

|                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                         |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------|
| <b>Form 5500</b><br><br>Department of the Treasury<br>Internal Revenue Service<br><br>Department of Labor<br>Employee Benefits Security<br>Administration<br><br>Pension Benefit Guaranty Corporation | <b>Annual Return/Report of Employee Benefit Plan</b><br>This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code).<br><br><p style="text-align: center;">▶ <b>Complete all entries in accordance with the instructions to the Form 5500.</b></p> | OMB Nos. 1210-0110<br>1210-0089<br><br><b>2021</b><br><br><b>This Form is Open to Public Inspection</b> |
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|                                                                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|----------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Part I</b>                                                                                            | <b>Annual Report Identification Information</b>                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| For calendar plan year 2021 or fiscal plan year beginning <u>01/01/2021</u> and ending <u>12/31/2021</u> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>A</b>                                                                                                 | This return/report is for: <div style="display: flex; justify-content: space-between;"> <div> <input type="checkbox"/> a multiemployer plan<br/><br/> <input checked="" type="checkbox"/> a single-employer plan       </div> <div> <input type="checkbox"/> a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.)<br/> <input type="checkbox"/> a DFE (specify) _____       </div> </div> |
| <b>B</b>                                                                                                 | This return/report is: <div style="display: flex; justify-content: space-between;"> <div> <input type="checkbox"/> the first return/report<br/> <input type="checkbox"/> an amended return/report       </div> <div> <input type="checkbox"/> the final return/report<br/> <input type="checkbox"/> a short plan year return/report (less than 12 months)       </div> </div>                                                                                                               |
| <b>C</b>                                                                                                 | If the plan is a collectively-bargained plan, check here. . . . . ▶ <input type="checkbox"/>                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>D</b>                                                                                                 | Check box if filing under: <div style="display: flex; justify-content: space-between;"> <div> <input checked="" type="checkbox"/> Form 5558<br/> <input type="checkbox"/> special extension (enter description)       </div> <div> <input type="checkbox"/> automatic extension<br/> <input type="checkbox"/> the DFVC program       </div> </div>                                                                                                                                          |
| <b>E</b>                                                                                                 | If this is a retroactively adopted plan permitted by SECURE Act section 201, check here. . . . . ▶ <input type="checkbox"/>                                                                                                                                                                                                                                                                                                                                                                 |

|                |                                                                                                                                                                                                                                                                                                                                                                        |
|----------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Part II</b> | <b>Basic Plan Information—enter all requested information</b>                                                                                                                                                                                                                                                                                                          |
| <b>1a</b>      | Name of plan<br><u>NEW YORK INDEPENDENT SYSTEM INC. 401(K) RETIREMENT PLAN</u>                                                                                                                                                                                                                                                                                         |
| <b>1b</b>      | Three-digit plan number (PN) ▶ <u>001</u>                                                                                                                                                                                                                                                                                                                              |
| <b>1c</b>      | Effective date of plan<br><u>12/01/1999</u>                                                                                                                                                                                                                                                                                                                            |
| <b>2a</b>      | Plan sponsor's name (employer, if for a single-employer plan)<br>Mailing address (include room, apt., suite no. and street, or P.O. Box)<br>City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions)<br><u>NEW YORK INDEPENDENT SYSTEM OPERATOR INC.</u><br><br><u>10 KREY BOULEVARD</u><br><u>RENNSELAER, NY 12144</u> |
| <b>2b</b>      | Employer Identification Number (EIN)<br><u>14-1815612</u>                                                                                                                                                                                                                                                                                                              |
| <b>2c</b>      | Plan Sponsor's telephone number<br><u>518-356-6298</u>                                                                                                                                                                                                                                                                                                                 |
| <b>2d</b>      | Business code (see instructions)<br><u>541990</u>                                                                                                                                                                                                                                                                                                                      |

**Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.**

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

|                  |                                                   |            |                                                              |
|------------------|---------------------------------------------------|------------|--------------------------------------------------------------|
| <b>SIGN HERE</b> | Filed with authorized/valid electronic signature. | 10/14/2022 | DENEEN BYRNE                                                 |
|                  | Signature of plan administrator                   | Date       | Enter name of individual signing as plan administrator       |
| <b>SIGN HERE</b> | Filed with authorized/valid electronic signature. | 10/14/2022 | CHERYL HUSSEY                                                |
|                  | Signature of employer/plan sponsor                | Date       | Enter name of individual signing as employer or plan sponsor |
| <b>SIGN HERE</b> |                                                   |            |                                                              |
|                  | Signature of DFE                                  | Date       | Enter name of individual signing as DFE                      |

For Paperwork Reduction Act Notice, see the Instructions for Form 5500.

Form 5500 (2021)  
v. 210624

|                                                                                                                                                                                                                                                                                                                                                                                                                            |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |     |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|
| <b>3a</b> Plan administrator's name and address <input checked="" type="checkbox"/> Same as Plan Sponsor                                                                                                                                                                                                                                                                                                                   |  | <b>3b</b> Administrator's EIN                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |     |
|                                                                                                                                                                                                                                                                                                                                                                                                                            |  | <b>3c</b> Administrator's telephone number                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |     |
|                                                                                                                                                                                                                                                                                                                                                                                                                            |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |     |
| <b>4</b> If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report:<br><b>a</b> Sponsor's name<br><b>c</b> Plan Name                                                                                                                                     |  | <b>4b</b> EIN<br><br><b>4d</b> PN                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |     |
| <b>5</b> Total number of participants at the beginning of the plan year                                                                                                                                                                                                                                                                                                                                                    |  | <b>5</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 729 |
| <b>6</b> Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines <b>6a(1)</b> , <b>6a(2)</b> , <b>6b</b> , <b>6c</b> , and <b>6d</b> ).                                                                                                                                                                                                                           |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |     |
| <b>a(1)</b> Total number of active participants at the beginning of the plan year.....                                                                                                                                                                                                                                                                                                                                     |  | <b>6a(1)</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | 571 |
| <b>a(2)</b> Total number of active participants at the end of the plan year .....                                                                                                                                                                                                                                                                                                                                          |  | <b>6a(2)</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | 548 |
| <b>b</b> Retired or separated participants receiving benefits.....                                                                                                                                                                                                                                                                                                                                                         |  | <b>6b</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 6   |
| <b>c</b> Other retired or separated participants entitled to future benefits .....                                                                                                                                                                                                                                                                                                                                         |  | <b>6c</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 185 |
| <b>d</b> Subtotal. Add lines <b>6a(2)</b> , <b>6b</b> , and <b>6c</b> .....                                                                                                                                                                                                                                                                                                                                                |  | <b>6d</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 739 |
| <b>e</b> Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. ....                                                                                                                                                                                                                                                                                                                 |  | <b>6e</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 0   |
| <b>f</b> Total. Add lines <b>6d</b> and <b>6e</b> .....                                                                                                                                                                                                                                                                                                                                                                    |  | <b>6f</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 739 |
| <b>g</b> Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) .....                                                                                                                                                                                                                                                                            |  | <b>6g</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 739 |
| <b>h</b> Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested .....                                                                                                                                                                                                                                                                                 |  | <b>6h</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 9   |
| <b>7</b> Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item).....                                                                                                                                                                                                                                                                                        |  | <b>7</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |     |
| <b>8a</b> If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:<br>2E 2F 2G 2J 2K 2R 2T 2S 3D                                                                                                                                                                                                                                 |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |     |
| <b>b</b> If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:                                                                                                                                                                                                                                                                |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |     |
| <b>9a</b> Plan funding arrangement (check all that apply)<br>(1) <input checked="" type="checkbox"/> Insurance<br>(2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts<br>(3) <input checked="" type="checkbox"/> Trust<br>(4) <input type="checkbox"/> General assets of the sponsor                                                                                                                   |  | <b>9b</b> Plan benefit arrangement (check all that apply)<br>(1) <input checked="" type="checkbox"/> Insurance<br>(2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts<br>(3) <input checked="" type="checkbox"/> Trust<br>(4) <input type="checkbox"/> General assets of the sponsor                                                                                                                                                                                                              |     |
| <b>10</b> Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)                                                                                                                                                                                                                                                          |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |     |
| <b>a Pension Schedules</b><br>(1) <input checked="" type="checkbox"/> <b>R</b> (Retirement Plan Information)<br><br>(2) <input type="checkbox"/> <b>MB</b> (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary<br><br>(3) <input type="checkbox"/> <b>SB</b> (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary |  | <b>b General Schedules</b><br>(1) <input checked="" type="checkbox"/> <b>H</b> (Financial Information)<br>(2) <input type="checkbox"/> <b>I</b> (Financial Information – Small Plan)<br>(3) <input checked="" type="checkbox"/> <u>1</u> <b>A</b> (Insurance Information)<br>(4) <input checked="" type="checkbox"/> <b>C</b> (Service Provider Information)<br>(5) <input type="checkbox"/> <b>D</b> (DFE/Participating Plan Information)<br>(6) <input type="checkbox"/> <b>G</b> (Financial Transaction Schedules) |     |

**Part III Form M-1 Compliance Information (to be completed by welfare benefit plans)**

**11a** If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) ..... ☐ Yes ☐ No

If "Yes" is checked, complete lines 11b and 11c.

