



Item 5.2: Periodic Report on Investments

Leslie Swanson
Treasurer and Controller

Finance and Audit Committee Meeting

ERCOT Public
June 23, 2025

Overview

- **Purpose**
 - To provide the Finance and Audit (F&A) Committee a periodic review of investment compliance and performance
- **Voting Items / Requests**
 - No action is requested of the F&A Committee or Board; for discussion only
- **Key Takeaways**
 - ERCOT's Money Market Mutual Fund (MMMF) investment yields slightly decreased since the February yields reported at the prior F&A meeting. As of the end of April 2025, ERCOT's MMMF yields equaled approximately 4.18% and the purchase yield of ERCOT's U.S. Treasury Obligation Portfolio equaled approximately 4.43%
 - ERCOT is in compliance with all investment requirements

Investment Compliance

Money Market Mutual Funds (MMMF)	Compliance
Credit analysis reviewed by Investment Officer. MMMF must maintain a minimum rating consistent with the U.S. Government.	Yes
100% treasury analysis reviewed by Investment Officers. MMMF invested in U.S. Treasury Securities or a combination of U.S. Treasury Securities and repurchase agreements backed by U.S. Treasury Securities.	Yes
Concentration analysis reviewed by Investment Officers. No more than 10% of investable funds will be maintained in any one ERCOT Inc. MMMF.	Yes
Each MMMF has assets under management of at least \$1 billion.	Yes
There are no direct investments in any of the institutions listed in the divestment provisions as outlined in Texas Government Code Chapter 809.	Yes
There are no MMMF listed in the divestment provisions as outlined in Texas Government Code Chapter 809.	Yes

Key Takeaway: ERCOT is in compliance with all investment requirements

Investment Compliance

U.S. Treasury Obligation Portfolio	Compliance
Review the portfolio to ensure investments are matched with anticipated cash flow requirements and in compliance with the Investment Management Agreement.	Yes
Investments will have a legal final maturity of not more than three years.	Yes
There are no direct investments in any of the institutions listed in the divestment provisions as outlined in Texas Government Code Chapter 809.	Yes
There are no money market mutual funds listed in the divestment provisions as outlined in Texas Government Code Chapter 809.	Yes

Key Takeaway: ERCOT is in compliance with all U.S. Treasury Obligation Portfolio investment requirements

Electric Reliability Council of Texas, Inc.
Investment Compliance
April 30, 2025

(\$ in 000's)

	Funds Held at ERCOT (Ending Balance)	Funds Held at Trustee (Ending Balance)	Month End Yield	Monthly Investment Income
Money Market Mutual Funds (MMMF)				
ERCOT, Inc. Unrestricted	\$ 605,661	\$ -	N/A	\$ 2,039
ERCOT, Inc. Restricted (Collateral)	1,811,394	-	N/A	5,919
Total ERCOT, Inc. MMMF	<u>\$ 2,417,055</u>	<u>\$ -</u>	<u>4.18%</u>	<u>\$ 7,959</u>
Texas Electric Market Stabilization Funding M, LLC	\$ 19,455	\$ 15,764	4.21%	\$ 117
Texas Electric Market Stabilization Funding N, LLC	\$ 4,060	\$ 47,885	4.23%	\$ 159

	Purchase Price	Duration	Purchase Yield	Monthly Investment Income
U.S. Treasury Obligation Portfolio				
ERCOT, Inc. Unrestricted	\$ 1,837,023	0.86	4.43%	\$ 6,486

Statement of Compliance

Upon a review of the investment activity, I have no knowledge of any ERCOT action that does not comply with that required by the Investment Corporate Standard since the last report provided to the Finance and Audit Committee.

Money Market Mutual Funds (MMMF)

- Credit analysis must maintain a minimum rating consistent with the U.S. Government.
- 100% treasury analysis reviewed by Investment Officers. MMMF invested in U.S. Treasury Securities or a combination of U.S. Treasury Securities and repurchase agreements backed by U.S. Treasury Securities.
- Concentration analysis reviewed by Investment Officers. No more than 10% of investable funds will be maintained in any one ERCOT, Inc. MMMF.
- Each MMMF has assets under management of at least \$1 billion.
- There are no direct investments in any of the institutions listed in the divestment provisions as outlined in Texas Government Code Chapter 809.
- There are no MMMF listed in the divestment provisions as outlined in Texas Government Code Chapter 809.

U.S. Treasury Obligation Portfolio

- Review the portfolio to ensure investments are matched with anticipated cash flow requirements and in compliance with the Investment Management Agreement.
- Investments will have a legal final maturity of not more than three years.
- There are no direct investments in any of the institutions listed in the divestment provisions as outlined in Texas Government Code Chapter 809.
- There are no MMMF listed in the divestment provisions as outlined in Texas Government Code Chapter 809.

Signature on File

Richard L Scheel Senior Vice President, CFO, and CRO

Note: Investment monthly holdings are available for review upon request.

Note: Schedule may not foot due to rounding.



