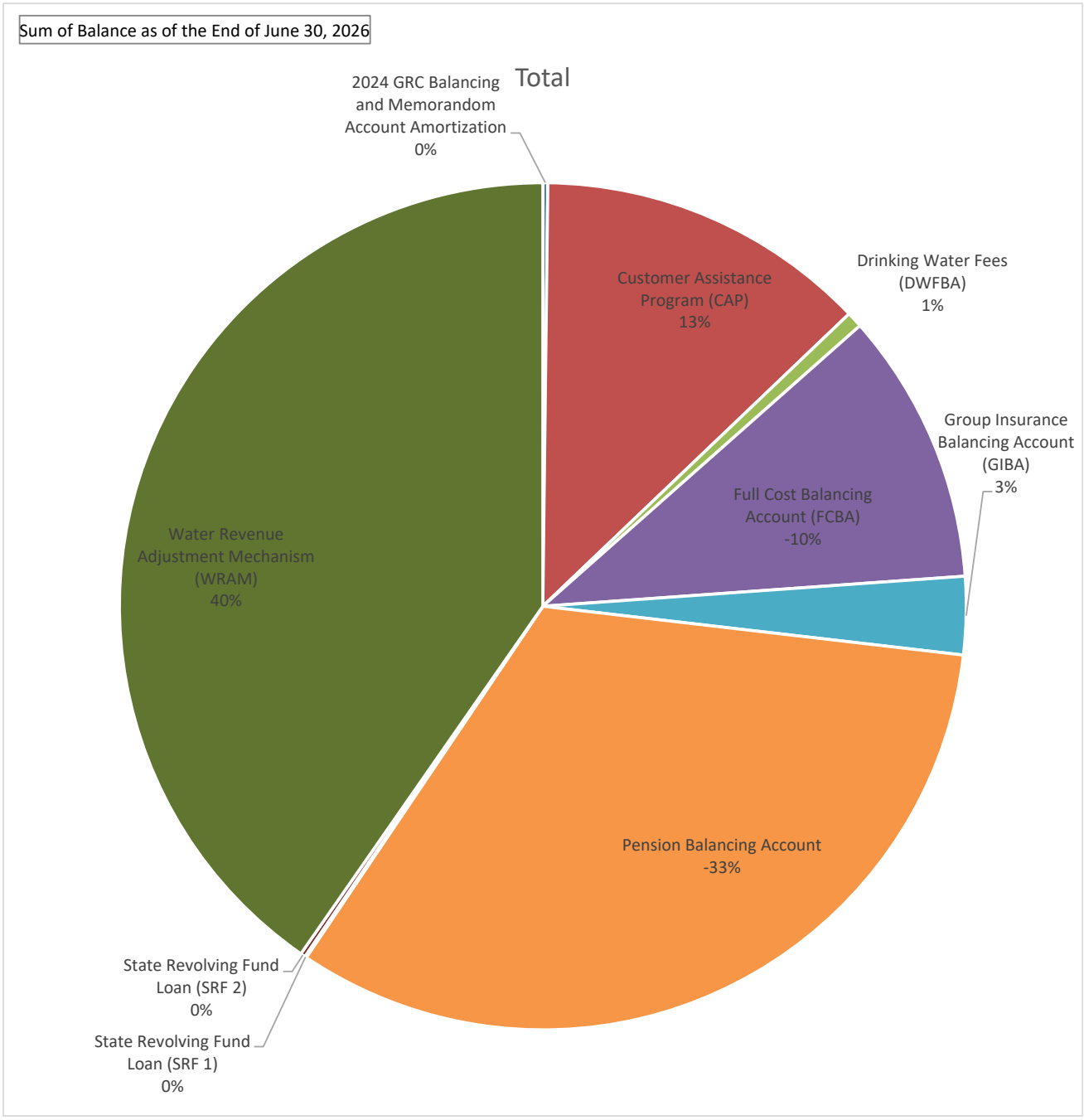
Utility Name	Balancing Account Name	Balancing Account Description	Authorizing Decision or Resolution or Advice Letter	Balance as of the End of December 31, 2025	Balance as of the End of June 30, 2026	Date Last Reviewed	Most Recent Conducted Review/Audit Date (either GRC or other method)	Notes or Comments	Authorized Revenue D.24-012-077 2025	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
	Total active service connections	Total active service connections		223,129	223,032				**$565,593,000**				
San Jose Water Company (U-168-W)	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	$376,878	($3,615,244)	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.	-0.639%	No		-1059%	No
	Customer Assistance Program Balancing Account (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	$3,696,327	$4,408,862	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.	0.780%	No	#3	19%	No
	Pension Expense 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	($8,770,920)	($11,334,724)	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.	-2.004%	No	#2	29%	No
	Drinking Water Fees Balancing Account (DWFBA)	Tracks differences between actual invoice received from DDW against what has been authorized per our GRC 2021 decision D 22-10-005	AL602a	$481,397	$209,490	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.	0.037%	No		-56%	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	$764,861	$1,032,310	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).	0.183%	No		35%	No
	SRF Loan I Balancing Account	Tracks surcharges to pay State Revolving Fund loan	D.03-07-013 July 10, 2003 AL364a & AL452	($22,152)	($22,498)	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.	-0.004%	No		2%	No
	SRF Loan II Balancing Account	Tracks surcharges to pay State Revolving Fund loan	D.05-01-048 January 27, 2005 AL392 & AL395	$91,484	$62,516	none	Oct-25		0.011%	No		-32%	No
	2024 GRC Balancing and Memorandom Account	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	$1,162,890	$64,481	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).	0.011%	No		-94%	No
	Water Revenue Adjustment Mechanism (WRAM) Balancing Account	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	$8,553,516	$14,016,588	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).	2.478%	No	#1	64%	No
Total Balancing Account: On-Going				**$6,334,280**	**$4,821,782**				**0.853%**				

** Indicate whether **positive sign is undercollection** (revenue or adopted revenue target is less than expenses) and **negative sign is an overcollection** (revenue or adopted revenue target) exceeds expenses.*

1 A positive balance means an overcollection.
A negative balance means an undercollection.


Sum of Balance as of the End of June 30, 2026
Total
2024 GRC Balancing and Memorandom Account Amortization 0%
Customer Assistance Program (CAP) 13%
Drinking Water Fees (DWFBA) 1%
Group Insurance Balancing Account (GIBA) 3%
Full Cost Balancing Account (FCBA) -10%
Water Revenue Adjustment Mechanism (WRAM) 40%
Pension Balancing Account -33%
State Revolving Fund Loan (SRF 2) 0%
State Revolving Fund Loan (SRF 1) 0%