**11b** Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ..... ☐ Yes ☐ No

**11c** Enter the Receipt Confirmation Code for the 2021 Form M-1 annual report. If the plan was not required to file the 2021 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code \_\_\_\_\_

|                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                    |                                                                                                |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------|
| <div>SCHEDULE A</div> <div>(Form 5500)</div> <div>Department of the Treasury</div> <div>Internal Revenue Service</div> <div>Department of Labor</div> <div>Employee Benefits Security Administration</div> <div>Pension Benefit Guaranty Corporation</div> | <div>Insurance Information</div> <div>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).</div> <div>▶ File as an attachment to Form 5500.</div> <div>▶ Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2).</div> | <div>OMB No. 1210-0110</div> <div>2021</div> <div>This Form is Open to Public Inspection</div> |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------|

|                                                                                                     |                                                      |
|-----------------------------------------------------------------------------------------------------|------------------------------------------------------|
| For calendar plan year 2021 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021          |                                                      |
| A Name of plan<br>NEW YORK INDEPENDENT SYSTEM INC. 401(K) RETIREMENT PLAN                           | B Three-digit plan number (PN) ▶ 001                 |
| C Plan sponsor's name as shown on line 2a of Form 5500<br>NEW YORK INDEPENDENT SYSTEM OPERATOR INC. | D Employer Identification Number (EIN)<br>14-1815612 |

|        |                                                                           |                                                                                                                                                                    |
|--------|---------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Part I | Information Concerning Insurance Contract Coverage, Fees, and Commissions | Provide information for each contract on a separate Schedule A. Individual contracts grouped as a unit in Parts II and III can be reported on a single Schedule A. |
|--------|---------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|

1 Coverage Information:

|                                                                                      |
|--------------------------------------------------------------------------------------|
| (a) Name of insurance carrier<br>PRUDENTIAL RETIREMENT INSURANCE AND ANNUITY COMPANY |
|--------------------------------------------------------------------------------------|

| (b) EIN    | (c) NAIC code | (d) Contract or identification number | (e) Approximate number of persons covered at end of policy or contract year | Policy or contract year |            |
|------------|---------------|---------------------------------------|-----------------------------------------------------------------------------|-------------------------|------------|
|            |               |                                       |                                                                             | (f) From                | (g) To     |
| 06-1050034 | 93629         | 074336                                | 739                                                                         | 01/01/2021              | 12/31/2021 |

2 Insurance fee and commission information. Enter the total fees and total commissions paid. List in line 3 the agents, brokers, and other persons in descending order of the amount paid.

|                                      |                               |
|--------------------------------------|-------------------------------|
| (a) Total amount of commissions paid | (b) Total amount of fees paid |
|                                      |                               |

3 Persons receiving commissions and fees. (Complete as many entries as needed to report all persons).

|                                                                                                  |
|--------------------------------------------------------------------------------------------------|
| (a) Name and address of the agent, broker, or other person to whom commissions or fees were paid |
|--------------------------------------------------------------------------------------------------|

| (b) Amount of sales and base commissions paid | Fees and other commissions paid |             | (e) Organization code |
|-----------------------------------------------|---------------------------------|-------------|-----------------------|
|                                               | (c) Amount                      | (d) Purpose |                       |
|                                               |                                 |             |                       |

|                                                                                                  |
|--------------------------------------------------------------------------------------------------|
| (a) Name and address of the agent, broker, or other person to whom commissions or fees were paid |
|--------------------------------------------------------------------------------------------------|

| (b) Amount of sales and base commissions paid | Fees and other commissions paid |             | (e) Organization code |
|-----------------------------------------------|---------------------------------|-------------|-----------------------|
|                                               | (c) Amount                      | (d) Purpose |                       |
|                                               |                                 |             |                       |

---

**(a)** Name and address of the agent, broker, or other person to whom commissions or fees were paid

---

| <b>(b)</b> Amount of sales and base commissions paid | Fees and other commissions paid |                    | <b>(e)</b><br>Organization code |
|------------------------------------------------------|---------------------------------|--------------------|---------------------------------|
|                                                      | <b>(c)</b> Amount               | <b>(d)</b> Purpose |                                 |
|                                                      |                                 |                    |                                 |

---

**(a)** Name and address of the agent, broker, or other person to whom commissions or fees were paid

---

| <b>(b)</b> Amount of sales and base commissions paid | Fees and other commissions paid |                    | <b>(e)</b><br>Organization code |
|------------------------------------------------------|---------------------------------|--------------------|---------------------------------|
|                                                      | <b>(c)</b> Amount               | <b>(d)</b> Purpose |                                 |
|                                                      |                                 |                    |                                 |

---

**(a)** Name and address of the agent, broker, or other person to whom commissions or fees were paid

---

| <b>(b)</b> Amount of sales and base commissions paid | Fees and other commissions paid |                    | <b>(e)</b><br>Organization code |
|------------------------------------------------------|---------------------------------|--------------------|---------------------------------|
|                                                      | <b>(c)</b> Amount               | <b>(d)</b> Purpose |                                 |
|                                                      |                                 |                    |                                 |

---

**(a)** Name and address of the agent, broker, or other person to whom commissions or fees were paid

---

| <b>(b)</b> Amount of sales and base commissions paid | Fees and other commissions paid |                    | <b>(e)</b><br>Organization code |
|------------------------------------------------------|---------------------------------|--------------------|---------------------------------|
|                                                      | <b>(c)</b> Amount               | <b>(d)</b> Purpose |                                 |
|                                                      |                                 |                    |                                 |

---

**(a)** Name and address of the agent, broker, or other person to whom commissions or fees were paid

---

| <b>(b)</b> Amount of sales and base commissions paid | Fees and other commissions paid |                    | <b>(e)</b><br>Organization code |
|------------------------------------------------------|---------------------------------|--------------------|---------------------------------|
|                                                      | <b>(c)</b> Amount               | <b>(d)</b> Purpose |                                 |
|                                                      |                                 |                    |                                 |

**Part II Investment and Annuity Contract Information**

Where individual contracts are provided, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

|                                                                                                        |          |          |
|--------------------------------------------------------------------------------------------------------|----------|----------|
| <b>4</b> Current value of plan's interest under this contract in the general account at year end ..... | <b>4</b> | 24238322 |
| <b>5</b> Current value of plan's interest under this contract in separate accounts at year end.....    | <b>5</b> | 0        |

**6** Contracts With Allocated Funds:**a** State the basis of premium rates ▶

|                                                                                                                                                                                                                |           |  |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|--|
| <b>b</b> Premiums paid to carrier .....                                                                                                                                                                        | <b>6b</b> |  |
| <b>c</b> Premiums due but unpaid at the end of the year .....                                                                                                                                                  | <b>6c</b> |  |
| <b>d</b> If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, enter amount. ....<br>Specify nature of costs ▶ | <b>6d</b> |  |

**e** Type of contract: (1) ☐ individual policies (2) ☐ group deferred annuity  
(3) ☐ other (specify) ▶

**f** If contract purchased, in whole or in part, to distribute benefits from a terminating plan, check here ▶ ☐**7** Contracts With Unallocated Funds (Do not include portions of these contracts maintained in separate accounts)

**a** Type of contract: (1) ☐ deposit administration (2) ☐ immediate participation guarantee  
(3) ☐ guaranteed investment (4) ☒ other ▶ **GUARANTEED GENERAL ACCOUNT CONTRACT**

|                                                        |           |          |
|--------------------------------------------------------|-----------|----------|
| <b>b</b> Balance at the end of the previous year ..... | <b>7b</b> | 23051896 |
|--------------------------------------------------------|-----------|----------|

|                                                                       |              |         |  |
|-----------------------------------------------------------------------|--------------|---------|--|
| <b>c</b> Additions: (1) Contributions deposited during the year ..... | <b>7c(1)</b> | 1023788 |  |
| (2) Dividends and credits.....                                        | <b>7c(2)</b> |         |  |
| (3) Interest credited during the year.....                            | <b>7c(3)</b> | 471340  |  |
| (4) Transferred from separate account.....                            | <b>7c(4)</b> |         |  |
| (5) Other (specify below) .....                                       | <b>7c(5)</b> | 6784964 |  |

▶ **LOAN REPAYMENTS, TRANSFERS IN MISCELLANEOUS IN FORFEITURE CREDITS**

|                           |              |         |
|---------------------------|--------------|---------|
| (6) Total additions ..... | <b>7c(6)</b> | 8280092 |
|---------------------------|--------------|---------|

|                                                                                       |           |          |
|---------------------------------------------------------------------------------------|-----------|----------|
| <b>d</b> Total of balance and additions (add lines <b>7b</b> and <b>7c(6)</b> ) ..... | <b>7d</b> | 31331988 |
|---------------------------------------------------------------------------------------|-----------|----------|

**e** Deductions:

|                                                                                 |              |         |  |
|---------------------------------------------------------------------------------|--------------|---------|--|
| (1) Disbursed from fund to pay benefits or purchase annuities during year ..... | <b>7e(1)</b> | 883882  |  |
| (2) Administration charge made by carrier.....                                  | <b>7e(2)</b> | 274     |  |
| (3) Transferred to separate account.....                                        | <b>7e(3)</b> |         |  |
| (4) Other (specify below) .....                                                 | <b>7e(4)</b> | 6209510 |  |

▶ **LOAN INITIATIONS, TRANSFERS OUT MISCELLANEOUS OUT FORFEITURES DEBITS**

|                            |              |         |
|----------------------------|--------------|---------|
| (5) Total deductions ..... | <b>7e(5)</b> | 7093666 |
|----------------------------|--------------|---------|

|                                                                                                         |           |          |
|---------------------------------------------------------------------------------------------------------|-----------|----------|
| <b>f</b> Balance at the end of the current year (subtract line <b>7e(5)</b> from line <b>7d</b> ) ..... | <b>7f</b> | 24238322 |
|---------------------------------------------------------------------------------------------------------|-----------|----------|

