NEW YORK STATE
ENERGY RESEARCH AND DEVELOPMENT AUTHORITY

FY 2024-2025 ANNUAL INVESTMENT REPORT

A. EXPLANATION OF INVESTMENT GUIDELINES

Public Authorities Law Section 2925 provides that the investment guidelines of a public authority shall set forth, among other things:

- a detailed list of permitted investments;
- what types of investments shall be secured with collateral and to what extent;
- what types of investments shall be made pursuant to written contracts;
- how collateral shall be valued and monitored;
- standards for diversifying types of investments and for qualifying and diversifying firms with which business is transacted;
- requirements for Board verification of matters relating to investments;
- provisions for annual independent audit of all investments; and
- provisions for preparing and filing quarterly and annual investment reports.

The Guidelines explicitly require the Board to determine whether results are consistent with objectives, to review the independent audit of investments, to review the program for consistency with statutory requirements, and to verify collateral semi-annually (at least once on an unscheduled basis). The Guidelines permit delegation of these functions through the Audit and Finance Committee to the Authority's independent auditors.

The Guidelines provide that, where practicable, the Members shall review and approve at the June meeting an annual investment report and the investment guidelines.

B. AMENDMENTS

The Investment Guidelines were last approved by the Members at the October 2023 meeting. With respect to the Investment Guidelines (October 2023), no change is being proposed.

C. INVESTMENT GUIDELINES, OPERATIVE POLICY AND INSTRUCTION

Following is the Investments Guidelines, Operative Policy and Instruction as of October 2023

INVESTMENT GUIDELINES, OPERATIVE POLICY AND INSTRUCTIONS
(October 2023)

I. Introduction

These guidelines set forth the policy of the New York State Energy Research and Development Authority (hereafter "the Authority") and instructions to its officers and staff with regard to its investments and the monitoring and reporting of these investments. The guidelines are intended to meet or exceed the provisions of Public Authorities Law (hereafter, "PAL") Section 2925, the Office of the State Comptroller's Investment Guidelines for Public Authorities contained in 2 NYCRR Part 201, Section 201.3, and the provisions of the Authority's enabling legislation concerning Authority investments. In accordance with PAL Section 2925, the guidelines will be reviewed, revised, if necessary, and approved as frequently as necessary and appropriate, but not less frequently than annually, in the manner described hereafter.

The provisions of these guidelines apply to all monies for which the Authority is responsible for directing investment. This includes monies to which the Authority has legal title and which are held by the Commissioner of Taxation and Finance as fiscal agent of the Authority (PAL Section 1859(1)). It also includes monies to which the Authority does not have legal title, but for which it is responsible for directing investment such as monies held by the trustee for the State Service Contract Revenue (West Valley) Bonds.

The Authority conducts a Private Activity Bond Financing Program. Pursuant to this program, tax-exempt non-recourse securities are issued by the Authority, and the proceeds are made available to State utilities and other non-State entities to finance eligible projects. These securities do not constitute a debt of or charge against the credit of the Authority or the State. Rather, the utility or other entity for which the securities are issued is liable for payment of the principal, redemption premium, if any, and interest on the securities. The proceeds of each issuance are deposited with a trustee chosen by the participating utility or other entity and are not available for investment by the Authority. Generally, the Indenture of Trust for the transaction will contain a list of securities in which the Trustee may invest these monies. The list of permitted investments is approved by the Commissioner of Taxation and Finance as part of the Commissioner's review pursuant to the enabling legislation of the Authority. Investments are made at the direction of the participating utility or other entity and not at the direction of the Authority. Accordingly, the provisions of these Investment Guidelines do not apply to the investing of these monies. Nonetheless, when participating in the formulation of these financing transactions, staff are directed to pursue the objectives set forth in the Investment Guidelines and to require that prudent provisions as to permitted investments, collateral requirements and investment monitoring be included in the underlying documents, as appropriate.

II. Definitions

"Broker-Dealer" means any government bond trader approved by the Commissioner of Taxation and Finance reporting to, trading with, and recognized as a primary dealer by the Federal Reserve Bank of New York.

"Custodian" means the Commissioner of Taxation and Finance, or a bank, trust company or national banking association designated or approved to hold securities on behalf of or for the benefit of the Authority, as trustee or otherwise.

"Eligible Banking Institution" means any bank, trust company, or national banking association approved by the Commissioner of Taxation and Finance doing business through offices located within New York State. For the State of New York's Excelsior Linked Deposit Program only, Eligible Banking Institution shall also include savings and loan institutions.

"Federal Governmental Obligations" means obligations of the United States Treasury that are fully insured or unconditionally guaranteed as to the payment of principal and interest, by the United States.

“New York State Obligations” means obligations issued by the State of New York that are fully insured or unconditionally guaranteed as to the payment of principal and interest, by New York State and its agencies, authorities, and localities.

"Other Federally Guaranteed Obligations" means obligations not issued directly by the United States Treasury, these include mortgage-backed securities (MBS) offered by the Government National Mortgage Association (GNMA). This debt obligation contains a pool of mortgages, segmented according to criteria, and sold to the public with a federal guarantee.

"Municipal Commercial Paper" mean short-term obligations issued by municipal entities usually backed by a line of credit with a bank that mature within 270 days.

"Supranational" means obligations of certain international development institutions (name in Section V) that are guaranteed as to the payment of principal.

"Certificate of Deposit" means a type of savings account offered by banks which are insured up to $250,000 by the Federal Deposit Insurance Corporation.

"Highest rating category" means a rating of AAA/Aaa/AAA related to long term obligations and A-1+/P-1/F1+ related to short term obligations respectively by S&P, Moody's, and Fitch

"Repurchase Agreement" means a written contract whereby the Authority purchases securities, and the seller of the securities agrees to repurchase the securities at a future date for a specified price. Repurchase Agreements may be used to purchase only Federal Government Obligations. The Authority may enter into a Repurchase Agreement only with an Eligible Banking Institution or a Broker-Dealer.

