

Utility Name	Balancing Account Name	Balancing Account Description	Authorizing Decision or Resolution or Advice Letter	Balance as of the End of June 30, 2025	Balance as of the End of December 31, 2025	Date Last Reviewed	Most Recent Conducted Review/Audit Date (either GRC or other method)	Notes or Comments	Question 1 - More than 10% of Authorized Revenue	Question 2 - Top 25% (Top 4) of All Balancing Account	Question 3 - Volatile Fluctuation Compared to Last Semi Annual Report (20% flux)	Question 4 - Balance account not reviewed in the previous 3 years
San Jose Water Company (U-168)		Total active service connections		223,183	223,129							
	Full Cost Balancing Account (FCBA)	Tracks change in water supply mix and purchased power for water production cost	D.20-010-005 & PUC Code 792.5 D.24-12-077	(\$5,212,772)	\$376,878	none	Oct-25	The balance as of December 2023 was amortized pursuant to the 2024 GRC Decision and is included in the 2024 GRC Balancing and Memorandum Account Amortization. Balances accrued on or after January 1, 2024 will be requested for recovery as part of the 2027 GRC.	No		1483%	No
	Customer Assistance Program (CAP)	Tracks discounts given to Low Income Programs for water related costs	D.04-08-054 August 19, 2004 D.13-11-008 November 14, 2013 & AL454 D.24-12-077	\$2,263,669	\$3,696,327	none	Oct-25	The balance as of December 2023 was amortized pursuant to the 2024 GRC Decision and is included in the 2024 GRC Balancing and Memorandum Account Amortization. Balances accrued on or after January 1, 2024 will be requested for recovery as part of the 2027 GRC.	No	#3	39%	No
	Pension Balancing Account	Tracks difference between pension expense authorized in rates and the lesser of the actual cash contributions or FAS 87 expense.	D.18-11-025 D.24-12-077	(\$7,016,603)	(\$8,770,920)	none	Oct-25	The balance as of December 2023 was amortized pursuant to the 2024 GRC Decision and is included in the 2024 GRC Balancing and Memorandum Account Amortization. Balances accrued on or after January 1, 2024 will be requested for recovery as part of the 2027 GRC.	No	#1	20%	No
	Drinking Water Fees (DWFB)	Tracks differences between actual invoice received from DDW against what has been authorized per our GRC 2021 decision D 22-10-005	AL602a	\$105,680	\$481,397	none	Oct-25	The balance as of December 2023 was amortized pursuant to the 2024 GRC Decision and is included in the 2024 GRC Balancing and Memorandum Account Amortization. Balances accrued on or after January 1, 2024 will be requested for recovery as part of the 2027 GRC.	No		78%	No
	Group Insurance Balancing Account (GIBA)	Tracks differences between Commission authorized net company costs of group Insurance and actual costs incurred for expenses related to medical, dental and opt-out insurance expenses.	AL603	\$1,021,851	\$764,861	none	Oct-25	The GIBA Account was established to help address rising healthcare costs. Balances accumulated on or after January 1, 2024 will be proposed for recovery in the 2027 General Rate Case (GRC).	No		-34%	No
	State Revolving Fund Loan (SRF 1)	Tracks surcharges to pay State Revolving Fund loan	D.03-07-013 July 10, 2003 AL364a & AL452	(\$21,715)	(\$22,152)	none	Oct-25	The surcharge expired in May 2024. Any remaining balance will be included in the 2027 General Rate Case (GRC) Application and will be adjusted alongside other under-collected amounts.	No		2%	No
	State Revolving Fund Loan (SRF 2)	Tracks surcharges to pay State Revolving Fund loan	D.05-01-048 January 27, 2005 AL392 & AL395	\$118,065	\$91,484	none	Oct-25		No		-29%	No
	2024 GRC Balancing and Memorandum Account Amortization	Tracks authorized \$15,791,659 per D.24-12-077 against 12-months surcharge recovery beginning on 1/1/2025	D.24-12-077 & AL613	\$9,845,091	\$1,162,890	none	Oct-25	The surcharge expired on December 31, 2025. The remaining balance will be proposed for recovery as part of the 2027 General Rate Case (GRC).	No	#4	-747%	No
	Water Revenue Adjustment Mechanism (WRAM)	Tracks differences between recorded quantity rate water revenues received under tiered rates to the equivalent rates revenue received if San Jose Water company had single quantity rates, known as uniform rates for residential customers per D.08-08-030	D.08-08-030 and D.94-06-033	\$14,753,084	\$8,553,516	none	Oct-25	The accumulated WRAM balance did not exceed 2% of the total authorized revenue requirement for 2025. If the cumulative 2% threshold is still not reached by December 2026, the remaining balance will be requested for recovery as part of the 2027 General Rate Case (GRC).	No	#2	-72%	No
<b>Total Balancing Account: On-Going</b>				<b>\$15,856,349</b>	<b>\$6,334,280</b>							

\* **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).