**Part III Welfare Benefit Contract Information**

If more than one contract covers the same group of employees of the same employer(s) or members of the same employee organizations(s), the information may be combined for reporting purposes if such contracts are experience-rated as a unit. Where contracts cover individual employees, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

**8** Benefit and contract type (check all applicable boxes)

- a** ☐ Health (other than dental or vision)     
 **b** ☐ Dental     
 **c** ☐ Vision     
 **d** ☐ Life insurance  
**e** ☐ Temporary disability (accident and sickness)     
 **f** ☐ Long-term disability     
 **g** ☐ Supplemental unemployment     
 **h** ☐ Prescription drug  
**i** ☐ Stop loss (large deductible)     
 **j** ☐ HMO contract     
 **k** ☐ PPO contract     
 **l** ☐ Indemnity contract  
**m** ☐ Other (specify) ▶

**9** Experience-rated contracts:

|                                                                                                                                                    |                 |                 |  |
|----------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|-----------------|--|
| <b>a</b> Premiums: (1) Amount received .....                                                                                                       | <b>9a(1)</b>    |                 |  |
| (2) Increase (decrease) in amount due but unpaid .....                                                                                             | <b>9a(2)</b>    |                 |  |
| (3) Increase (decrease) in unearned premium reserve .....                                                                                          | <b>9a(3)</b>    |                 |  |
| (4) Earned ((1) + (2) - (3)) .....                                                                                                                 |                 | <b>9a(4)</b>    |  |
| <b>b</b> Benefit charges (1) Claims paid .....                                                                                                     | <b>9b(1)</b>    |                 |  |
| (2) Increase (decrease) in claim reserves .....                                                                                                    | <b>9b(2)</b>    |                 |  |
| (3) Incurred claims (add (1) and (2)) .....                                                                                                        |                 | <b>9b(3)</b>    |  |
| (4) Claims charged .....                                                                                                                           |                 | <b>9b(4)</b>    |  |
| <b>c</b> Remainder of premium: (1) Retention charges (on an accrual basis) --                                                                      |                 |                 |  |
| (A) Commissions .....                                                                                                                              | <b>9c(1)(A)</b> |                 |  |
| (B) Administrative service or other fees .....                                                                                                     | <b>9c(1)(B)</b> |                 |  |
| (C) Other specific acquisition costs .....                                                                                                         | <b>9c(1)(C)</b> |                 |  |
| (D) Other expenses .....                                                                                                                           | <b>9c(1)(D)</b> |                 |  |
| (E) Taxes .....                                                                                                                                    | <b>9c(1)(E)</b> |                 |  |
| (F) Charges for risks or other contingencies .....                                                                                                 | <b>9c(1)(F)</b> |                 |  |
| (G) Other retention charges .....                                                                                                                  | <b>9c(1)(G)</b> |                 |  |
| (H) Total retention .....                                                                                                                          |                 | <b>9c(1)(H)</b> |  |
| (2) Dividends or retroactive rate refunds. (These amounts were <input type="checkbox"/> paid in cash, or <input type="checkbox"/> credited.) ..... |                 | <b>9c(2)</b>    |  |
| <b>d</b> Status of policyholder reserves at end of year: (1) Amount held to provide benefits after retirement .....                                |                 | <b>9d(1)</b>    |  |
| (2) Claim reserves .....                                                                                                                           |                 | <b>9d(2)</b>    |  |
| (3) Other reserves .....                                                                                                                           |                 | <b>9d(3)</b>    |  |
| <b>e</b> Dividends or retroactive rate refunds due. (Do not include amount entered in line 9c(2).) .....                                           |                 | <b>9e</b>       |  |

**10** Nonexperience-rated contracts:

|                                                                                                                                                                                                                                                             |            |  |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|--|
| <b>a</b> Total premiums or subscription charges paid to carrier .....                                                                                                                                                                                       | <b>10a</b> |  |
| <b>b</b> If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, other than reported in Part I, line 2 above, report amount. ....<br>Specify nature of costs. | <b>10b</b> |  |

**Part IV Provision of Information**

**11** Did the insurance company fail to provide any information necessary to complete Schedule A? ..... ☐ Yes ☒ No

**12** If the answer to line 11 is "Yes," specify the information not provided. ▶

|                                                                                                                                                                                                                                              |                                                                                                                                                                                                                             |                                         |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------|
| <div>SCHEDULE C</div> <div>(Form 5500)</div> <div>Department of the Treasury<br/>Internal Revenue Service</div> <div>Department of Labor<br/>Employee Benefits Security Administration</div> <div>Pension Benefit Guaranty Corporation</div> | <div>Service Provider Information</div> <div>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).</div> <div>▶ File as an attachment to Form 5500.</div> | OMB No. 1210-0110                       |
|                                                                                                                                                                                                                                              |                                                                                                                                                                                                                             | 2021                                    |
|                                                                                                                                                                                                                                              |                                                                                                                                                                                                                             | This Form is Open to Public Inspection. |

|                                                                                                     |                                                      |     |
|-----------------------------------------------------------------------------------------------------|------------------------------------------------------|-----|
| For calendar plan year 2021 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021          |                                                      |     |
| A Name of plan<br>NEW YORK INDEPENDENT SYSTEM INC. 401(K) RETIREMENT PLAN                           | B Three-digit plan number (PN) ▶                     | 001 |
| C Plan sponsor's name as shown on line 2a of Form 5500<br>NEW YORK INDEPENDENT SYSTEM OPERATOR INC. | D Employer Identification Number (EIN)<br>14-1815612 |     |

|        |                                                 |
|--------|-------------------------------------------------|
| Part I | Service Provider Information (see instructions) |
|--------|-------------------------------------------------|

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions)..... ☒ Yes ☐ No

b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

|                                                                                                            |
|------------------------------------------------------------------------------------------------------------|
| (b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation |
| PRUDENTIAL RETIREMENT INSURANCE AND                                                                        |
| 06-1050034                                                                                                 |

|                                                                                                            |
|------------------------------------------------------------------------------------------------------------|
| (b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation |
|------------------------------------------------------------------------------------------------------------|

|                                                                                                            |
|------------------------------------------------------------------------------------------------------------|
| (b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation |
|------------------------------------------------------------------------------------------------------------|

|                                                                                                            |
|------------------------------------------------------------------------------------------------------------|
| (b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation |
|------------------------------------------------------------------------------------------------------------|

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**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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**2. Information on Other Service Providers Receiving Direct or Indirect Compensation.** Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

PRUDENTIAL RETIREMENT INSURANCE AND

06-1050034

| (b)<br>Service Code(s) | (c)<br>Relationship to employer, employee organization, or person known to be a party-in-interest | (d)<br>Enter direct compensation paid by the plan. If none, enter -0-. | (e)<br>Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f)<br>Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g)<br>Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h)<br>Did the service provider give you a formula instead of an amount or estimated amount? |
|------------------------|---------------------------------------------------------------------------------------------------|------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|
| 13 15 37<br>50 64 65   | NONE                                                                                              | 66173                                                                  | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>                                  | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>                                                            | 0                                                                                                                                                                               | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>                          |

(a) Enter name and EIN or address (see instructions)

| (b)<br>Service Code(s) | (c)<br>Relationship to employer, employee organization, or person known to be a party-in-interest | (d)<br>Enter direct compensation paid by the plan. If none, enter -0-. | (e)<br>Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f)<br>Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g)<br>Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h)<br>Did the service provider give you a formula instead of an amount or estimated amount? |
|------------------------|---------------------------------------------------------------------------------------------------|------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|
|                        |                                                                                                   |                                                                        | Yes <input type="checkbox"/> No <input type="checkbox"/>                                             | Yes <input type="checkbox"/> No <input type="checkbox"/>                                                                       |                                                                                                                                                                                 | Yes <input type="checkbox"/> No <input type="checkbox"/>                                     |

(a) Enter name and EIN or address (see instructions)

| (b)<br>Service Code(s) | (c)<br>Relationship to employer, employee organization, or person known to be a party-in-interest | (d)<br>Enter direct compensation paid by the plan. If none, enter -0-. | (e)<br>Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f)<br>Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g)<br>Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h)<br>Did the service provider give you a formula instead of an amount or estimated amount? |
|------------------------|---------------------------------------------------------------------------------------------------|------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|
|                        |                                                                                                   |                                                                        | Yes <input type="checkbox"/> No <input type="checkbox"/>                                             | Yes <input type="checkbox"/> No <input type="checkbox"/>                                                                       |                                                                                                                                                                                 | Yes <input type="checkbox"/> No <input type="checkbox"/>                                     |

**2. Information on Other Service Providers Receiving Direct or Indirect Compensation.** Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

**(a)** Enter name and EIN or address (see instructions)

| <b>(b)</b><br>Service Code(s) | <b>(c)</b><br>Relationship to employer, employee organization, or person known to be a party-in-interest | <b>(d)</b><br>Enter direct compensation paid by the plan. If none, enter -0-. | <b>(e)</b><br>Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | <b>(f)</b><br>Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | <b>(g)</b><br>Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | <b>(h)</b><br>Did the service provider give you a formula instead of an amount or estimated amount? |
|-------------------------------|----------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------|
|                               |                                                                                                          |                                                                               | Yes <input type="checkbox"/> No <input type="checkbox"/>                                                    | Yes <input type="checkbox"/> No <input type="checkbox"/>                                                                              |                                                                                                                                                                                        | Yes <input type="checkbox"/> No <input type="checkbox"/>                                            |