"Money Market Fund" means shares of a diversified open-end management investment company, as defined in the Investment Company Act of 1940, registered under the Federal Securities Act of 1933, and operated in accordance with Rule 2a-7 of the Investment Company Act of 1940 as a "Government Money Market Fund" (investing at least 99.5 percent of its total assets in cash, Government Securities, and and/or Repurchase Agreements that are fully collateralized), provided that it is rated in the highest rating category by at least two nationally recognized rating organizations, and provided that it does not impose any liquidity fees or suspend redemptions as provided thereunder.

III. Investment Objectives

The investment objectives of the Authority, listed in order of importance, are as follows: to conform with all applicable Federal, State and other legal requirements; to safeguard adequately investment principal; to earn reasonable rates of return; and to provide for portfolio liquidity. These investment objectives will likely be achieved through substantial reliance on Federal Governmental Obligations and minimal investment in long-term securities.

IV. Delegation of Authority

The responsibility for implementing the investment program is delegated to the Authority's Chief Financial Officer. All investment transactions shall be approved and authorized by the Chief Financial Officer or, the Controller and Assistant Treasurer, or any Officer of the Authority. Such authorized investment transactions shall be initiated and executed by the Commissioner of Taxation and Finance (or his/her authorized designees), the Authority's fiscal agent established pursuant to Section 1859 of the Public Authorities Law. The Chief Financial Officer shall establish written procedures for the operation of the investment program consistent with these Investment Guidelines. Such procedures shall include an internal control structure to provide a reasonable level of accountability over the authorization, recording and reporting of investment transactions, and to provide for a segregation of duties between authorization and accounting functions.

Investments shall be made in accordance with the Authority's Investment Guidelines, Operative Policy and Instructions using the judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the objectives set forth herein. All Authority staff participating in the investment process shall act responsibly as custodians of the public trust and shall avoid any transaction that might impair public confidence in the Authority's ability to effectively fulfill its responsibilities. All participants involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the

investment program, or which could impair their ability to make impartial investment decisions.

V. Types of Investments Authorized

The Authority may deposit monies in demand deposit (checking) and time deposit (savings) accounts with Eligible Banking Institutions located in New York State. Monies deposited in such accounts shall be fully secured as soon as practicable by Federal Deposit Insurance Corporation (FDIC) insurance or obligations of New York State or Federal Government Obligations, subject to approval of the Commissioner of Taxation and Finance, the Authority's fiscal agent, in consultation with the Authority.

Investments shall be limited to the following types of securities:

(1) Federal Governmental Obligations, provided that the term of each shall not exceed ten years.

(2) New York State Obligations, provided that the term of each shall not exceed ten years.

(3) Other Federally Guaranteed Obligations issued, or fully insured or guaranteed as to the payment of principal and interest, by any agency or instrumentality of the United States of America that are rated in the highest rating category by at least two nationally recognized statistical rating organizations.

(4) Municipal Commercial paper issued by a NYS municipal entity or any political subdivision or any agency of NYS rated in the highest short term rating category by at least two nationally recognized statistical rating organizations.

(5) Supranational Obligations issued by the following institutions: the International Bank for Reconstruction and Development, Inter-American development bank, and the International Finance Corporation that are rated in the highest rating category by at least two nationally recognized statistical rating organizations.

(6) Certificates of deposit of Eligible Banking Institutions located in New York, provided that: the term of each shall not exceed five (5) years; pursuant to the limitations of a resolution adopted by the Members in June 1994, the Authority may invest in certificates of deposits through the State of New York's Excelsior Linked Deposit Program, whereby the Authority's deposit will earn a fixed rate of interest equal to 2% to 3% less than the institution's published certificate of deposit rate consistent with this program's criteria; and subject to all other provisions outlined in these Guidelines.

(7) Repurchase Agreements, provided that the term of each shall not exceed sixty (60) days and that no more than 40 percent of the Authority's total investments shall be invested in Repurchase Agreements at the time of purchase; and

(8) Money Market Funds, provided that no more than 20 percent of the total amount of the Authority's investments shall be invested in Money Market Funds for more than 15 consecutive days.

Nothing herein contained shall preclude the Authority from imposing further restrictions on the investing of funds in any Indenture of Trust relating to the issuance of bonds.

VI. Authorized Financial Institutions and Dealers

Eligible Banking Institutions and Broker-Dealers authorized for the Authority's investment purposes shall be approved based upon policies and procedures established by the Commissioner of Taxation and Finance. The Authority will periodically consult with the Department of Taxation and Finance concerning their policies, practices and the resulting list.

VII. Diversity of Investments

To the extent practical, the Authority shall diversify its investments by financial institution, by investment instrument, and by maturity. The cash flow requirements of the Authority will be a significant determining factor in selecting the term of investment securities. Competitive quotations, pursuant to policies established by the Commissioner of Taxation and Finance and executed by his/her designated staff, shall be used to select the

institution from which investments are purchased.

Except as otherwise required by any policies and practices of the Commissioner of Taxation and Finance, the Authority shall not invest more than 35 percent of its total investment portfolio with a single Eligible Banking Institution.

VIII. Collateral and Delivery of Securities

Collateral for investments shall be limited to: (i) obligations of New York State and obligations the principal and interest of which are guaranteed by New York State; and (ii) Federal Governmental Obligations. The Authority shall not accept a pledge of a proportionate interest in a pool of collateral. Collateral shall be segregated in the name of the Authority, and shall be in the custody of the Authority or a third party Custodian pursuant to a written custodial agreement; provided, that if the Custodian is the Commissioner of Taxation and Finance, a written custodial agreement shall not be required. The written custodial agreement shall specify circumstances, if any, under which collateral may be substituted, and shall provide that the Custodian holds the collateral solely for the benefit of the Authority and makes no claim thereto. The market value of collateral and accrued interest, if any, shall equal or exceed the value of the secured investment and accrued interest, if any, at all times. Collateral shall be marked to market at the time of the initial investment and, thereafter, no less frequently than monthly using the bid or closing price as quoted in The Wall Street Journal.