Account Status	Balancing Account Name	Description	Authorizing Decision or Resolution or Advice Letter	Balance as of the End of June 30, 2025	Balance as of the End of December 31, 2025	Closed Year	Most Recent Conducted Review/Audit Date (either GRC or other method)	Notes or Comments	Question 1 - More than 10% of Authorized Revenue	Question 2 - Top 25% (Top 4) of All Balancing Account	Question 3 - Volatile Fluctuation Compared to Last Semi Annual Report (20% flux)	Question 4 - Balance account not reviewed in the previous 3 years
Closed	Balancing Account-Pending (2020)	Tracks incremental change in water supply mix and purchased power for water production cost, Tracks discounts given to Low Income Programs for water related costs, Tracks difference between pension expense authorized in rates and the lesser of the actual cash contributions or FAS 87 expense.	D.14-08-006 August, 2014 & PUC Code 792.5	\$0	\$0	2024	Oct-25	Closed, amount was amortized in 2024 GRC along with other balancing and memo accounts. See 2024 GRC Balancing and Memorandum Account Amortization mentioned above.	No		0%	No
Closed	Balancing Account-Pending (2021)	Tracks incremental change in water supply mix and purchased power for water production cost, Tracks discounts given to Low Income Programs for water related costs, Tracks difference between pension expense authorized in rates and the lesser of the actual cash contributions or FAS 87 expense.	D.14-08-006 August, 2014 & PUC Code 792.5	\$0	\$0	2024	Oct-25	Closed, amount was amortized in 2024 GRC along with other balancing and memo accounts. See 2024 GRC Balancing and Memorandum Account Amortization mentioned above.	No		0%	No
Closed	Balancing Account-Pending (2022)	Tracks change in water supply mix and purchased power for water production cost, Tracks discounts given to Low Income Programs for water related costs, Tracks difference between pension expense authorized in rates and the lesser of the actual cash contributions or FAS 87 expense.	D.14-08-006 August, 2014 & PUC Code 792.5	\$0	\$0	2024	Oct-25	Closed, amount was amortized in 2024 GRC along with other balancing and memo accounts. See 2024 GRC Balancing and Memorandum Account Amortization mentioned above.	No		0%	No
Closed	Balancing Account-Pending (2023)	Tracks change in water supply mix and purchased power for water production cost, Tracks discounts given to Low Income Programs for water related costs, Tracks difference between pension expense authorized in rates and the lesser of the actual cash contributions or FAS 87 expense.	D.14-08-006 August, 2014 & PUC Code 792.5	\$0	\$0	2024	Oct-25	Closed, amount was amortized in 2024 GRC along with other balancing and memo accounts. See 2024 GRC Balancing and Memorandum Account Amortization mentioned above.	No		0%	No
Closed	Recovery of Pressure Reducing Valve Balancing account	Tracks recovery of Net under collection pressure reducing valve modernization and Energy recovery Balancing account (PRVBA)	D.19-06-010 D-20-04-003 Res W5228 AL548A	\$0	\$0	2024	Oct-25	Closed, surcharge has expired and the remaining amount was amortized in 2024 GRC along with other balancing and memo accounts. See 2024 GRC Balancing and Memorandum Account Amortization mentioned above.	No		0%	No
Closed	Amortization of Undercollection of various Balancing Accounts GRC 2021	Tracks adjusted balance of the authorized \$6,674,556 written-off against WCMA Drought surcharge collected per D.22-10-005	D.22-10-005 & AL581 & AL582	\$0	\$0	2024	Oct-25	Closed, remaining balance was amortized in 2024 GRC along with other balancing and memo accounts. See 2024 GRC Balancing and Memorandum Account Amortization mentioned above.	No		0%	No
Closed	Amortization of Undercollection of various Memorandum Accounts GRC 2021	Tracks adjusted balance of the authorized \$11,499,403 written-off against WCMA Drought surcharge collected per D.22-10-005	D.22-10-005 & AL581 & AL582	\$0	\$0	2024	Oct-25	Closed, remaining balance was amortized in 2024 GRC along with other balancing and memo accounts. See 2024 GRC Balancing and Memorandum Account Amortization mentioned above.	No		0%	No