**(a)** Enter name and EIN or address (see instructions)

| <b>(b)</b><br>Service Code(s) | <b>(c)</b><br>Relationship to employer, employee organization, or person known to be a party-in-interest | <b>(d)</b><br>Enter direct compensation paid by the plan. If none, enter -0-. | <b>(e)</b><br>Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | <b>(f)</b><br>Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | <b>(g)</b><br>Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | <b>(h)</b><br>Did the service provider give you a formula instead of an amount or estimated amount? |
|-------------------------------|----------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------|
|                               |                                                                                                          |                                                                               | Yes <input type="checkbox"/> No <input type="checkbox"/>                                                    | Yes <input type="checkbox"/> No <input type="checkbox"/>                                                                              |                                                                                                                                                                                        | Yes <input type="checkbox"/> No <input type="checkbox"/>                                            |

**(a)** Enter name and EIN or address (see instructions)

| <b>(b)</b><br>Service Code(s) | <b>(c)</b><br>Relationship to employer, employee organization, or person known to be a party-in-interest | <b>(d)</b><br>Enter direct compensation paid by the plan. If none, enter -0-. | <b>(e)</b><br>Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | <b>(f)</b><br>Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | <b>(g)</b><br>Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | <b>(h)</b><br>Did the service provider give you a formula instead of an amount or estimated amount? |
|-------------------------------|----------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------|
|                               |                                                                                                          |                                                                               | Yes <input type="checkbox"/> No <input type="checkbox"/>                                                    | Yes <input type="checkbox"/> No <input type="checkbox"/>                                                                              |                                                                                                                                                                                        | Yes <input type="checkbox"/> No <input type="checkbox"/>                                            |

**Part I Service Provider Information (continued)**

**3.** If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

| (a) Enter service provider name as it appears on line 2 | (b) Service Codes<br>(see instructions) | (c) Enter amount of indirect compensation |
|---------------------------------------------------------|-----------------------------------------|-------------------------------------------|
| PRUDENTIAL INSURANCE COMPANY OF AME                     | 15 60 64                                | 0                                         |

| (d) Enter name and EIN (address) of source of indirect compensation | (e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| PRUDENTIAL INVESTMENTS, LLC<br><br>22-3468527                       | 22.000 BPS AND \$0.00 PER PARTICIPANT INVESTED IN THE FUND FROM 1/1/2021 TO 12/31/2021 PGIM JENNISON SML CO Z                                                      |

| (a) Enter service provider name as it appears on line 2 | (b) Service Codes<br>(see instructions) | (c) Enter amount of indirect compensation |
|---------------------------------------------------------|-----------------------------------------|-------------------------------------------|
|                                                         |                                         |                                           |

| (d) Enter name and EIN (address) of source of indirect compensation | (e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                     |                                                                                                                                                                    |

| (a) Enter service provider name as it appears on line 2 | (b) Service Codes<br>(see instructions) | (c) Enter amount of indirect compensation |
|---------------------------------------------------------|-----------------------------------------|-------------------------------------------|
|                                                         |                                         |                                           |

| (d) Enter name and EIN (address) of source of indirect compensation | (e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                     |                                                                                                                                                                    |

**Part II Service Providers Who Fail or Refuse to Provide Information**

**4** Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

| (a) Enter name and EIN or address of service provider (see instructions) | (b) Nature of Service Code(s) | (c) Describe the information that the service provider failed or refused to provide |
|--------------------------------------------------------------------------|-------------------------------|-------------------------------------------------------------------------------------|
|                                                                          |                               |                                                                                     |
| (a) Enter name and EIN or address of service provider (see instructions) | (b) Nature of Service Code(s) | (c) Describe the information that the service provider failed or refused to provide |
|                                                                          |                               |                                                                                     |
| (a) Enter name and EIN or address of service provider (see instructions) | (b) Nature of Service Code(s) | (c) Describe the information that the service provider failed or refused to provide |
|                                                                          |                               |                                                                                     |
| (a) Enter name and EIN or address of service provider (see instructions) | (b) Nature of Service Code(s) | (c) Describe the information that the service provider failed or refused to provide |
|                                                                          |                               |                                                                                     |
| (a) Enter name and EIN or address of service provider (see instructions) | (b) Nature of Service Code(s) | (c) Describe the information that the service provider failed or refused to provide |
|                                                                          |                               |                                                                                     |
| (a) Enter name and EIN or address of service provider (see instructions) | (b) Nature of Service Code(s) | (c) Describe the information that the service provider failed or refused to provide |
|                                                                          |                               |                                                                                     |

**Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)**  
(complete as many entries as needed)

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN:       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN:       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN:       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN:       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:

|                    |                     |
|--------------------|---------------------|
| <b>a</b> Name:     | <b>b</b> EIN:       |
| <b>c</b> Position: |                     |
| <b>d</b> Address:  | <b>e</b> Telephone: |
|                    |                     |

Explanation:

|                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                              |                                                                                           |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|
| <b>SCHEDULE H</b><br><b>(Form 5500)</b><br><br><small>Department of the Treasury<br/>Internal Revenue Service</small><br><br><small>Department of Labor<br/>Employee Benefits Security Administration</small><br><br><small>Pension Benefit Guaranty Corporation</small> | <b>Financial Information</b><br><br>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).<br><br><b>► File as an attachment to Form 5500.</b> | OMB No. 1210-0110<br><br><b>2021</b><br><br><b>This Form is Open to Public Inspection</b> |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|

|                                                                                                                   |                                                                    |            |
|-------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------|------------|
| For calendar plan year 2021 or fiscal plan year beginning <u>01/01/2021</u> and ending <u>12/31/2021</u>          |                                                                    |            |
| <b>A</b> Name of plan<br><u>NEW YORK INDEPENDENT SYSTEM INC. 401(K) RETIREMENT PLAN</u>                           | <b>B</b> Three-digit plan number (PN) ►                            | <u>001</u> |
| <b>C</b> Plan sponsor's name as shown on line 2a of Form 5500<br><u>NEW YORK INDEPENDENT SYSTEM OPERATOR INC.</u> | <b>D</b> Employer Identification Number (EIN)<br><u>14-1815612</u> |            |

|               |                                      |
|---------------|--------------------------------------|
| <b>Part I</b> | <b>Asset and Liability Statement</b> |
|---------------|--------------------------------------|

**1** Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

| Assets                                                                                            |                 | (a) Beginning of Year | (b) End of Year |
|---------------------------------------------------------------------------------------------------|-----------------|-----------------------|-----------------|
| <b>a</b> Total noninterest-bearing cash.....                                                      | <b>1a</b>       |                       |                 |
| <b>b</b> Receivables (less allowance for doubtful accounts):                                      |                 |                       |                 |
| <b>(1)</b> Employer contributions .....                                                           | <b>1b(1)</b>    | 41256                 | 47532           |
| <b>(2)</b> Participant contributions.....                                                         | <b>1b(2)</b>    |                       |                 |
| <b>(3)</b> Other .....                                                                            | <b>1b(3)</b>    |                       |                 |
| <b>c</b> General investments:                                                                     |                 |                       |                 |
| <b>(1)</b> Interest-bearing cash (include money market accounts & certificates of deposit) .....  | <b>1c(1)</b>    |                       |                 |
| <b>(2)</b> U.S. Government securities .....                                                       | <b>1c(2)</b>    |                       |                 |
| <b>(3)</b> Corporate debt instruments (other than employer securities):                           |                 |                       |                 |
| <b>(A)</b> Preferred .....                                                                        | <b>1c(3)(A)</b> |                       |                 |
| <b>(B)</b> All other .....                                                                        | <b>1c(3)(B)</b> |                       |                 |
| <b>(4)</b> Corporate stocks (other than employer securities):                                     |                 |                       |                 |
| <b>(A)</b> Preferred .....                                                                        | <b>1c(4)(A)</b> |                       |                 |
| <b>(B)</b> Common .....                                                                           | <b>1c(4)(B)</b> |                       |                 |
| <b>(5)</b> Partnership/joint venture interests .....                                              | <b>1c(5)</b>    |                       |                 |
| <b>(6)</b> Real estate (other than employer real property) .....                                  | <b>1c(6)</b>    |                       |                 |
| <b>(7)</b> Loans (other than to participants) .....                                               | <b>1c(7)</b>    |                       |                 |
| <b>(8)</b> Participant loans .....                                                                | <b>1c(8)</b>    | 2393271               | 2192886         |
| <b>(9)</b> Value of interest in common/collective trusts .....                                    | <b>1c(9)</b>    |                       |                 |
| <b>(10)</b> Value of interest in pooled separate accounts .....                                   | <b>1c(10)</b>   |                       |                 |
| <b>(11)</b> Value of interest in master trust investment accounts .....                           | <b>1c(11)</b>   |                       |                 |
| <b>(12)</b> Value of interest in 103-12 investment entities .....                                 | <b>1c(12)</b>   |                       |                 |
| <b>(13)</b> Value of interest in registered investment companies (e.g., mutual funds) .....       | <b>1c(13)</b>   | 211083389             | 251517206       |
| <b>(14)</b> Value of funds held in insurance company general account (unallocated contracts)..... | <b>1c(14)</b>   | 23051896              | 24238322        |
| <b>(15)</b> Other.....                                                                            | <b>1c(15)</b>   | 806459                | 1056458         |

|                    |                                                                  | (a) Beginning of Year | (b) End of Year     |
|--------------------|------------------------------------------------------------------|-----------------------|---------------------|
| <b>1d</b>          | Employer-related investments:                                    |                       |                     |
| (1)                | Employer securities.....                                         | <b>1d(1)</b>          |                     |
| (2)                | Employer real property.....                                      | <b>1d(2)</b>          |                     |
| <b>e</b>           | Buildings and other property used in plan operation .....        | <b>1e</b>             |                     |
| <b>f</b>           | Total assets (add all amounts in lines 1a through 1e) .....      | <b>1f</b>             | 237376271 279052404 |
| <b>Liabilities</b> |                                                                  |                       |                     |
| <b>g</b>           | Benefit claims payable .....                                     | <b>1g</b>             |                     |
| <b>h</b>           | Operating payables .....                                         | <b>1h</b>             |                     |
| <b>i</b>           | Acquisition indebtedness.....                                    | <b>1i</b>             |                     |
| <b>j</b>           | Other liabilities.....                                           | <b>1j</b>             |                     |
| <b>k</b>           | Total liabilities (add all amounts in lines 1g through 1j) ..... | <b>1k</b>             | 0 0                 |
| <b>Net Assets</b>  |                                                                  |                       |                     |
| <b>l</b>           | Net assets (subtract line 1k from line 1f) .....                 | <b>1l</b>             | 237376271 279052404 |