In addition to collateral permitted for investments, collateral for deposits made with banks participating in the State's Excelsior Linked Deposit Program shall, subject to the discretion of the Commissioner of Taxation and Finance with confirmation to the Authority, include obligations permitted under Section 105 of the State Finance Law.

Certificates of deposit, demand deposits and time deposits shall be fully collateralized for amounts in excess of Federal Deposit Insurance Corporation (FDIC) coverage.

Securities purchased through a Repurchase Agreement shall be marked to market at least monthly.

Collateral shall not be required with respect to the purchase of obligations of New York State, obligations the principal and interest of which are guaranteed by New York State, Federal Governmental Obligations, or money market funds.

Under any Repurchase Agreement, payment shall be made by or on behalf of the Authority to the seller upon the seller's delivery of obligations of the United States to the Custodian designated by the Authority, or, in the case of a book entry transaction, when the obligations of the United States are credited to the Custodian's Federal Reserve Bank account. Payment shall be made by or on behalf of the Authority for obligations of New York State, obligations the principal and interest of which are guaranteed by New York State, Federal Governmental Obligations, certificates of deposit, and other purchased securities upon the delivery thereof to the Custodian designated by the Authority, or, in the case of a book entry transaction, when the purchased securities are credited to the Custodian's Federal Reserve System account.

IX. Written Contracts

The Authority has determined that, with the exception of Repurchase Agreements, written contracts are not a regular business practice for the types of securities (obligations of New York State, Federal Governmental Obligations, etc.) in which Authority monies may be invested. The interests of the Authority will be adequately protected by conditioning payment by or on behalf of the Authority on the physical delivery of purchased securities to the Authority or its Custodian, or, in the case of book-entry transactions, on the crediting of purchased securities to the Custodian's Federal Reserve System account. In addition, all purchases will be confirmed in writing to the Authority.

Only an Eligible Banking Institution or a Broker-Dealer shall be qualified to enter into a Repurchase Agreement with the Authority’s fiscal agent. The Authority’s fiscal agent shall enter into a Master Repurchase Agreement, patterned after the Bond Market Association (formerly Public Security Association) model master repurchase agreement, with each Eligible Banking Institution or Broker-Dealer with which the fiscal agent enters

into a specific Repurchase Agreement. The Master Repurchase Agreement shall include:

(a) a description of the relationship of the parties as purchaser and seller;

(b) a description of the events of default which would permit the purchaser to liquidate the pledged collateral;

(c) procedures which ensure that the Authority obtains a perfected security interest in the underlying securities; and

(d) the method of computing margin maintenance requirements, including a limitation, based on policies established by the Commissioner of Taxation and Finance, that securities purchased and held as collateral for repurchase agreements shall be Federal Government Obligations maturing in twelve years or less, and provided that: (i) if such collateral has a maturity of seven years or less, the market value must equal or exceed 101% of the par value of the repurchase agreement; and (ii.) if such collateral has a maturity greater than seven years, the market value must equal or exceed 102% of the par value of the repurchase agreement.

X. Qualification of Custodians

The following shall be qualified to act as Custodian: the Commissioner of Taxation and Finance, any bank or trust company chartered by the State of New York which is not a member of the Federal Reserve System, or any bank, trust company, or national banking association which is a member of the Federal Reserve System, including an Eligible Banking Institution, which transacts business through offices located within the State of New York. During the time that any bank or trust company serves as Custodian, it must be rated at least "A", or its equivalent, by a nationally recognized independent rating agency. With respect to the holding of securities purchased by the Authority through a Repurchase Agreement, the Custodian may not be the Eligible Banking Institution with which the Authority or its fiscal agent has entered into such Repurchase Agreement, nor an agent of such Eligible Banking Institution for purposes of the Repurchase Agreement.

XI. Audit and Finance Committee

The functions of the Audit and Finance Committee with respect to investments are to:

(a) monitor the system of internal controls;

(b) verify relevant matters relating to securities purchased or held as collateral semi-annually and on an unscheduled basis;

(c) determine whether the investment results are consistent with the investment objectives set forth in these Investment Guidelines;

(d) review any independent audits of the investment program;

(e) review these Investment Guidelines periodically and recommend to the Members of the Authority such amendments thereto as may be necessary or appropriate; and

(f) evaluate systematically and periodically the investment program consistency with the provisions of PAL Section 2925, these Investment Guidelines, and the Office of the State Comptroller's Investment Guidelines for Public Authorities (2 NYCRR Part 201, Section 201.3).

In support of its functions, the Audit and Finance Committee shall:

(a) require the Authority's independent auditors to perform a review of, and issue a report on, the Authority's compliance with Section 201.3 of Title Two of the New York Codes, Rules, and Regulations, under Government Auditing Standards issued by the Comptroller General of the United States;

(b) review the quarterly, annual, and any other periodic investment reports, and recommend to the Members of the Authority such changes in the annual investment report as it deems necessary or appropriate;

(c) review the written annual audit report of the independent auditors;

(d) discuss with the independent auditors, with staff and officers not present, the results of the annual independent audit and the written annual audit report; and

(e) review not less frequently than annually these Investment Guidelines, and recommend to the Members of the Authority such changes in these Investment Guidelines as it deems necessary or appropriate.

XII. Operations and Procedures

The Chief Financial Officer, or the Controller and Assistant Treasurer or any Authority Officer, shall authorize the purchase and sale of all securities, authorize the disbursement of funds for delivery of securities, determine the selection of brokers, dealers and Custodians, and execute contracts for Repurchase Agreements and custodial services on behalf of the Authority. The process of initiating, reviewing and approving requests to purchase and sell securities shall be documented and retained for audit purposes. Oral directions concerning the purchase or sale of securities shall be confirmed in writing. The Authority shall pay for purchased securities upon the delivery or book-entry thereof, and the Authority will obtain written confirmation of each delivery or book-entry. Custodians must have prior authorization from the Authority to deliver securities and collateral and shall not deliver securities except upon receipt of funds. Custodians shall confirm in writing all such transactions. Custodians shall report whenever activity has occurred in a custodial account of the Authority.

