

**Report of Actual Revenues and Expenditures Compared to Budget  
Pursuant to Section 203.8(b) of Regulation 2 NYCRR Part 203  
For the Fiscal Year Ended March 31, 2026**

The following table summarizes actual revenues and expenses, as reported in the Statement of Activities, for the fiscal year ended March 31, 2026, in comparison to amounts included in the final budget approved by NYSERDA's Board:

*(Amounts in thousands)*

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>	<u>% Variance</u>
Revenues:				
State appropriations	\$60,132	210,766	(150,634)	-71.5%
Utility surcharge assessments	757,069	775,545	(18,476)	-2.4%
Renewable energy credit proceeds	125,346	139,637	(14,291)	-10.2%
Zero-emission credit assessments	387,929	530,332	(142,403)	-26.9%
Allowance auction proceeds	518,011	305,412	212,599	69.6%
Third-party reimbursements	22,154	39,969	(17,815)	-44.6%
Federal grants	62,338	82,655	(20,317)	-24.6%
Interest subsidy	141	118	23	19.5%
Project repayments	124	396	-272	-68.7%
Rentals from leases	1,149	1,215	(66)	-5.4%
Fees and other income	34,926	10,987	23,939	217.9%
Loans and financing receivables interest	25,587	72,210	(46,623)	-64.6%
Investment income	77,577	59,071	18,506	31.3%
Total Revenues	2,072,483	2,228,313	(155,830)	-7.0%
Expenses:				
Salaries and benefits	99,725	101,710	(1,985)	-2.0%
Program expenditures	1,368,364	2,030,083	(661,719)	-32.6%
Investment related expenses	310	831	(521)	-62.7%
Program operating costs	5,040	6,774	(1,734)	-25.6%
General & administrative expenses	18,927	24,537	(5,610)	-22.9%
Depreciation	6,427	4,711	1,716	36.4%
NY State assessments	13,594	13,594	-	0.0%
Interest	9,126	5,484	3,642	66.4%
Total Expenses	1,521,513	2,187,724	(666,211)	-30.5%
Change in net position	550,970	40,589	510,381	1257.4%
Net Position, beginning of year	2,659,622	2,413,452	246,170	10.2%
Net Position, end of year				
Net investment in capital assets	6,562	11,482	(4,920)	-42.8%
Restricted for specific programs	3,172,408	2,416,617	755,791	31.3%
Unrestricted	31,622	25,942	5,680	21.9%
Total Net Position, end of year	\$3,210,592	2,454,041	756,551	30.8%

Total revenues were approximately \$155.8 million (-7.0%) under budget. With regard to significant revenue variances, State appropriations were under budget primarily due to Off-Shore Wind Port and Supply Chain Infrastructure program commitments for which timing was proactively adjusted in light of changing federal dynamics within the industry. Utility surcharge assessments were less than budget primarily because CEF and Energy Storage expenditures reimbursed via BAYG were lower than budgeted. Additionally, unplanned transfers from other BAYG funds reduced the need to meet CEF working capital requirements through billable revenues. Renewable energy credit (REC) proceeds were less than budget due to a reduction in revenue associated with accruing an estimated aggregate refund payable to load-serving entities of \$74.4 million. This was offset in large part by receipt of \$40.5 million of Alternative Compliance Payments, which had not been anticipated in the budget. Zero-emission credit (ZEC) assessments were under budget due to the budget assumptions for the Tranche five ZEC price which was based on an average of the price set by DPS for the previous four Tranches based on data available at that time. The actual final price set by DPS was a lower amount. Allowance auction proceeds were over budget primarily due to the auction results' clearing prices being higher than anticipated. Third-party reimbursements were under budget principally due to Office of Temporary and Disability Assistance (OTDA) support for Empower+ reflecting lower than forecast expenditures charged to this funding source in FY2025-26, however, the latest round of funding from OTDA remains available in FY2026-27. Federal grants were under budget primarily due to complexities in the Home Efficiency Rebate (HER) grant terms that required more time to set up than assumed in the budget, with expenditures less than anticipated by \$37.9 million. Partially offsetting this, Empower+ expenditures from the Home Efficiency and Appliance Rebate (HEAR) grant were over budget by \$10.6 million. Fees and other income were greater than budget primarily due to REC contract security forfeitures totaling \$28.0M which were not anticipated in the budget. Loans and financing receivables interest was under budget primarily due to NY Green Bank's provision for losses on loans totaling \$29.1 million, and a loss on sale of loans of \$2.6 million, which were not contemplated in the budget. In addition, NY Green Bank had a smaller amount of deployed capital on average over the course of the fiscal year than anticipated in the budget, as well as lower reference rates on certain loans than had been projected. Partially offsetting these, Green Jobs-Green NY (GJGNY) was over budget primarily related to a larger balance of loans outstanding as GJGNY subsidized interest rates remain more attractive than private market rates. Investment income was greater than budget primarily due to higher average invested balances across select funds over the period, coupled with a higher average yield relative to budget assumptions.

Total expenses were approximately \$666.2 million (-30.5%) under budget. With regard to significant expense variances, Program expenditures were less than budgeted by \$661.7 million (-32.6%) primarily as a result of the following: 1. Clean Energy Generation: a) ZEC expenditures were less than budget due to both a lower Tranche five price set by DPS than NYSERDA has anticipated in its budget, and a newly-instituted adjustment to realize the benefit of federal production tax credits (PTCs) secured by the nuclear generators, that in turn lower the cost of ZECs. b) Timing was adjusted on offshore wind port development and supportive manufacturing initiatives in response to changing dynamics within the industry. c) REC generation has been in line with estimates but higher than forecasted winter commodity prices reduced expenditures through the indexed REC mechanism; 2. Clean Buildings expenditures, primarily funded through CEF and EE/BE Orders, RGGI, and various grants, were under budget due to updating of program strategies combined with atypical levels of political and market disruption; 3. Clean Transportation expenditures were under budget primarily due to lower-than-forecasted demand for electric vehicles throughout the year and electric school bus adoption challenges.