**Part II Income and Expense Statement**

**2** Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

|               |                                                                                                        | (a) Amount      | (b) Total |
|---------------|--------------------------------------------------------------------------------------------------------|-----------------|-----------|
| <b>Income</b> |                                                                                                        |                 |           |
| <b>a</b>      | <b>Contributions:</b>                                                                                  |                 |           |
| (1)           | Received or receivable in cash from: <b>(A)</b> Employers .....                                        | <b>2a(1)(A)</b> | 6888220   |
|               | <b>(B)</b> Participants .....                                                                          | <b>2a(1)(B)</b> | 7205482   |
|               | <b>(C)</b> Others (including rollovers).....                                                           | <b>2a(1)(C)</b> | 526732    |
| (2)           | Noncash contributions.....                                                                             | <b>2a(2)</b>    |           |
| (3)           | Total contributions. Add lines <b>2a(1)(A)</b> , <b>(B)</b> , <b>(C)</b> , and line <b>2a(2)</b> ..... | <b>2a(3)</b>    | 14620434  |
| <b>b</b>      | <b>Earnings on investments:</b>                                                                        |                 |           |
| (1)           | Interest:                                                                                              |                 |           |
|               | <b>(A)</b> Interest-bearing cash (including money market accounts and certificates of deposit).....    | <b>2b(1)(A)</b> |           |
|               | <b>(B)</b> U.S. Government securities .....                                                            | <b>2b(1)(B)</b> |           |
|               | <b>(C)</b> Corporate debt instruments .....                                                            | <b>2b(1)(C)</b> |           |
|               | <b>(D)</b> Loans (other than to participants) .....                                                    | <b>2b(1)(D)</b> |           |
|               | <b>(E)</b> Participant loans.....                                                                      | <b>2b(1)(E)</b> | 114873    |
|               | <b>(F)</b> Other .....                                                                                 | <b>2b(1)(F)</b> | 470018    |
|               | <b>(G)</b> Total interest. Add lines <b>2b(1)(A)</b> through <b>(F)</b> .....                          | <b>2b(1)(G)</b> | 584891    |
| (2)           | Dividends: <b>(A)</b> Preferred stock.....                                                             | <b>2b(2)(A)</b> |           |
|               | <b>(B)</b> Common stock .....                                                                          | <b>2b(2)(B)</b> |           |
|               | <b>(C)</b> Registered investment company shares (e.g. mutual funds).....                               | <b>2b(2)(C)</b> | 2753547   |
|               | <b>(D)</b> Total dividends. Add lines <b>2b(2)(A)</b> , <b>(B)</b> , and <b>(C)</b> .....              | <b>2b(2)(D)</b> | 2753547   |
| (3)           | Rents .....                                                                                            | <b>2b(3)</b>    |           |
| (4)           | Net gain (loss) on sale of assets: <b>(A)</b> Aggregate proceeds .....                                 | <b>2b(4)(A)</b> |           |
|               | <b>(B)</b> Aggregate carrying amount (see instructions).....                                           | <b>2b(4)(B)</b> |           |
|               | <b>(C)</b> Subtract line <b>2b(4)(B)</b> from line <b>2b(4)(A)</b> and enter result .....              | <b>2b(4)(C)</b> | 0         |
| (5)           | Unrealized appreciation (depreciation) of assets: <b>(A)</b> Real estate .....                         | <b>2b(5)(A)</b> |           |
|               | <b>(B)</b> Other .....                                                                                 | <b>2b(5)(B)</b> |           |
|               | <b>(C)</b> Total unrealized appreciation of assets. Add lines <b>2b(5)(A)</b> and <b>(B)</b> .....     | <b>2b(5)(C)</b> | 0         |

|                                                                                                |        | (a) Amount | (b) Total |
|------------------------------------------------------------------------------------------------|--------|------------|-----------|
| (6) Net investment gain (loss) from common/collective trusts.....                              | 2b(6)  |            |           |
| (7) Net investment gain (loss) from pooled separate accounts.....                              | 2b(7)  |            |           |
| (8) Net investment gain (loss) from master trust investment accounts.....                      | 2b(8)  |            |           |
| (9) Net investment gain (loss) from 103-12 investment entities.....                            | 2b(9)  |            |           |
| (10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)..... | 2b(10) |            | 35708188  |
| c Other income.....                                                                            | 2c     |            | 280207    |
| d Total income. Add all <b>income</b> amounts in column (b) and enter total.....               | 2d     |            | 53947267  |
| <b>Expenses</b>                                                                                |        |            |           |
| e Benefit payment and payments to provide benefits:                                            |        |            |           |
| (1) Directly to participants or beneficiaries, including direct rollovers.....                 | 2e(1)  | 12051997   |           |
| (2) To insurance carriers for the provision of benefits.....                                   | 2e(2)  |            |           |
| (3) Other.....                                                                                 | 2e(3)  |            |           |
| (4) Total benefit payments. Add lines 2e(1) through (3).....                                   | 2e(4)  |            | 12051997  |
| f Corrective distributions (see instructions).....                                             | 2f     |            |           |
| g Certain deemed distributions of participant loans (see instructions).....                    | 2g     |            | -76       |
| h Interest expense.....                                                                        | 2h     |            |           |
| i Administrative expenses: (1) Professional fees.....                                          | 2i(1)  |            |           |
| (2) Contract administrator fees.....                                                           | 2i(2)  |            |           |
| (3) Investment advisory and management fees.....                                               | 2i(3)  |            |           |
| (4) Other.....                                                                                 | 2i(4)  | 219213     |           |
| (5) Total administrative expenses. Add lines 2i(1) through (4).....                            | 2i(5)  |            | 219213    |
| j Total expenses. Add all <b>expense</b> amounts in column (b) and enter total.....            | 2j     |            | 12271134  |
| <b>Net Income and Reconciliation</b>                                                           |        |            |           |
| k Net income (loss). Subtract line 2j from line 2d.....                                        | 2k     |            | 41676133  |
| l Transfers of assets:                                                                         |        |            |           |
| (1) To this plan.....                                                                          | 2l(1)  |            |           |
| (2) From this plan.....                                                                        | 2l(2)  |            |           |

**Part III Accountant's Opinion**

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☒ Unmodified (2) ☐ Qualified (3) ☐ Disclaimer (4) ☐ Adverse

b Check the appropriate box(es) to indicate whether the IQPA performed an ERISA section 103(a)(3)(C) audit. Check both boxes (1) and (2) if the audit was performed pursuant to both 29 CFR 2520.103-8 and 29 CFR 2520.103-12(d). Check box (3) if pursuant to neither.

(1) ☒ DOL Regulation 2520.103-8 (2) ☐ DOL Regulation 2520.103-12(d) (3) ☐ neither DOL Regulation 2520.103-8 nor DOL Regulation 2520.103-12(d).

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: **BST & CO. CPAS, LLP**

(2) EIN: **14-1442607**

d The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. (2) ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

**Part IV Compliance Questions**

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....