The Chief Financial Officer shall develop detailed investment procedures implementing the Investment Guidelines as part of the Accounting Policy and Procedures Manual which shall include, but not be limited to, the following:

(a) the establishment and maintenance of a system of internal controls for investments;

(b) methods for adding, changing or deleting information contained in the investment record, including a description of the documents to be created and verification tests to be conducted;

(c) a data base or record incorporating descriptions and amounts of investments, transaction dates, interest rates, maturities, bond ratings, market prices and related information necessary to manage the portfolio; and

(d) requirements for periodic reporting and a satisfactory level of accountability.

Except in the purchase of government securities at their initial auction, the Authority will encourage investment selections utilizing competitive quotations based upon the procedures established by the Commissioner of Taxation and Finance and carried out by his/her designated personnel.

The Chief Financial Officer shall maintain a record of investments. The record shall identify each security, the fund for which held, the place where kept, date of disposition and amount realized, and the market value and Custodian of the collateral.

At least monthly, the Authority shall verify the principal amount and market values of all investments and collateral. The Authority shall obtain appropriate listings from Custodians and compare such listings against the records of the Authority.

XIII. Audit

At the time the independent auditors to the Authority conduct the annual audit of the accounts and financial affairs of the Authority, the independent auditors shall audit the investments of the Authority for the subject fiscal year. The annual investment audit shall determine whether:

(a) the Authority's investment practices and operations have been consistent with the provisions of PAL Section 2925, these Investment Guidelines, the Office of the Comptroller's Investment Guidelines for Public Authorities, and the Authority's investment operating procedures contained in its Accounting Policies and

Procedures Manual;

(b) adequate accounts and records are maintained which accurately reflect all transactions and report on the disposition of the Authority's investment assets; and

(c) a system of adequate internal controls for investments is maintained.

The independent auditors shall prepare a written annual audit report which presents the results of their annual investment audit, and shall include:

(a) a description of the scope and objectives of the audit;

(b) a statement that the audit was made in accordance with generally accepted government auditing standards;

(c) a description of any material weaknesses found in the internal investment controls;

(d) a description of all non-compliance with provisions of PAL Section 2925, these Investment Guidelines, the Office of the State Comptroller's Investment Guidelines for Public Authorities (2 NYCRR Part 201, Section 201.3), or the Authority's investment operating procedures contained in its Accounting Policies and Procedures Manual;

(e) a statement of positive assurance of compliance on the items tested; and

(f) a statement of any other material deficiency or finding identified during the audit not covered in (e) above.

XIV. Reporting

Within sixty (60) days of the end of each of the first three quarters of the Authority's fiscal year, the Chief Financial Officer shall prepare and submit to the Members of the Authority and to the Audit and Finance Committee of the Authority a quarterly investment report which indicates new investments, the inventory of existing investments, the selection of Custodians and Broker-Dealers, and such other matters as the Chief Financial Officer deems appropriate.

Within 120 days of the end of the fiscal year, the Chief Financial Officer shall prepare and submit to the Audit and Finance Committee an annual investment report, which shall include the Investment Guidelines, including any amendment to the Investment Guidelines since the last annual investment report; an explanation of the Investment Guidelines and amendments; the results of the annual independent audit; the investment income record; a list of total fees, commissions or other charges paid to each Broker-Dealer and Custodian; and such other matters as the Chief Financial Officer deems appropriate.

The Members of the Authority shall review and approve the annual investment report, if practicable, at the June meeting of the Authority, for submission thereof to the Division of the Budget, the Department of Audit and Control, the Senate Finance Committee, and the Assembly Ways and Means Committee.

The Authority's annual financial statements shall report the Authority's investments and provide such disclosure information as is required by applicable governmental accounting standards.

Not less frequently than annually, and if practicable, at the June meeting of the Authority, the Members of the Authority shall review, amend, if necessary or appropriate, and approve these Investment Guidelines.

The provisions of these Investment Guidelines and any amendments hereto shall take effect prospectively and shall not invalidate the prior selection of any Custodian, Broker-Dealer, any prior investment, nor any list of permitted investments set forth in any indenture of trust or similar document previously executed by the Authority.

D. INVESTMENT SUMMARY AS OF MARCH 31, 2025

Following is summary and detail of the Authority's investments as of March 31, 2025

NYSERDA
Investment Report Summary
As of March 31, 2025

Summary of Investments by Functions/Programs

Funding Source	3/31/2025 Market Value	3/31/2024 Market Value	Increase/ (Decrease)
NY Green Bank	$738,698,897	$406,496,810	$332,202,087
Regional Greenhouse Gas Initiative (RGGI)	862,725,976	540,704,077	322,021,899
Clean Energy Standard (CES)	293,145,544	146,102,606	147,042,938
Multi Funding Source Cash Management	100,883,483	10,077,833	90,805,650
Green Jobs Green New York (GJGNY)	53,177,834	43,885,973	9,291,861
Other	83,912,482	85,793,776	(1,881,294)
Market Development/Innovation & Research (CEF)	106,096,427	133,576,650	(27,480,223)
New York Sun (NYSUN)	31,117,458	65,266,804	(34,149,346)
Custodial Funds:			
Perpetual Care	$35,952,288	$33,970,820	$1,981,468
Low Level Radioactive Waste Account	3,228,617	2,508,432	720,185
Total Investments	$2,308,939,006	$1,468,383,781	$840,555,225

Analysis: NY Green Bank's increase was primarily due to the receipt of The EPA National Clean Investment Fund grant funding held in money market funds as well as overall net income and net loan activity (new loans issued as well as additional capital deployed on existing transactions, offset by principal payments received). The increase in RGGI is primarily due to allowance proceeds exceeding budget estimates and year-to-date expenditures. The increase in CES was primarily driven by receipt of Alternative Compliance Payments in the Tier one/REC fund and the collection of Zero Emission Credit Backstop Mechanism funds pursuant to a PSC Order. Multi-fund balances returned to threshold amounts after holding a lower invested balance at last year end due to cash management needs and a bond market holiday on the final day of the fiscal year. The increases in Market Development/Innovation & Research (CEF) and NYSUN were primarily due to the timing of Bill-as-You-Go funding draws, with both seeing investment balance decreases - as expected - as we intentionally speed up our pace of getting funds out the door to the intended beneficiaries.