Investment Compliance

Appendices

Electric Reliability Council of Texas, Inc.
Money Market Mutual Funds (MMMF)
April 30, 2025
(\$ in 000's)

MMMF	Unrestricted	Restricted	Total Ending	Percentage	Month	Unrestricted	Restricted	Total
	Ending Balance	Ending Balance	Balance	of Portfolio	End Yield	Monthly Investment Income	Monthly Investment Income	Monthly Investment Income
Allspring 100% Treasury Money Market Fund (Admin)	\$ -	\$ 113,314	\$ 113,314	4.69%	4.02%	\$ -	\$ 375	\$ 375
Allspring Treasury Plus Money Market Fund (Institutional)	100	87,483	87,583	3.62%	4.18%	0	301	302
BlackRock Institutional T-Fund (60) MMF	710	195,790	196,500	8.13%	4.21%	2	665	667
BlackRock Institutional Treasury Trust Fund MMF	50	524	574	0.02%	4.16%	0	2	2
Dreyfus Treasury Prime Cash Management MMF	400	195,421	195,821	8.10%	4.14%	1	667	669
Federated Fund 0125 US Treasury Cash Reserves Fund	300	683	983	0.04%	4.12%	1	2	3
Federated Fund 068 Treasury Obligations Fund	700	194,743	195,443	8.09%	4.18%	2	671	673
Fidelity 680 Institutional MMF: Treasury Only Portfolio	500	605	1,105	0.05%	4.17%	2	2	4
Fidelity Investments Money Market Treasury Portfolio (Class I)	181,900	33,189	215,089	8.90%	4.22%	552	49	601
First Amer Treas Oblig/CI Z	50	4,987	5,037	0.21%	4.19%	0	17	17
Goldman Sachs Treasury Instruments Fund 506	800	188,005	188,805	7.81%	4.15%	3	643	646
Invesco Institutional Treasury Portfolio	31,678	190,086	221,764	9.17%	4.24%	13	631	644
JPMorgan U.S. Treasury Plus Money Market Fund (Institutional)	132,528	52,107	184,635	7.64%	4.19%	446	180	626
Morgan Stanley Fund 8304 Treasury	690	201,819	202,509	8.38%	4.17%	2	694	696
State Street Global Advisors Institutional Treasury MMF	206,200	623	206,823	8.56%	4.22%	718	2	720
UBS Select Treasury Preferred Fund 46	48,555	149,645	198,200	8.20%	4.23%	294	327	621
Western Asset Institutional US Treasury Reserves	500	202,369	202,869	8.39%	4.14%	2	691	692
Total MMMF	\$ 605,661	\$ 1,811,394	\$ 2,417,055	100.00%	4.18%	\$ 2,039	\$ 5,919	\$ 7,959

Note: Schedule may not foot due to rounding.



Texas Electric Market Stabilization Funding M, LLC (TEMSFM)
Money Market Mutual Funds (MMMF)
April 30, 2025
(\$ in 000's)

	Ending Balance	Month End Yield	Monthly Investment Income
MMMF held at ERCOT, Inc.			
Capital			
JPMorgan U.S. Treasury Plus Money Market Fund (Institutional)	\$ 4,042	4.17%	\$ 14
	4,042	4.17%	14
Escrow (Collateral)			
BlackRock Liquidity Funds: T-Fund	3,814	4.23%	13
Invesco Treasury Portfolio	3,996	4.22%	14
Morgan Stanley Institutional Liquidity Funds: Treasury Portfolio	4,049	4.19%	14
UBS Select Treasury Preferred Fund	3,554	4.24%	12
Total Escrow (Collateral) MMMF	15,412	4.22%	53
Total MMMF held at ERCOT, Inc.	19,455	4.21%	67
MMMF held at Trustee			
Debt Service			
First Am Treas Ob Fund	6,594	4.22%	19
Invesco Treasury Portfolio/Instit	1,929	4.25%	7
Total Debt Service MMMF	8,523	4.23%	25
Debt Service Reserve			
Allspring Treasury Plus Money Market Fund (Institutional)	4,043	4.20%	14
JPMorgan TR I 100 US TR Cap	3,198	4.17%	11
Total Debt Service Reserve MMMF	7,241	4.19%	25
Total MMMF held at Trustee	15,764	4.21%	50
Total TEMSFM MMMF	\$ 35,219	4.21%	\$ 117

Note: Schedule may not foot due to rounding.



**Texas Electric Market Stabilization Funding N, LLC (TEMSFN)
Money Market Mutual Funds (MMMMF)**

April 30, 2025

(\$ in 000's)

	Ending Balance	Month End Yield	Monthly Investment Income
MMMMF held at ERCOT, Inc.			
Escrow (collateral)			
BlackRock Liquidity Funds: T-Fund	\$ 2,030	4.23%	\$ 7
Morgan Stanley Institutional Liquidity Funds: Treasury Portfolio	2,030	4.19%	7
Total MMMF held at ERCOT, Inc.	4,060	4.21%	14
MMMMF held at Trustee			
Debt Service			
Invesco Treasury Portfolio Institutional	35,313	4.25%	102
First Am Treas Ob Fund	1,881	4.22%	6
Total Debt Service MMMF	37,195	4.25%	109
Capital			
JPMorgan TR I 100 US TR Cap	10,690	4.17%	37
Total Capital MMMF	10,690	4.17%	37
 Total MMMF held at Trustee	 47,885	 4.23%	 145
 Total TEMSFN MMMF	 \$ 51,944	 4.23%	 \$ 159

Note: Schedule may not foot due to rounding.