|    | Yes | No | Amount |
|----|-----|----|--------|
| 4a |     | X  |        |

|                                                                                                                                                                                                                                                                                                                                                                                                 | Yes                 | No                 | Amount   |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|--------------------|----------|
| <b>b</b> Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.) .....                                                                                |                     |                    |          |
| <b>4b</b>                                                                                                                                                                                                                                                                                                                                                                                       |                     | X                  |          |
| <b>c</b> Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.) .....                                                                                                                                                                                                            |                     |                    |          |
| <b>4c</b>                                                                                                                                                                                                                                                                                                                                                                                       |                     | X                  |          |
| <b>d</b> Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.) .....                                                                                                                                                                                                 |                     |                    |          |
| <b>4d</b>                                                                                                                                                                                                                                                                                                                                                                                       |                     | X                  |          |
| <b>e</b> Was this plan covered by a fidelity bond? .....                                                                                                                                                                                                                                                                                                                                        | X                   |                    | 25000000 |
| <b>f</b> Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty? .....                                                                                                                                                                                                                                                         |                     | X                  |          |
| <b>4f</b>                                                                                                                                                                                                                                                                                                                                                                                       |                     | X                  |          |
| <b>g</b> Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser? .....                                                                                                                                                                                                                      |                     |                    |          |
| <b>4g</b>                                                                                                                                                                                                                                                                                                                                                                                       |                     | X                  |          |
| <b>h</b> Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser? .....                                                                                                                                                                                                            |                     |                    |          |
| <b>4h</b>                                                                                                                                                                                                                                                                                                                                                                                       |                     | X                  |          |
| <b>i</b> Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.) .....                                                                                                                                                                                                                                  | X                   |                    |          |
| <b>4i</b>                                                                                                                                                                                                                                                                                                                                                                                       | X                   |                    |          |
| <b>j</b> Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked and see instructions for format requirements.) .....                                                                                                                                                                    |                     |                    |          |
| <b>4j</b>                                                                                                                                                                                                                                                                                                                                                                                       |                     | X                  |          |
| <b>k</b> Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC? .....                                                                                                                                                                                                                             |                     |                    |          |
| <b>4k</b>                                                                                                                                                                                                                                                                                                                                                                                       |                     | X                  |          |
| <b>l</b> Has the plan failed to provide any benefit when due under the plan? .....                                                                                                                                                                                                                                                                                                              |                     |                    |          |
| <b>4l</b>                                                                                                                                                                                                                                                                                                                                                                                       |                     | X                  |          |
| <b>m</b> If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.) .....                                                                                                                                                                                                                                                                    |                     |                    |          |
| <b>4m</b>                                                                                                                                                                                                                                                                                                                                                                                       |                     | X                  |          |
| <b>n</b> If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3. ....                                                                                                                                                                                                        |                     |                    |          |
| <b>4n</b>                                                                                                                                                                                                                                                                                                                                                                                       |                     |                    |          |
| <b>5a</b> Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?..... <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No<br>If "Yes," enter the amount of any plan assets that reverted to the employer this year _____.                                                                                                             |                     |                    |          |
| <b>5b</b> If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)                                                                                                                                                                                    |                     |                    |          |
| <b>5b(1)</b> Name of plan(s)                                                                                                                                                                                                                                                                                                                                                                    | <b>5b(2)</b> EIN(s) | <b>5b(3)</b> PN(s) |          |
|                                                                                                                                                                                                                                                                                                                                                                                                 |                     |                    |          |
|                                                                                                                                                                                                                                                                                                                                                                                                 |                     |                    |          |
|                                                                                                                                                                                                                                                                                                                                                                                                 |                     |                    |          |
|                                                                                                                                                                                                                                                                                                                                                                                                 |                     |                    |          |
| <b>5c</b> Was the plan a defined benefit plan covered under the PBGC insurance program at any time during this plan year? (See ERISA section 4021 and instructions.) ..... <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not determined<br>If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year _____. |                     |                    |          |

|                                                                                                                                                                                                                                 |                                                                                                                                                                                                                                                                                                  |                                                                                                 |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|
| <div>SCHEDULE R<br/>(Form 5500)<br/><br/>Department of the Treasury<br/>Internal Revenue Service<br/><br/>Department of Labor<br/>Employee Benefits Security Administration<br/><br/>Pension Benefit Guaranty Corporation</div> | <div>Retirement Plan Information</div> <div>This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).</div> <div>► File as an attachment to Form 5500.</div> | <div>OMB No. 1210-0110</div> <div>2021</div> <div>This Form is Open to Public Inspection.</div> |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|

For calendar plan year 2021 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021

|                                                                                                                 |                                                                  |
|-----------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------|
| <div>A Name of plan<br/>NEW YORK INDEPENDENT SYSTEM INC. 401(K) RETIREMENT PLAN</div>                           | <div>B Three-digit plan number (PN) ►<br/>001</div>              |
| <div>C Plan sponsor's name as shown on line 2a of Form 5500<br/>NEW YORK INDEPENDENT SYSTEM OPERATOR INC.</div> | <div>D Employer Identification Number (EIN)<br/>14-1815612</div> |

|        |               |
|--------|---------------|
| Part I | Distributions |
|--------|---------------|

All references to distributions relate only to payments of benefits during the plan year.

|                                                                                                                                                                                                                                                                                                                                               |              |              |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|--------------|
| <div>1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....</div>                                                                                                                                                                                                     | <div>1</div> | <div>0</div> |
| <div>2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):<br/><br/>EIN(s): 22-1211670</div> <div>Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.</div> |              |              |
| <div>3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year .....</div>                                                                                                                                                                                                          | <div>3</div> |              |

|         |                                                                                                                                                                        |
|---------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Part II | Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part.) |
|---------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

|                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                  |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------|
| <div>4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? .....</div> <div>If the plan is a defined benefit plan, go to line 8.</div>                                                                                                                                                                         | <div><input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A</div> |
| <div>5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____<br/>If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.</div> |                                                                                                  |
| <div>6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived) .....</div>                                                                                                                                                                                                               | <div>6a</div>                                                                                    |
| <div>b Enter the amount contributed by the employer to the plan for this plan year .....</div>                                                                                                                                                                                                                                                                   | <div>6b</div>                                                                                    |
| <div>c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....</div>                                                                                                                                                                                                              | <div>6c</div>                                                                                    |
| <div>If you completed line 6c, skip lines 8 and 9.</div>                                                                                                                                                                                                                                                                                                         |                                                                                                  |
| <div>7 Will the minimum funding amount reported on line 6c be met by the funding deadline? .....</div>                                                                                                                                                                                                                                                           | <div><input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A</div> |
| <div>8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? .....</div>                                                                                  | <div><input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A</div> |

|          |            |
|----------|------------|
| Part III | Amendments |
|----------|------------|

|                                                                                                                                                                                                                                |                                                                                                                                          |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------|
| <div>9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box.....</div> | <div><input type="checkbox"/> Increase <input type="checkbox"/> Decrease <input type="checkbox"/> Both <input type="checkbox"/> No</div> |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------|

|         |                                                                                                                                            |
|---------|--------------------------------------------------------------------------------------------------------------------------------------------|
| Part IV | ESOPs (see instructions). If this is not a plan described under section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part. |
|---------|--------------------------------------------------------------------------------------------------------------------------------------------|

|                                                                                                                                                                                                  |                                                                     |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------|
| <div>10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? .....</div>                                                      | <div><input type="checkbox"/> Yes <input type="checkbox"/> No</div> |
| <div>11 a Does the ESOP hold any preferred stock? .....</div>                                                                                                                                    | <div><input type="checkbox"/> Yes <input type="checkbox"/> No</div> |
| <div>b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) .....</div> | <div><input type="checkbox"/> Yes <input type="checkbox"/> No</div> |
| <div>12 Does the ESOP hold any stock that is not readily tradable on an established securities market? .....</div>                                                                               | <div><input type="checkbox"/> Yes <input type="checkbox"/> No</div> |

For Paperwork Reduction Act Notice, see the Instructions for Form 5500.

Schedule R (Form 5500) 2021  
v. 201209

**Part V Additional Information for Multiemployer Defined Benefit Pension Plans**

**13** Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

**a** Name of contributing employer

**b** EIN

**c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month \_\_\_\_\_ Day \_\_\_\_\_ Year \_\_\_\_\_

**e** Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): \_\_\_\_\_

**a** Name of contributing employer

**b** EIN

**c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month \_\_\_\_\_ Day \_\_\_\_\_ Year \_\_\_\_\_

**e** Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): \_\_\_\_\_

**a** Name of contributing employer

**b** EIN

**c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month \_\_\_\_\_ Day \_\_\_\_\_ Year \_\_\_\_\_

**e** Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): \_\_\_\_\_

**a** Name of contributing employer

**b** EIN

**c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month \_\_\_\_\_ Day \_\_\_\_\_ Year \_\_\_\_\_

**e** Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): \_\_\_\_\_

**a** Name of contributing employer

**b** EIN

**c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month \_\_\_\_\_ Day \_\_\_\_\_ Year \_\_\_\_\_

**e** Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): \_\_\_\_\_

**a** Name of contributing employer

**b** EIN

**c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month \_\_\_\_\_ Day \_\_\_\_\_ Year \_\_\_\_\_

**e** Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): \_\_\_\_\_

- 14** Enter the number of deferred vested and retired participants (inactive participants), as of the beginning of the plan year, whose contributing employer is no longer making contributions to the plan for:

**a** The current plan year. Check the box to indicate the counting method used to determine the number of inactive participants: ☐ last contributing employer ☐ alternative ☐ reasonable approximation (see instructions for required attachment).....

**14a**

**b** The plan year immediately preceding the current plan year. ☐ Check the box if the number reported is a change from what was previously reported (see instructions for required attachment).....

**14b**

**c** The second preceding plan year. ☐ Check the box if the number reported is a change from what was previously reported (see instructions for required attachment).....

**14c**

- 15** Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

**a** The corresponding number for the plan year immediately preceding the current plan year.....

**15a**

**b** The corresponding number for the second preceding plan year .....

**15b**

- 16** Information with respect to any employers who withdrew from the plan during the preceding plan year:

**a** Enter the number of employers who withdrew during the preceding plan year .....

**16a**

**b** If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers.....

**16b**

- 17** If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment..... ☐

## **Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans**

- 18** If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment..... ☐

- 19** If the total number of participants is 1,000 or more, complete lines (a) through (c)

**a** Enter the percentage of plan assets held as:

Stock: \_\_\_\_\_% Investment-Grade Debt: \_\_\_\_\_% High-Yield Debt: \_\_\_\_\_% Real Estate: \_\_\_\_\_% Other: \_\_\_\_\_%

**b** Provide the average duration of the combined investment-grade and high-yield debt:

☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

**c** What duration measure was used to calculate line 19(b)?

☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): \_\_\_\_\_

- 20 PBGC missed contribution reporting requirements.** If this is a multiemployer plan or a single-employer plan that is not covered by PBGC, skip line 20.