Summary of Investments by Investment Type

	3/31/2025	% of Total	3/31/2024	% of Total
US Treasury Obligations	$1,856,197,591	80.4%	$1,429,046,305	96.4%
Money Market Deposits	452,741,415	19.6%	53,963,806	3.6%
Total	$2,308,939,006	100.0%	$1,483,010,111	100.0%
Weighted average term of investments	7.2 Months		7.3 Months	
Weighted average time to maturity	4.4 Months		4.6 Months	

Analysis: Both the Weighted average term of investments as well as Weighted average time to maturity remained in line with the prior year as the portfolio remains well positioned to meet liquidity needs and maximize yield across the portfolio where investment horizons are varying.

Investment Income

Funding Source	Interest Income	Unrealized Gain or (Loss)	Year End 3/31/2025 Total	Year End 3/31/2024 Total
Regional Greenhouse Gas Initiative (RGGI)	$32,224,109	$21,282	$32,245,391	$18,274,057
NY Green Bank	22,672,141	(494,878)	22,177,263	18,595,226
Clean Energy Standard (CES)	10,932,410	25,960	10,958,370	8,088,995
Market Development/Innovation & Research (CEF)	4,255,705	1,550	4,257,255	3,775,808
Multi Funding Source Cash Management	4,093,531	-	4,093,531	4,380,882
Other	3,963,786	1,992	3,965,778	4,456,343
Green Jobs Green New York (GJGNY)	2,409,435	(916)	2,408,519	3,933,133
New York Sun (NYSUN)	1,904,010	(12,215)	1,891,795	2,655,070
Custodial Funds:				
Perpetual Care	$2,195,534	91,155	$2,286,689	$1,695,168
Low Level Radioactive Waste Account	174,831	2,150	176,981	175,108
Total	$84,825,492	($363,920)	$84,461,572	$66,029,790
Investment Yield			4.82%	4.71%
Weighted Average Yield to Maturity of Current Investments			4.31%	5.07%

Analysis: Total Interest income increased as a result of a larger investment portfolio as well as a higher investment yield, when compared to the prior year. Annualized investment yield increased as a result of securities purchased at higher yields that were available in the latter part of the previous year, which continued to be held through the current fiscal year (with some also maturing). Weighted Average Yield to Maturity saw a decrease over the period as a result of current yields of investments held as of March 31, 2025 being lower than the market highs of the previous year. Interest earned on the GGRF subaward balance was not included in the yield calculation for the investment portfolio due to current restrictions on the use of the subaward. With those funds incorporated, the portfolio yield would be 4.47% due to the higher average balance invested in short term instruments.