Electric Reliability Council of Texas, Inc.
Summary of U.S. Treasury Obligation Portfolio Results
April 30, 2025
(\$ in 000's)

Maturity Month	Par Value	Coupon Rate	Current Market Value	Current Market Yield	Purchase Price	Discount / (Premium)	Purchase Yield	Monthly Investment Income	Duration
FUZXX	177,710	0.00%	177,710	4.25%	177,710	-	4.25%	574	0.24
May-25	104,000	2.13%	104,927	4.66%	100,853	3,147	4.89%	423	0.04
Jun-25	104,000	2.75%	104,696	4.32%	101,336	2,664	4.82%	417	0.16
Jul-25	92,000	0.25%	91,126	4.40%	86,581	5,419	4.83%	366	0.25
Aug-25	105,000	2.00%	104,719	4.39%	101,064	3,936	4.81%	417	0.29
Sep-25	99,000	3.00%	98,757	4.24%	96,389	2,611	4.77%	391	0.41
Oct-25	94,000	0.25%	92,193	4.19%	87,588	6,412	4.75%	364	0.49
Nov-25	70,000	0.38%	68,616	4.14%	65,697	4,303	4.61%	262	0.57
Dec-25	63,000	4.00%	63,936	4.04%	62,373	627	4.58%	240	0.60
Jan-26	76,000	0.38%	74,031	4.05%	70,843	5,157	4.58%	280	0.74
Feb-26	76,000	2.50%	75,385	4.03%	73,315	2,685	4.55%	283	0.81
Mar-26	77,000	2.25%	75,995	3.94%	73,874	3,126	4.53%	284	0.89
Apr-26	75,000	2.38%	73,890	3.91%	71,982	3,018	4.53%	277	0.97
May-26	58,000	1.63%	57,112	3.89%	55,487	2,513	4.30%	202	1.01
Jun-26	58,000	1.88%	57,079	3.84%	55,590	2,410	4.27%	200	1.13
Jul-26	53,000	1.88%	52,017	3.78%	50,709	2,291	4.26%	182	1.21
Aug-26	58,000	1.50%	56,520	3.79%	55,078	2,922	4.24%	198	1.26
Sep-26	53,000	1.63%	51,549	3.72%	50,331	2,669	4.21%	179	1.38
Oct-26	53,000	1.13%	51,016	3.72%	49,691	3,309	4.22%	178	1.46
Nov-26	39,000	2.00%	38,365	3.72%	37,618	1,382	3.97%	125	1.48
Dec-26	34,000	1.75%	33,151	3.68%	32,570	1,430	3.95%	108	1.61
Jan-27	40,000	1.50%	38,696	3.66%	38,053	1,947	3.96%	126	1.69
Feb-27	41,000	1.88%	39,859	3.64%	39,256	1,744	3.96%	130	1.77
Mar-27	42,000	0.63%	39,719	3.61%	39,038	2,962	3.94%	129	1.87
Apr-27	40,000	0.50%	37,626	3.61%	36,958	3,042	3.94%	122	1.95
May-27	23,000	0.50%	21,625	3.62%	21,485	1,515	3.81%	5	2.03
Jun-27	24,000	0.50%	22,503	3.60%	22,366	1,634	3.79%	5	2.11
Jul-27	22,000	0.38%	20,499	3.59%	20,384	1,616	3.80%	4	2.20
Aug-27	24,000	0.50%	22,372	3.59%	22,243	1,757	3.80%	5	2.28
Sep-27	22,000	0.38%	20,383	3.59%	20,276	1,724	3.79%	4	2.36
Oct-27	22,000	0.50%	20,385	3.60%	20,283	1,717	3.79%	4	2.44
Total Investments	\$ 1,918,710	1.48%	\$ 1,886,457	4.16%	\$ 1,837,023	\$ 81,687	4.43%	\$ 6,486	0.86

Note: Schedule may not foot due to rounding.



Interest Forecast

Electric Reliability Council of Texas, Inc.
Investment Income as of
April 30, 2025
(\$ in 000's)

	2025	2026	2027
U.S. Treasury Obligation Portfolio			
Recognized - Investment Income	\$ 26,435	\$ -	\$ -
Unrealized - Investment Income (FMV Adjustment)	2,905	-	-
Unrecognized - Investment Income	38,961	25,336	4,534
Total U.S. Treasury Obligation Portfolio	68,301	25,336	4,534
Money Market Mutual Funds (MMMF)			
Recognized - Investment Income	9,761	-	-
Total MMMF	9,761	-	-
Total Investment Income	\$ 78,061	\$ 25,336	\$ 4,534
Interest Income Per Approved Budget	\$ 39,750	\$ 39,750	\$ -

*2026 & 2027 Budget has not been approved
Note: Schedule may not foot due to rounding.