**a** Is the amount of unpaid minimum required contributions for all years from Schedule SB (Form 5500) line 40 greater than zero? ☐ Yes ☐ No

**b** If line 20a is "Yes," has PBGC been notified as required by ERISA sections 4043(c)(5) and/or 303(k)(4)? Check the applicable box:

☐ Yes.

☐ No. Reporting was waived under 29 CFR 4043.25(c)(2) because contributions equal to or exceeding the unpaid minimum required contribution were made by the 30th day after the due date.

☐ No. The 30-day period referenced in 29 CFR 4043.25(c)(2) has not yet ended, and the sponsor intends to make a contribution equal to or exceeding the unpaid minimum required contribution by the 30th day after the due date.

☐ No. Other. Provide explanation \_\_\_\_\_



## **401(k) Retirement Savings Plan**

Financial Statements

December 31, 2021 and 2020

**New York Independent System Operator, Inc.  
401(k) Retirement Savings Plan**

**Financial Statements**

**December 31, 2021 and 2020**

**C O N T E N T S**

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## **Independent Auditor's Report**

Audit and Compliance Committee of the  
Board of Directors  
New York Independent System Operator, Inc.  
Rensselaer, New York

### **Scope and Nature of the ERISA Section 103(a)(3)(C) Audit of the 2021 Financial Statements**

We have performed an audit of the financial statements of the New York Independent System Operator, Inc. 401(k) Retirement Savings Plan (Plan), an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), as permitted by ERISA Section 103(a)(3)(C) (ERISA Section 103(a)(3)(C) audit). The financial statements comprise the statement of net assets available for benefits as of December 31, 2021, and the related statement of changes in net assets available for benefits the year then ended, and the related notes to the financial statements (2021 financial statements).

Management, having determined it is permissible in the circumstances, has elected to have the audit of the 2021 financial statements performed in accordance with ERISA Section 103(a)(3)(C) pursuant to 29 CFR 2520.103-8 of the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under ERISA. As permitted by ERISA Section 103(a)(3)(C), our audit need not extend to any statements or information related to assets held for investment of the Plan (investment information) by a bank or similar institution or insurance carrier that is regulated, supervised, and subject to periodic examination by a state or federal agency, provided that the statements or information regarding assets so held are prepared and certified to by the bank or similar institution or insurance carrier in accordance with 29 CFR 2520.103-5 of the DOL's Rules and Regulations for Reporting and Disclosure under ERISA (qualified institution).

Management has obtained a certification from a qualified institution as of and for the year ended December 31, 2021, stating that the certified investment information, as described in Note 3 to the financial statements, is complete and accurate.

### **Opinion on the 2021 Financial Statements**

In our opinion, based on our audit and on the procedures performed as described in the Auditor's Responsibilities for the Audit of the 2021 Financial Statements section:

- The amounts and disclosures in the accompanying 2021 financial statements, other than those agreed to or derived from the certified investment information, are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).
- The information in the accompanying 2021 financial statements related to assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

### **Basis for Opinion on the 2021 Financial Statements**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the 2021 Financial Statements section of our report. We are required to be independent of the Plan and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our ERISA Section 103(a)(3)(C) audit opinion.

### **Responsibilities of Management for the 2021 Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. Management's election of the ERISA Section 103(a)(3)(C) audit does not affect management's responsibility for the financial statements.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Management is also responsible for maintaining a current plan instrument, including all plan amendments, administering the Plan, and determining that the Plan's transactions that are presented and disclosed in the financial statements are in conformity with the Plan's provisions, including maintaining sufficient records with respect to each of the participants, to determine the benefits due or which may become due to such participants.

### **Auditor's Responsibilities for the Audit of the 2021 Financial Statements**

Except as described in the Scope and Nature of the ERISA Section 103(a)(3)(C) Audit of the 2021 Financial Statements section of our report, our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if, there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.



### **Auditor's Responsibilities for the Audit of the 2021 Financial Statements - Continued**

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for a reasonable period of time.

Our audit did not extend to the certified investment information, except for obtaining and reading the certification, comparing the certified investment information with the related information presented and disclosed in the 2021 financial statements, and reading the disclosures relating to the certified investment information to assess whether they are in accordance with the presentation and disclosure requirements of U.S. GAAP.

Accordingly, the objective of an ERISA Section 103(a)(3)(C) audit is not to express an opinion about whether the financial statements as a whole are presented fairly, in all material respects, in accordance with U.S. GAAP.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### **Other Matters**

#### ***2021 Supplemental Schedule Required by ERISA***

The supplemental schedule of assets (held at end of year) as of December 31, 2021, is presented for purposes of additional analysis and is not a required part of the financial statements but is supplementary information required by the DOL's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information included in the supplemental schedule, other than that agreed to or derived from the certified investment information, has been subjected to auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. For information included in the supplemental schedule that agreed to or is derived from the certified investment information, we compared such information to the related certified investment information.

In forming our opinion on the supplemental schedule, we evaluated whether the supplemental schedule, other than the information agreed to or derived from the certified investment information, including its form and content, is presented in conformity with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.



**Other Matters - Continued**

***2021 Supplemental Schedule Required by ERISA - Continued***

In our opinion:

- The form and content of the supplemental schedule, other than the information in the supplemental schedule that agreed to or is derived from the certified investment information, are presented, in all material respects, in conformity with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.
- The information in the supplemental schedule related to assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

***Auditor's Report on the 2020 Financial Statements***

We were engaged to audit the 2020 financial statements of the Plan. As permitted by 29 CFR 2520.103-8 of the DOL's Rules and Regulations for Reporting and Disclosure under ERISA, the plan administrator instructed us not to perform and we did not perform any auditing procedures with respect to the information certified by a qualified institution. In our report dated August 4, 2021, we indicated that (a) because of the significance of the information that we did not audit, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion and accordingly, we did not express an opinion on the 2020 financial statements, and (b) the form and content of the information included in the 2020 financial statements other than that derived from the certified information were presented in compliance with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

*BST+Co.CPAs, LLP*

Albany, New York  
October 6, 2022



**New York Independent System Operator, Inc.  
401(k) Retirement Savings Plan**

Statements of Net Assets Available for Benefits

|                                                                 | December 31,                 |                              |
|-----------------------------------------------------------------|------------------------------|------------------------------|
|                                                                 | <u>2021</u>                  | <u>2020</u>                  |
| <b>ASSETS</b>                                                   |                              |                              |
| Investments, at fair value                                      | \$ 252,561,653               | \$ 211,882,655               |
| Fully benefit-responsive investment contract, at contract value | 24,238,322                   | 23,051,896                   |
| Cash, held for investment                                       | 12,011                       | 7,195                        |
|                                                                 | <u>276,811,986</u>           | <u>234,941,746</u>           |
| Receivables                                                     |                              |                              |
| Contributions                                                   | 47,532                       | 41,256                       |
| Participant notes                                               | 2,192,886                    | 2,393,271                    |
|                                                                 | <u>2,240,418</u>             | <u>2,434,527</u>             |
| <b>NET ASSETS AVAILABLE FOR BENEFITS</b>                        | <u><b>\$ 279,052,404</b></u> | <u><b>\$ 237,376,273</b></u> |

**New York Independent System Operator, Inc.  
401(k) Retirement Savings Plan**

Statements of Changes in Net Assets Available for Benefits

|                                                                    | <b>Years Ended December 31,</b> |                              |
|--------------------------------------------------------------------|---------------------------------|------------------------------|
|                                                                    | <b>2021</b>                     | <b>2020</b>                  |
| <b>ADDITIONS</b>                                                   |                                 |                              |
| Investment income                                                  |                                 |                              |
| Net appreciation in fair value of investments                      | \$ 35,988,393                   | \$ 33,087,818                |
| Interest and dividends                                             | 3,223,566                       | 3,021,048                    |
|                                                                    | <u>39,211,959</u>               | <u>36,108,866</u>            |
| Interest income from participant notes receivable                  | <u>114,873</u>                  | <u>136,625</u>               |
| Contributions                                                      |                                 |                              |
| Employer                                                           | 6,888,220                       | 7,211,958                    |
| Participants                                                       | 7,205,482                       | 7,172,826                    |
| Rollovers                                                          | 526,732                         | 856,688                      |
|                                                                    | <u>14,620,434</u>               | <u>15,241,472</u>            |
| Total additions                                                    | <u>53,947,266</u>               | <u>51,486,963</u>            |
| <b>DEDUCTIONS</b>                                                  |                                 |                              |
| Benefits paid                                                      | 12,051,920                      | 7,199,855                    |
| Administrative expenses                                            | 219,215                         | 211,687                      |
| Total deductions                                                   | <u>12,271,135</u>               | <u>7,411,542</u>             |
| <b>Net increase in net assets available for benefits</b>           | <b>41,676,131</b>               | <b>44,075,421</b>            |
| <b>NET ASSETS AVAILABLE FOR BENEFITS, <i>beginning of year</i></b> | <u>237,376,273</u>              | <u>193,300,852</u>           |
| <b>NET ASSETS AVAILABLE FOR BENEFITS, <i>end of year</i></b>       | <u><b>\$ 279,052,404</b></u>    | <u><b>\$ 237,376,273</b></u> |

# **New York Independent System Operator, Inc. 401(k) Retirement Savings Plan**

Notes to Financial Statements  
December 31, 2021 and 2020

## **Note 1 - Description of the Plan**

The New York Independent System Operator, Inc. 401(k) Retirement Savings Plan (Plan) was formed on December 1, 1999. The Plan was most recently amended effective January 1, 2019. The Plan is sponsored by New York Independent System Operator, Inc. (NYISO).