NYSERDA Investment Holdings 3/31/2025

Fund	Investment Type	Purchase Date	Maturity Date	-Original Cost-	-Principal-	-Yield to Maturity-	-Market Value-
Regional Greenhouse Gas Initiative	US Treasury Bill	5/23/2024	4/17/2025	24,996,881	26,179,000	5.20%	26,129,446
	US Treasury Bill	5/30/2024	5/15/2025	21,999,171	23,109,000	5.20%	22,989,409
	US Treasury Bill	9/12/2024	9/4/2025	20,996,053	21,851,000	4.12%	21,463,189
	US Treasury Bill	9/17/2024	7/10/2025	24,996,420	25,831,000	4.08%	25,530,715
	US Treasury Bill	9/17/2024	8/7/2025	24,995,488	25,901,000	4.04%	25,517,838
	US Treasury Bill	10/17/2024	10/2/2025	24,999,890	26,019,000	4.21%	25,477,614
	US Treasury Bill	11/29/2024	4/3/2025	24,998,972	25,381,000	4.44%	25,375,016
	US Treasury Bill	12/19/2024	11/28/2025	11,999,470	12,487,000	4.27%	12,159,167
	US Treasury Bill	12/26/2024	4/24/2025	24,998,632	25,348,000	4.26%	25,279,424
	US Treasury Bill	12/26/2024	6/5/2025	24,998,575	25,472,000	4.29%	25,279,067
	US Treasury Bill	12/31/2024	12/26/2025	29,999,390	31,237,000	4.14%	30,326,293
	US Treasury Bill	2/20/2025	1/22/2026	14,999,472	15,582,000	4.17%	15,080,191
	US Treasury Bill	3/6/2025	2/19/2026	12,999,326	13,504,000	4.04%	13,030,172
	US Treasury Bill	3/13/2025	2/19/2026	12,998,862	13,501,000	4.10%	13,027,277
	US Treasury Bill	3/20/2025	3/19/2026	24,997,286	26,020,000	4.06%	25,036,039
	US Treasury Bill	3/27/2025	7/24/2025	24,999,353	25,348,000	4.29%	25,013,547
	US Treasury Note	6/20/2024	6/15/2025	24,981,578	25,526,000	5.12%	25,664,550
	US Treasury Note	6/20/2024	7/15/2025	24,664,500	25,200,000	5.07%	25,263,562
	US Treasury Note	6/20/2024	8/15/2025	24,715,395	25,252,000	5.04%	25,240,999
	US Treasury Note	6/20/2024	9/15/2025	24,760,927	25,217,000	5.02%	25,179,166
	US Treasury Note	9/5/2024	4/30/2025	14,846,341	15,004,000	4.52%	15,167,358
	US Treasury Note	10/3/2024	9/30/2025	19,988,831	20,178,000	3.97%	20,059,216
	US Treasury Note	10/17/2024	5/31/2025	21,970,148	22,538,000	4.41%	22,406,045
	US Treasury Note	11/7/2024	10/15/2025	11,965,389	11,971,000	4.30%	12,208,434
	US Treasury Note	11/15/2024	10/31/2025	24,980,272	25,982,000	4.40%	25,426,201
	US Treasury Note	11/15/2024	11/15/2025	24,986,600	25,524,000	4.43%	25,447,417
	US Treasury Note	11/29/2024	11/30/2025	24,938,513	25,947,000	4.38%	25,340,059
	US Treasury Note	12/12/2024	6/30/2025	9,984,157	10,205,000	4.26%	10,109,629
	US Treasury Note	12/26/2024	12/31/2025	24,941,008	25,938,000	4.29%	25,252,956
	US Treasury Note	12/26/2024	1/15/2026	24,564,798	24,665,000	4.27%	24,824,615
	US Treasury Note	1/16/2025	8/31/2025	12,983,033	13,309,000	4.30%	13,095,518
	US Treasury Note	1/23/2025	1/31/2026	19,599,405	19,604,000	4.27%	19,762,464
	US Treasury Note	1/23/2025	2/28/2026	19,792,778	20,175,000	4.28%	19,930,577
	US Treasury Note	3/20/2025	3/31/2026	24,902,675	25,760,000	4.08%	24,936,007
	US Treasury Note	3/27/2025	12/15/2025	24,974,609	25,000,000	4.14%	25,275,206
	US Treasury Note	3/27/2025	4/15/2026	24,909,180	25,000,000	4.10%	25,354,567
	US Treasury Note	3/27/2025	4/30/2026	24,918,665	25,835,000	4.10%	25,022,831
	US Treasury Note	3/27/2025	5/15/2026	24,842,762	25,535,000	4.09%	25,022,740
	US Treasury Note	3/27/2025	5/31/2026	19,859,316	20,314,000	4.09%	20,021,454
Regional Greenhouse Gas Initiative Total				**850,044,123**	**872,449,000**		**862,725,976**
NY Green Bank	Money Market	3/31/2025	4/1/2025	298,680,097	298,680,097	4.20%	298,680,097
	US Treasury Bill	5/31/2024	4/17/2025	14,997,622	15,693,000	5.23%	15,663,295
	US Treasury Bill	5/31/2024	5/15/2025	14,998,508	15,751,000	5.19%	15,669,487
	US Treasury Bill	10/3/2024	9/4/2025	24,996,321	25,928,000	4.02%	25,467,830
	US Treasury Bill	10/17/2024	7/10/2025	16,999,998	17,522,000	4.18%	17,318,307
	US Treasury Bill	10/31/2024	4/24/2025	17,999,090	18,386,000	4.45%	18,336,259
	US Treasury Bill	10/31/2024	10/2/2025	14,996,484	15,594,000	4.29%	15,269,531
	US Treasury Bill	12/19/2024	8/7/2025	12,997,490	13,347,000	4.23%	13,149,553
	US Treasury Bill	12/26/2024	4/24/2025	6,999,183	7,097,000	4.26%	7,077,800
	US Treasury Bill	1/15/2025	5/8/2025	14,998,355	15,198,000	4.24%	15,131,849
	US Treasury Bill	1/15/2025	11/28/2025	14,999,407	15,548,000	4.17%	15,139,804
	US Treasury Bill	1/23/2025	12/26/2025	14,999,751	15,584,000	4.17%	15,129,653
	US Treasury Bill	2/6/2025	7/17/2025	9,999,713	10,189,000	4.23%	10,062,186
	US Treasury Bill	2/20/2025	6/26/2025	21,999,253	22,325,000	4.23%	22,101,272
	US Treasury Bill	2/20/2025	1/22/2026	21,999,611	22,854,000	4.17%	22,118,001
	US Treasury Bill	2/27/2025	2/19/2026	10,000,063	10,409,000	4.14%	10,043,769
	US Treasury Bill	3/6/2025	8/28/2025	1,999,398	2,040,000	4.25%	2,005,298
	US Treasury Bill	3/13/2025	8/28/2025	1,999,919	2,039,000	4.26%	2,004,315
	US Treasury Bill	3/20/2025	3/19/2026	18,997,745	19,775,000	4.06%	19,027,197
	US Treasury Bill	3/27/2025	4/3/2025	5,499,477	5,504,000	4.93%	5,502,702
	US Treasury Note	7/11/2024	6/15/2025	14,965,604	15,254,000	4.98%	15,336,796
	US Treasury Note	11/7/2024	10/15/2025	16,951,050	16,959,000	4.30%	17,295,367
	US Treasury Note	11/15/2024	10/31/2025	15,487,923	16,109,000	4.40%	15,764,401
	US Treasury Note	11/21/2024	5/31/2025	16,659,411	16,677,000	4.45%	16,915,044
	US Treasury Note	1/9/2025	9/15/2025	24,716,770	24,840,000	4.24%	24,802,732
	US Treasury Note	1/23/2025	1/15/2026	19,980,366	20,043,000	4.20%	20,172,704
	US Treasury Note	2/6/2025	8/15/2025	12,313,936	12,387,000	4.27%	12,381,604
	US Treasury Note	2/20/2025	11/15/2025	21,854,231	22,180,000	4.31%	22,113,450
	US Treasury Note	3/20/2025	12/15/2025	18,798,888	18,818,000	4.13%	19,025,153
	US Treasury Note	3/31/2025	2/28/2026	9,991,453	10,320,000	4.08%	9,993,441
NY Green Bank Total				**732,877,115**	**743,050,097**		**738,698,897**
Clean Energy Standard	US Treasury Bill	10/31/2024	4/24/2025	5,000,453	5,107,000	4.45%	5,093,184
	US Treasury Bill	11/7/2024	5/15/2025	3,998,810	4,089,000	4.32%	4,067,839
	US Treasury Bill	11/14/2024	6/12/2025	4,999,176	5,124,000	4.31%	5,081,061
	US Treasury Bill	11/21/2024	7/10/2025	4,999,019	5,137,000	4.33%	5,077,282
	US Treasury Bill	11/29/2024	8/7/2025	9,999,569	10,297,000	4.30%	10,144,673
	US Treasury Bill	12/19/2024	4/24/2025	6,999,245	7,103,000	4.27%	7,083,784

