

**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, 2024**

The following table summarizes actual revenues and expenses, as reported in the Statement of Activities, for the fiscal year ended March 31, 2024, 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	\$94,157	134,211	(40,054)	-29.8%
Utility surcharge assessments	618,290	735,606	(117,316)	-15.9%
Renewable energy credit proceeds	61,378	56,002	5,376	9.6%
Zero-emission credit assessments	513,255	517,332	(4,077)	-0.8%
Allowance auction proceeds	349,932	237,518	112,414	47.3%
Third-party reimbursements	70,765	50,743	20,022	39.5%
Federal grants	9,857	13,781	(3,924)	-28.5%
Interest subsidy	211	211	-	0.0%
Project Repayments	684	293	391	133.4%
Rentals from leases	1,118	1,011	107	10.6%
Fees and other income	29,668	7,294	22,374	306.7%
Loans and financing receivables interest	52,722	36,263	16,459	45.4%
Gain on sale of real property	725	-	725	100.0%
Investment income	64,159	49,804	14,355	28.8%
Total Revenues	<u>1,866,921</u>	<u>1,840,069</u>	<u>26,852</u>	<u>1.5%</u>
Expenses:				
Salaries and benefits	83,135	90,148	(7,013)	-7.8%
Program expenditures	1,463,223	1,660,060	(196,837)	-11.9%
Investment related expenses	215	1,040	(825)	-79.3%
Program operating costs	4,243	5,010	(767)	-15.3%
General & administrative costs	14,308	18,295	(3,987)	-21.8%
Depreciation	6,429	2,288	4,141	181.0%
New York State assessments	13,594	13,594	-	0.0%
Interest	3,861	3,448	413	12.0%
Total Expenses	<u>1,589,008</u>	<u>1,793,883</u>	<u>(204,875)</u>	<u>-11.4%</u>
Change in net position	277,913	46,186	231,727	501.7%
Net Position, beginning of year	1,890,681	1,890,681	-	0.0%
Net Position, end of year to date				
Net investment in capital assets	8,280	12,886	(4,606)	-35.7%
Restricted for specific programs	2,141,843	1,915,570	226,273	11.8%
Unrestricted	18,471	8,413	10,058	119.6%
Total Net Position, end of year to date	<u>\$2,168,594</u>	<u>1,936,869</u>	<u>231,725</u>	<u>12.0%</u>

Total revenues were approximately \$26.9 million (1.5%) over budget. With regard to significant revenue fluctuations, State appropriations were under budget primarily due to the timing of approval of funds provided for the Empower+ program (\$100 million budgeted; \$76.8 million actual reimbursement revenues recorded), which led to NYSERDA funding Empower+ program spending from other sources first; reimbursement for which is included in Third-party reimbursements. Third-party reimbursements were over budget principally due to this higher than anticipated Empower+ program spending, which was also more than planned because the award was greater than expected (actual revenues were \$21.6 million over budget). Empower+ program revenue from these two sources combined was \$1.6M under budget. Utility surcharge assessments are recorded via the Bill-as-you-go funding method, based on actual expenses and maintenance of a working capital balance, and were lower than budget principally because CEF, NY-Sun, RPS, and EV Prize program spending was less than budgeted. Allowance auction proceeds were greater than budgeted primarily due to the average actual auction price being higher than budgeted. Fees and other income were greater than budget primarily due to CES non-refundable bid deposit fees collected in excess of budgeted amounts. Loans and financing receivables interest was over budget primarily due to NY Green Bank having larger amounts of deployed capital than anticipated in the budget, as well as an increase in base rates underlying variable interest rate loans, offset in part by a \$15.2 million provision for loss on two existing portfolio positions. Investment income was greater than budget primarily due to higher yields than were anticipated in the budget.

Total expenses were approximately \$204.9 million (-11.4%) under budget. With regard to significant expense fluctuations, Salaries and benefits was under budget primarily due to the timing of filling vacancies. In addition, compensated absences, health insurance, and employer contributions for the voluntary defined contribution plan were lower than anticipated. Program expenditures were less than budgeted primarily due to the following: infrastructure and efficiency projects in NYS continue to see delays as a result of higher interest rates, inflation, supply chain, labor constraints, and permitting and interconnection challenges. These factors have led to expenditures coming in under budget through the fiscal year end, primarily in the following areas: Storage projects (~\$33.2M under budget), Solar projects (~\$16.5M under budget), Transportation electrification projects (~\$18.0M under budget), offset in-part by strong demand for electric vehicle incentives funded from auction allowance proceeds; various decarbonization, energy efficiency, and innovation programs (~\$45.9M under budget), and Renewable generation projects (~\$28M under budget). Results also reflect lower than expected costs of the West Valley site managed by NYSERDA on behalf of NYS (~\$10.5M under budget), primarily attributable to the timing of work, though project progress is recovering from pandemic-era slowdowns. Finally, the Empower+ program supporting LMI household energy efficiency was under budget by ~\$15.7M across all funding sources (which includes RGGI funding in addition to the other Empower+ related revenues noted above), mainly due to the timing of state funding approval, but we expect spending to be back on track by the end of next fiscal year, as funding source utilization shifts throughout the year based on availability.