The following brief description of the Plan is provided for general information purposes only. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

### *a. General*

The Plan is a defined contribution plan covering all eligible employees of NYISO. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

The Plan assets are held by Prudential Bank and Trust Company, the Trustee of the Plan. NYISO contributions, participant elective deferrals, and participant accounts are managed by Prudential Retirement Services, the record keeper, who invests cash received and income from investments based on instructions from NYISO and participants and makes distributions to participants. The Retirement Board of NYISO is responsible for administration of the Plan, recommending investment policy to the Board of Directors, and monitoring investment performance. The Retirement Board reports to NYISO's Board of Directors.

### *b. Contributions*

Each year, participants may contribute a percent of pretax annual compensation, subject to certain limitations as defined by the Plan. The maximum participant deferral was \$19,500 for the years ended December 31, 2021 and 2020. Participants age 50 and over are also permitted to make additional "catch-up" contributions. Participants may also contribute rollover amounts representing distributions from other qualified defined benefit or defined contribution plans.

Under the "safe harbor" election, NYISO matches a portion of eligible employee contributions. The safe harbor match is 100% of the first 3% of a participant's annual compensation and 50% of the next 2% of a participant's annual compensation for a maximum of up to 4% of a participant's annual compensation. A safe harbor matching contribution is a minimum contribution made by NYISO that allows the Plan to be exempt from 401(k) non-discrimination tests. NYISO's safe harbor matching contribution was \$2,771,844 and \$2,885,043 for the years ended December 31, 2021 and 2020, respectively.

The Plan allows for additional discretionary non-elective employer contributions, which are allocated based on participant compensation and years of service, as defined in the Plan document. NYISO's total employer non-elective contributions were \$4,241,023 and \$4,326,915 for the years ended December 31, 2021 and 2020, respectively.

Participants direct their elective deferral amounts and NYISO contributions into various investment options offered by the Plan. Participants may change their rate of contribution at any time effective with the first eligible payroll after the request is received.

# **New York Independent System Operator, Inc.**

## **401(k) Retirement Savings Plan**

Notes to Financial Statements  
December 31, 2021 and 2020

### **Note 1 - Description of the Plan - Continued**

#### *c. Plan Eligibility*

Employees of NYISO are eligible to participate in the Plan beginning on the date of hire. Employees of NYISO are eligible to share in NYISO's safe harbor matching and non-elective contributions immediately.

#### *d. Participant Accounts*

Each participant's account is credited with the participant's contribution and allocations of: (a) NYISO's contributions; (b) the Plan's investment earnings (losses), net of investment expenses; and (c) administrative expenses paid by the Plan. Allocations are based on participant earnings or account balances, as defined by the Plan. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

#### *e. Vesting*

Participants are 100% vested immediately in their elective deferral amounts, rollover contributions, and NYISO's safe harbor matching contributions, plus actual earnings thereon.

Vesting in NYISO's discretionary non-elective contributions is based on years of continuous service. Participants become fully vested after three years of credited service. A participant is also 100% vested upon (1) disability; (2) death; (3) normal retirement at age 59½; or (4) termination of the Plan. If a participant's employment with NYISO is terminated before age 59½ for any reason other than disability or death, the participant is entitled to an amount equal to the vested portion of his or her account balance. There is no partial vesting of benefits.

#### *f. Participant Notes Receivable*

Participants may borrow from their accounts a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000, or 50% of their account balance. In addition, the \$50,000 limit is reduced by the highest outstanding loan balance (of any previous loans made) in the previous twelve months. Participant notes are secured by the balance in the participants' accounts and bear interest at rates which ranged from 4.10% to 9.75% for both years ended December 31, 2021 and 2020. Principal and interest are paid ratably through regular payroll deductions. In general, loans must be repaid within five years; however, if the loan is used to purchase a principal residence, the repayment period may be set for a term not to extend beyond twenty years.

#### *g. Payment of Benefits*

On death, disability, retirement, or termination of service, a participant may receive the value of the vested interest in their account as a lump-sum distribution or installments over a period of years selected by the participant. Participants may also receive in-service distributions at age 59½ or on account of financial hardship as defined by the Plan.

# **New York Independent System Operator, Inc.**

## **401(k) Retirement Savings Plan**

Notes to Financial Statements  
December 31, 2021 and 2020

### **Note 1 - Description of the Plan - Continued**

#### *h. Forfeiture Accounts*

Forfeitures may be used to pay administrative expenses under the Plan or to reduce employer contributions. A total of \$2,700 and \$34,924 of forfeiture amounts were used to pay administrative expenses during the years ended December 31, 2021 and 2020, respectively. A total of \$125,252 of forfeiture amounts were used to reduce employer contributions for the year ended December 31, 2021. There were no forfeitures used to reduce employer contributions for the year ended December 31, 2020. Forfeitures totaled \$127,173 and \$35,590 during the years ended December 31, 2021 and 2020, respectively. Unallocated forfeitures totaled \$56,112 and \$59,808 as of December 31, 2021 and 2020, respectively.

### **Note 2 - Summary of Significant Accounting Policies**

#### *a. Basis of Accounting*

The accompanying financial statements are prepared in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) for defined contribution plans.

#### *b. Estimates*

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

#### *c. Investment Valuation and Income Recognition*

Investments are reported at fair value (except for fully benefit-responsive investment contracts, which are reported at contract value). Fair value is defined as the price that would be received to sell an asset in an orderly transaction between market participants on the measurement date. Contract value is the relevant measure for the portion of the net assets available for benefits of a defined contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants normally would receive if they were to initiate permitted transactions under the terms of the Plan.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation includes the Plan's gains and losses on investments bought and sold as well as held during the year.

#### *d. Participant Notes Receivable*

Notes receivable from participants are stated at their unpaid principal balance plus any accrued, but unpaid interest. Interest income is recorded on the accrual basis. No allowance for credit losses has been recorded as of December 31, 2021 and 2020. If a participant ceases to make loan repayments and the Plan administrator deems the participant loan to be in default, the participant loan balance is reduced, and a benefit payment is recorded.

# **New York Independent System Operator, Inc. 401(k) Retirement Savings Plan**

Notes to Financial Statements  
December 31, 2021 and 2020

## **Note 2 - Summary of Significant Accounting Policies - Continued**

### *e. Payment of Benefits*

Benefits are recorded when paid.

### *f. Administrative Expenses*

Certain Plan fees are paid from Plan assets, and other administrative expenses of the Plan are paid directly by NYISO. Management fees charged to the Plan for investments are deducted from income earned on a daily basis and are not separately reflected. Investment related expenses are included in net appreciation in fair value of investments. Fees related to the administration of notes receivable from participants are charged directly to the participant's account and are included in administrative expenses.

### *g. Subsequent Events*

The Plan has evaluated subsequent events for potential recognition or disclosure through October 6, 2022, the date the financial statements were available to be issued.

## **Note 3 - Certified Investments**

Certain information related to investments and notes receivable from participants disclosed in the accompanying financial statements and ERISA-required supplemental schedule, including cash, investments and notes receivable from participants held at December 31, 2021 and 2020, and net appreciation in fair value of investments, interest and dividends, and interest income on participant notes receivable for the years ended December 31, 2021 and 2020, was obtained by management and agreed to or derived from information certified as complete and accurate by the Trustee of the Plan.

## **Note 4 - Investments and Fair Value Measurements**

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets (Level 1) and the lowest priority to unobservable inputs (Level 3).

The three levels of the fair value hierarchy are as follows:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets in active markets that the Plan has the ability to access.

Level 2 Inputs to the valuation methodology include:

- Quoted prices for similar assets in active markets;
- Quoted prices for identical or similar assets in inactive markets;
- Inputs other than quoted prices that are observable for the asset; and
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

# New York Independent System Operator, Inc.

## 401(k) Retirement Savings Plan

Notes to Financial Statements  
December 31, 2021 and 2020

### Note 4 - Investments and Fair Value Measurements - Continued

If the asset has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodology used for assets measured at fair value. There have been no changes in methodologies used at December 31, 2021 and 2020.

Mutual funds: Valued at the daily closing price as reported by the funds. Mutual funds held by the Plan are open-end funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.

The method described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation method is appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following tables set forth, by level within the fair value hierarchy, the Plan's assets at fair value:

| December 31, 2021 |                       |             |             |                       |
|-------------------|-----------------------|-------------|-------------|-----------------------|
|                   | Level 1               | Level 2     | Level 3     | Total                 |
| Mutual Funds      | <u>\$ 252,561,653</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 252,561,653</u> |
| December 31, 2020 |                       |             |             |                       |
|                   | Level 1               | Level 2     | Level 3     | Total                 |
| Mutual Funds      | <u>\$ 211,882,655</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 211,882,655</u> |

### Note 5 - Fully Benefit-Responsive Group Annuity Contract

During 2015, the Plan entered into a group annuity contract with Prudential Retirement Insurance and Annuity Company (PRIAC). As described in Note 2, this contract meets the fully benefit-responsive criteria and, therefore, is reported at contract value. Contract value is the relevant measure for fully benefit-responsive contracts because this is the amount received by participants if they were to initiate permitted transactions under the terms of the Plan. