



PUBLIC

Item 6.2: Periodic Report on Investments

Leslie Swanson
Treasurer and Controller

Finance and Audit Committee Meeting

September 22, 2025

- **Purpose**
To provide the Finance and Audit (F&A) Committee a periodic review of investment compliance and performance.
- **For Information Only**
No action is currently requested; for discussion only.

Key Takeaways

- ERCOT's Money Market Mutual Fund (MMMF) investment yields slightly decreased since the April yields report at the prior F&A meeting. As of the end of July 2025, ERCOT's MMMF yields equal approximately 4.17% and the purchase yield of ERCOT's U.S. Treasury Obligation Portfolio equaled approximately 4.31%.
- 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 the 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
July 31, 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	\$ 685,611	\$ -	N/A	\$ 2,393
ERCOT, Inc. Restricted (Collateral)	1,731,721	-	N/A	6,198
Total ERCOT, Inc. MMMF	<u>\$ 2,417,332</u>	<u>\$ -</u>	<u>4.17%</u>	<u>\$ 8,591</u>
Texas Electric Market Stabilization Funding M, LLC	\$ 20,351	\$ 23,140	4.18%	\$ 150
Texas Electric Market Stabilization Funding N, LLC	\$ 5,835	\$ 12,593	4.17%	\$ 248
U.S. Treasury Obligation Portfolio				
	Purchase Price	Duration	Purchase Yield	Monthly Investment Income
ERCOT, Inc. Unrestricted	\$ 1,858,129	0.75	4.31%	\$ 6,374

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)
July 31, 2025
(\$ in 000's)

	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
MMMF								
Allspring 100% Treasury Money Market Fund (Admin)	\$ -	\$ 114,455	\$ 114,455	4.73%	4.04%	\$ -	\$ 391	\$ 391
Allspring Treasury Plus Money Market Fund (Institutional)	9,200	93,095	102,295	4.23%	4.15%	56	324	381
BlackRock Institutional T-Fund (60) MMF	710	197,832	198,542	8.21%	4.19%	3	704	706
BlackRock Institutional Treasury Trust Fund MMF	50	529	579	0.02%	4.18%	0	2	2
Dreyfus Treasury Prime Cash Management MMF	400	197,446	197,846	8.18%	4.14%	1	690	692
Federated Fund 0125 US Treasury Cash Reserves Fund	300	690	990	0.04%	4.13%	1	2	3
Federated Fund 068 Treasury Obligations Fund	700	196,774	197,474	8.17%	4.15%	2	694	696
Fidelity 680 Institutional MMF: Treasury Only Portfolio	500	611	1,111	0.05%	4.20%	2	2	4
Fidelity Investments Money Market Treasury Portfolio (Class I)	85,300	108,333	193,633	8.01%	4.22%	303	412	715
First Amer Treas Oblig/CI Z	50	47,839	47,889	1.98%	4.17%	0	101	101
Goldman Sachs Treasury Instruments Fund 506	800	189,956	190,756	7.89%	4.12%	3	666	668
Invesco Institutional Treasury Portfolio	104,128	82,836	186,964	7.73%	4.22%	396	306	702
JPMorgan U.S. Treasury Plus Money Market Fund (Institutional)	187,828	21,213	209,041	8.65%	4.18%	611	75	687
Morgan Stanley Fund 8304 Treasury	690	201,319	202,009	8.36%	4.15%	2	714	717
State Street Global Advisors Institutional Treasury MMF	206,200	630	206,830	8.56%	4.23%	738	2	740
UBS Select Treasury Preferred Fund 46	88,255	114,492	202,747	8.39%	4.23%	273	441	714
Western Asset Institutional US Treasury Reserves	500	163,671	164,171	6.79%	4.16%	2	670	672
Total MMMF	\$ 685,611	\$ 1,731,721	\$ 2,417,332	100.00%	4.17%	\$ 2,393	\$ 6,198	\$ 8,591



Texas Electric Market Stabilization Funding M, LLC (TEMSFM)
Money Market Mutual Funds (MMMF)

July 31, 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)	\$ 4,084	4.14%	\$ 14
	4,084	4.14%	14
Escrow (Collateral)			
BlackRock Liquidity Funds: T-Fund	3,901	4.19%	14
Invesco Treasury Portfolio	4,085	4.20%	15
Morgan Stanley Institutional Liquidity Funds: Treasury Portfolio	4,139	4.16%	15
UBS Select Treasury Preferred Fund	4,141	4.23%	15
Total Escrow (Collateral) MMMF	16,267	4.19%	58
Total MMMF held at ERCOT, Inc.	20,351	4.18%	72
MMMF held at Trustee			
Debt Service			
First Am Treas Ob Fund	13,624	4.17%	44
Invesco Treasury Portfolio/Instit	1,949	4.23%	7
Total Debt Service MMMF	15,573	4.20%	51
Debt Service Reserve			
Allspring Treasury Plus Money Market Fund (Institutional)	4,085	4.16%	14
JPMorgan TR I 100 US TR Cap	3,482	4.16%	12
Total Debt Service Reserve MMMF	7,568	4.16%	27
Total MMMF held at Trustee	23,140	4.17%	77
Total TEMSFM MMMF	\$ 43,491	4.18%	\$ 150



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

July 31, 2025

(\$ in 000's)

	Ending Balance	Month End Yield	Monthly Investment Income
MMMF held at ERCOT, Inc.			
Escrow (collateral)			
BlackRock Liquidity Funds: T-Fund	\$ 2,918	4.19%	\$ 10
Morgan Stanley Institutional Liquidity Funds: Treasury Portfolio	2,918	4.16%	10
Total MMMF held at ERCOT, Inc.	5,835	4.17%	20
MMMF held at Trustee			
Debt Service			
Invesco Treasury Portfolio Institutional	254	4.23%	185
First Am Treas Ob Fund	1,760	4.17%	6
Total Debt Service MMMF	2,015	4.18%	192
Capital			
JPMorgan TR I 100 US TR Cap	10,579	4.16%	37
Total Capital MMMF	10,579	4.16%	37
Total MMMF held at Trustee	12,593	4.16%	228
Total TEMSFN MMMF	\$ 18,428	4.17%	\$ 248

* \$72,268 moved from Invesco Sub Account 1001 to Collections account 1000 on 7/31/25 for bond payment.



Electric Reliability Council of Texas, Inc.
Summary of U.S. Treasury Obligation Portfolio Results
July 31, 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	126,066	0.00%	126,066	4.18%	126,066	-	4.18%	372	0.25
Aug-25	132,000	2.00%	133,091	4.79%	127,907	4,093	4.70%	516	0.04
Sep-25	124,000	3.00%	125,008	4.23%	121,271	2,729	4.66%	481	0.16
Oct-25	118,000	0.25%	116,889	4.38%	111,152	6,848	4.65%	452	0.25
Nov-25	99,000	0.38%	97,763	4.44%	94,227	4,773	4.50%	366	0.33
Dec-25	88,000	2.88%	87,875	4.24%	86,878	1,122	4.47%	326	0.37
Jan-26	105,000	0.38%	102,956	4.40%	99,201	5,799	4.47%	383	0.49
Feb-26	104,000	2.50%	104,004	4.35%	101,011	2,989	4.44%	380	0.56
Mar-26	107,000	2.25%	106,398	4.29%	103,473	3,527	4.39%	386	0.64
Apr-26	104,000	2.38%	103,189	4.27%	100,584	3,416	4.39%	375	0.72
May-26	79,000	1.63%	77,714	4.20%	76,081	2,919	4.25%	210	0.76
Jun-26	79,000	1.88%	77,494	4.22%	76,165	2,835	4.23%	209	0.89
Jul-26	72,000	1.88%	70,392	4.19%	69,295	2,705	4.22%	190	0.97
Aug-26	80,000	1.50%	78,406	4.18%	76,496	3,504	4.20%	206	1.01
Sep-26	73,000	1.63%	71,328	4.14%	69,778	3,222	4.17%	187	1.13
Oct-26	72,000	1.13%	69,606	4.13%	68,014	3,986	4.18%	186	1.22
Nov-26	39,000	2.00%	38,142	4.11%	37,618	1,382	3.97%	126	1.25
Dec-26	34,000	1.75%	32,980	4.07%	32,570	1,430	3.95%	109	1.37
Jan-27	40,000	1.50%	38,534	4.06%	38,053	1,947	3.96%	127	1.45
Feb-27	41,000	1.88%	39,989	4.02%	39,256	1,744	3.96%	131	1.51
Mar-27	42,000	0.63%	39,832	3.99%	39,038	2,962	3.94%	130	1.62
Apr-27	40,000	0.50%	37,724	3.98%	36,958	3,042	3.94%	123	1.70
May-27	23,000	0.50%	21,627	3.96%	21,485	1,515	3.81%	69	1.78
Jun-27	24,000	0.50%	22,498	3.95%	22,366	1,634	3.79%	71	1.86
Jul-27	22,000	0.38%	20,508	3.94%	20,384	1,616	3.80%	65	1.95
Aug-27	24,000	0.50%	22,421	3.93%	22,243	1,757	3.80%	71	2.03
Sep-27	22,000	0.38%	20,426	3.92%	20,276	1,724	3.79%	64	2.11
Oct-27	22,000	0.50%	20,426	3.92%	20,283	1,717	3.79%	64	2.19
Total Investments	\$ 1,935,066	1.48%	\$ 1,903,287	4.25%	\$ 1,858,129	\$ 76,937	4.31%	\$ 6,374	0.75



Electric Reliability Council of Texas, Inc.
Investment Income as of
July 31, 2025
(\$ in 000's)

	2025	2026	2027
U.S. Treasury Obligation Portfolio			
Recognized - Investment Income	\$ 45,237	\$ -	\$ -
Unrealized - Investment Income (FMV Adjustment)	(3,181)	-	-
Unrecognized - Investment Income	26,787	29,317	4,534
Total U.S. Treasury Obligation Portfolio	68,842	29,317	4,534
Money Market Mutual Funds (MMMF)			
Recognized - Investment Income	18,283	-	-
Total MMMF	18,283	-	-
Total Investment Income	\$ 87,125	\$ 29,317	\$ 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.