NYSERDA Investment Holdings 3/31/2025

Fund	Investment Type	Purchase Date	Maturity Date	-Original Cost-	-Principal-	-Yield to Maturity-	-Market Value-
Clean Energy Standard	US Treasury Bill	1/16/2025	5/29/2025	13,499,715	13,711,000	4.24%	13,617,398
	US Treasury Bill	2/6/2025	10/2/2025	11,997,714	12,328,000	4.19%	12,071,487
	US Treasury Bill	2/20/2025	6/17/2025	2,999,366	3,041,000	4.27%	3,013,861
	US Treasury Bill	2/20/2025	10/30/2025	19,996,662	20,583,000	4.21%	20,101,217
	US Treasury Bill	3/6/2025	5/22/2025	27,999,750	28,253,000	4.28%	28,083,894
	US Treasury Bill	3/6/2025	6/26/2025	5,999,441	6,078,000	4.29%	6,017,090
	US Treasury Bill	3/6/2025	7/24/2025	15,000,012	15,244,000	4.24%	15,042,864
	US Treasury Bill	3/6/2025	12/26/2025	5,998,942	6,195,000	4.03%	6,014,386
	US Treasury Bill	3/13/2025	5/22/2025	27,999,232	28,229,000	4.28%	28,060,038
	US Treasury Bill	3/13/2025	6/26/2025	5,999,082	6,073,000	4.31%	6,012,140
	US Treasury Bill	3/13/2025	7/24/2025	14,999,471	15,232,000	4.26%	15,031,022
	US Treasury Bill	3/13/2025	12/26/2025	5,998,572	6,192,000	4.08%	6,011,474
	US Treasury Bill	3/20/2025	7/17/2025	7,999,478	8,111,000	4.29%	8,010,049
	US Treasury Bill	3/27/2025	8/14/2025	9,999,510	10,163,000	4.30%	10,005,029
	US Treasury Bill	3/31/2025	5/22/2025	13,999,154	14,085,000	4.25%	14,000,695
	US Treasury Bill	3/31/2025	8/14/2025	1,499,218	1,523,000	4.26%	1,499,327
	US Treasury Note	8/15/2024	4/15/2025	13,377,951	13,565,000	4.75%	13,720,040
	US Treasury Note	9/12/2024	5/15/2025	19,966,079	20,160,000	4.45%	20,267,319
	US Treasury Note	12/19/2024	8/31/2025	12,986,030	13,357,000	4.34%	13,142,748
	US Treasury Note	1/2/2025	9/15/2025	16,817,155	16,901,000	4.22%	16,875,643
Clean Energy Standard Total				291,128,807	295,881,000		293,145,544
Market Development/Innovation & Research	US Treasury Bill	11/21/2024	4/3/2025	7,499,279	7,621,000	4.43%	7,619,203
	US Treasury Bill	1/2/2025	4/24/2025	13,999,059	14,181,000	4.18%	14,142,635
	US Treasury Bill	2/20/2025	5/15/2025	14,999,514	15,148,000	4.19%	15,069,608
	US Treasury Bill	2/20/2025	6/17/2025	19,999,389	20,277,000	4.27%	20,096,038
	US Treasury Bill	2/20/2025	7/17/2025	19,999,046	20,347,000	4.26%	20,093,758
	US Treasury Bill	2/27/2025	8/21/2025	13,998,517	14,289,000	4.29%	14,056,788
	US Treasury Bill	3/20/2025	5/29/2025	4,999,051	5,040,000	4.27%	5,005,593
	US Treasury Bill	3/20/2025	9/18/2025	9,999,066	10,210,000	4.27%	10,012,805
Market Development/Innovation & Research Total				105,492,920	107,113,000		106,096,427
Multi Funding Source Cash Management	Money Market	3/31/2025	4/1/2025	100,883,483	100,883,483	4.22%	100,883,483
Multi Funding Source Cash Management Total				100,883,483	100,883,483		100,883,483
Green Jobs Green New York	Money Market	3/31/2025	4/1/2025	53,177,834	53,177,834	4.11%	53,177,834
Green Jobs Green New York Total				53,177,834	53,177,834		53,177,834
Perpetual Care Funds	US Treasury Bill	7/11/2024	6/12/2025	16,998,680	17,779,000	4.94%	17,630,012
	US Treasury Note	3/21/2024	2/28/2026	17,482,708	18,921,000	4.64%	18,322,276
Perpetual Care Funds Total				34,481,388	36,700,000		35,952,288
NY-SUN	US Treasury Bill	1/16/2025	5/1/2025	5,013,434	5,061,000	4.24%	5,043,150
	US Treasury Bill	2/20/2025	4/17/2025	11,999,520	12,079,000	4.18%	12,056,136
	US Treasury Bill	3/20/2025	6/5/2025	6,999,839	7,063,000	4.33%	7,009,503
	US Treasury Bill	3/20/2025	7/17/2025	6,999,420	7,097,000	4.29%	7,008,669
NY-SUN Total				31,012,214	31,300,000		31,117,458
Research & Development	US Treasury Bill	2/27/2025	5/22/2025	7,999,092	8,078,000	4.18%	8,029,650
	US Treasury Bill	3/6/2025	5/1/2025	1,499,114	1,509,000	4.32%	1,503,678
	US Treasury Bill	3/13/2025	5/1/2025	1,499,341	1,508,000	4.33%	1,502,681
	US Treasury Bill	3/20/2025	6/12/2025	2,999,502	3,029,000	4.32%	3,003,617
	US Treasury Bill	3/27/2025	7/10/2025	10,999,571	11,135,000	4.30%	11,005,556
Research & Development Total				24,996,620	25,259,000		25,045,181
New Efficiency New York	US Treasury Bill	12/19/2024	4/24/2025	6,999,245	7,103,000	4.27%	7,083,784
	US Treasury Bill	1/16/2025	6/12/2025	8,998,952	9,155,000	4.28%	9,078,281
	US Treasury Bill	3/27/2025	7/10/2025	1,999,383	2,024,000	4.30%	2,000,471
	US Treasury Bill	3/31/2025	8/14/2025	5,999,824	6,095,000	4.26%	6,000,261
New Efficiency New York Total				23,997,404	24,377,000		24,162,797
Energy Storage	US Treasury Bill	1/2/2025	4/3/2025	2,999,691	3,032,000	4.26%	3,031,285
	US Treasury Bill	1/23/2025	5/29/2025	2,498,976	2,536,000	4.23%	2,518,687
	US Treasury Bill	1/30/2025	5/8/2025	2,499,212	2,528,000	4.23%	2,516,997
	US Treasury Bill	2/20/2025	6/17/2025	2,999,366	3,041,000	4.27%	3,013,861
	US Treasury Bill	2/27/2025	8/21/2025	999,264	1,020,000	4.29%	1,003,424
	US Treasury Bill	3/20/2025	7/17/2025	3,999,246	4,055,000	4.29%	4,004,531
Energy Storage Total				15,995,756	16,212,000		16,088,784
VW Diesel Emissions Mitigation	US Treasury Bill	12/19/2024	4/24/2025	3,499,130	3,551,000	4.27%	3,541,393
	US Treasury Bill	1/16/2025	6/12/2025	3,499,320	3,560,000	4.28%	3,530,167
	US Treasury Bill	2/20/2025	5/15/2025	2,999,309	3,029,000	4.19%	3,013,325
	US Treasury Bill	2/27/2025	8/21/2025	999,264	1,020,000	4.29%	1,003,424
	US Treasury Bill	3/27/2025	7/10/2025	2,999,075	3,036,000	4.30%	3,000,707
VW Diesel Emissions Mitigation Total				13,996,097	14,196,000		14,089,015
Low Level Radioactive Waste	US Treasury Bill	1/16/2025	10/30/2025	3,198,836	3,306,000	4.22%	3,228,617
Low Level Radioactive Waste Total				3,198,836	3,306,000		3,228,617
Renewable Portfolio Standard	US Treasury Bill	3/13/2025	5/1/2025	2,499,565	2,514,000	4.33%	2,505,133
Renewable Portfolio Standard Total				2,499,565	2,514,000		2,505,133
Indian Point Energy Center	US Treasury Bill	12/26/2024	6/5/2025	1,999,140	2,037,000	4.29%	2,021,571
Indian Point Energy Center Total				1,999,140	2,037,000		2,021,571
Grand Total				2,285,781,302	2,328,455,415		2,308,939,006

