA 3)	-\$5,136,396
	Health Cost BA - 2015 GRC (HCBA3)	\$11,127,401
	RSF Balancing Account	\$38,881
	District-Specific BAs	-\$6,876,221
	Interim Rates (old GRCs) Balancing Accounts	-\$129,638

Report on Balancing Accounts as of June 30, 2018

Golden State Water Company	Balancing Account Name	Balance as of end of June 30, 2018
	Pension and Benefits Balancing Account	\$1,325,467
	California Alternative Rates for Water	-\$9,481,392
	Santa Maria Water Rights No. 1	-\$96,197
	Santa Maria Water Rights No. 2	-\$1,601,440
	Randall-Bold Balancing Account	-\$1,706,803
	WRAM/MCBA 1/	-\$30,456,715
	Calipatria Prison Memorandum Account	\$3,287
	Outside Services Memorandum Account	-\$165,483
	Santa Maria Stipulation Memorandum Account	-\$287,813
	Los Osos Groundwater Adjudication Memorandum Account	-\$521,978
	Aerojet Water Litigation Memorandum Account	-\$10,272,402
	2016 Interim Rate True-up Memorandum Account	-\$8,164,553
	2013 Interim Rate Memorandum Account	-\$322,949
	Bay Point (HSWTP) hill street water treatment facility	-\$335,184
	2014 Water Conservation Memorandum Account	-\$561,725
	Tax Cuts and Jobs Act (TCJA)	\$6,412,205
2018 Cost of Capital Interim Rate True-Up	\$952,024	
Great Oaks Water Company	Balancing Account Name	Balance as of end of June 30, 2018
	Recovery of Multiple Monterey WRAM Balancing Accounts	\$0
	Pension Expense Balancing Account	\$3,489
Liberty Utilities (Park Water Company)	Balancing Account Name	Balance as of end of June 30, 2018
	CARW Revenue Reallocation BA	\$1,104,399
	One-Way Conservation BA	\$214,753

Report on Balancing Accounts as of June 30, 2018

	Balancing	Balance as of end of June 30, 2018
	Account Name	
San Gabriel Valley Water Company	LA - Water Cost Balancing Account	-\$904,944
	LA - Power Cost Balancing Account	\$523,782
	LA - California Alternative Rates for Water Balancing Account	-\$619,503
	FWC - Power Cost Balancing Account	\$654,193
	FWC - Water Revenue Adjustment Mechanism	-\$1,315,741
	FWC - Previously Authorized Balances Balancing Account	-\$3,106,979
San Jose Water Company	Balancing Account Name	Balance as of end of June 30, 2018
	Amortization of Under collection of 2013 GRC Interim Rates Memorandum Account	-\$11,188,359
	Balancing Account-Pending (2017)	-\$2,888,993
	Balancing Account-Pending (2016)	-\$2,540,065
	Amortization of Under collection of various Balancing Accounts GRC 2016	-\$1,288,522
	Balancing Account-Pending (2014)	\$2,505,908
Suburban Water Systems	Utility does not have a balancing account that meets this criterion.	
Alisal Water Company	Utility does not have a balancing account that meets this criterion.	
Bakman Water Company	Utility does not have a balancing account that meets this criterion.	

Report on Balancing Accounts as of June 30, 2018

East Pasadena Water Company	Balancing Account Name	Balance as of end of June 30, 2018
	Pumping Assessment Costs	-\$53,068
Del Oro Water Company	Balancing Account Name	Balance as of end of June 30, 2018
	Paradise Pines District-Purchased Power and Water	\$63,200
	California Pines District-Drought balancing	\$12,194
	Magalia District- Drought Balancing	\$132,246
	Paradise Pines District- Drought Balancing	\$1,661,979
	River Island District- Drought Balancing	\$55,587
	Metropolitan District- Drought Balancing	\$1,978.00
Fruitridge Vista Water Company	Utility does not have a balancing account that meets this criterion.	

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

Utility Name	<u>(4) Balancing accounts that have not been reviewed in the previous three years.</u>
Liberty Utilities (Apple Valley Ranchos)	All of Apple Valley’s balancing accounts are under review in the current general rate case in the preceding, A.18-01-002.
California American Water Company	All accounts have been reviewed in conjunction with its current general rate case filing A.13-07-002 or in advice letter filings within the previous years.
California Water Service Company	None, all accounts were reviewed during the last three years.
Golden State Water Company	None, all accounts were reviewed during the last three years.
Great Oaks Water Company	None, all accounts were reviewed during the last three years.
Liberty Utilities (Park Water Company)	All of Park Water Company’s balancing accounts are under review in the current general rate case in the preceding, A.18-01-002.
San Gabriel Valley Water Company	All of San Gabriel’s balancing accounts were either reviewed in its most recent general rate case (A.16-01-002) or in advice letter filings within the previous three years.
San Jose Water Company	Utility does not have a balancing account that meets this criterion.
Suburban Water Systems	Utility does not have a balancing account that meets this criterion.
Alisal Water Company	Utility does not have a balancing account that meets this criterion.
Bakman Water Company	Utility has four balancing accounts that have not been reviewed within the last three years: <ul style="list-style-type: none"> • Purchased Power • Purchased Water • Water Quality BA, and • California Department of Public Health User Fees, BA
East Pasadena Water Company	None, all four balancing accounts were reviewed in Advice Letter 94 and Resolution W-5155.
Del Oro Water Company	<ul style="list-style-type: none"> • Lime Saddle District-Purchased Power and Water Balancing Account, the last filed AL 397, dated April 3, 2015 • California Pines District-Drought Balancing Account, the last filed AL 405, dated April 17, 2015 • Strawberry District-Drought Balancing Account, the last filed AL 406, dated April 17, 2015.
Fruitridge Vista	Purchased Power Balancing Account was last reviewed in April 2015.