E. AUDITOR'S REPORT ON COMPLIANCE WITH INVESTMENT GUIDELINES

As part of the annual audit of the financial statements of the Authority, the independent auditors audited the Authority's investments and its compliance with its Investment Guidelines for the fiscal year ended March 31, 2025. Following is the report issued by the independent auditors.

KPMG LLP
515 Broadway
Albany, NY 12207-2974

Independent Accountants' Examination Report

To the Members of the New York State Energy Research and Development Authority:

Opinion

We have examined whether:

- The New York State Energy Research and Development Authority's (the Authority's) investment policies complied with the requirements of Section 201.3(c)(3) and all subsequent subparts of Title Two of the Official Compilation of Codes, Rules, and Regulations of the State of New York Part 201.3 (the Specified Requirements) for the fiscal year ended March 31, 2025. The investment policies are specified in the Investment Guidelines, Operative Policy and Instructions attached to this report (Investment Policies), which were re-approved by the Authority in June 2024 without change; and

- The Authority complied with its Investment Policies for the fiscal year ended March 31, 2025.

In our opinion, the Investment Policies complied with the Specified Requirements, in all material respects, for the fiscal year ended March 31, 2025, and the Authority complied with the Investment Policies, in all material respects, for the fiscal year ended March 31, 2025.

Basis for opinion

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and in accordance with the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States. We are required to be independent and to meet our other ethical requirements in accordance with relevant ethical requirements related to the engagement. We believe that the evidence we have obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

Restriction on use

This report is intended solely for the information and use of the Authority and the Office of Budget and Policy Analysis of the Office of the State Comptroller of the State of New York and is not intended to be and should not be used by anyone other than the specified parties. Our opinion is not modified in respect of this matter.

Management's responsibilities

Management of the Authority is responsible for:

- identifying the Specified Requirements, including interpreting such requirements when there are varying interpretations;
- selecting and developing the Investment Policies, including that they comply with the Specified Requirements;
- complying with the Specified Requirements and the Investment Policies, including designing, implementing and maintaining internal control relevant to compliance with such requirements and policies; and
- evaluating the Investment Policies' compliance with the Specified Requirements and the Authority's compliance with the Investment Policies.

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KPMG International Limited, a private English company limited by guarantee.

Our responsibilities

The attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States require us to:

- plan and perform the examination to obtain reasonable assurance about whether the Investment Policies complied with the Specified Requirements and whether the Authority complied with the Investment Policies, in all material respects; and
- express an opinion on theInvestment Policies' compliance with the Specified Requirements and the Authority's compliance with the Investment Policies, based on our examination.

We exercised professional judgment and maintained professional skepticism throughout the engagement. We designed and performed our procedures to obtain evidence about whether the Investment Policies complied with the Specified Requirements and whether the Authority complied with the Investment Policies that is sufficient and appropriate to provide a basis for our opinion. The nature, timing, and extent of the procedures selected depended on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We identified and assessed the risks of material noncompliance through understanding the Specified Requirements, the Investment Policies and the engagement circumstances. We also obtained an understanding of the internal control relevant to the Investment Policies' compliance with the Specified Requirements and the Authority's compliance with the Investment Policies in order to design procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of internal controls.

Our examination does not provide a legal determination on the Investment Policies' compliance with the Specified Requirements or the Authority's compliance with the Investment Policies.

KPMG LLP

Albany, New York
June 26, 2025

F. LIST OF FEES AND CHARGES RELATED TO INVESTMENTS

Operating Fund	
NYS Department of Taxation and Finance - fiscal agent fees and expenses	$380,000
Total Fees and Charges	$380,000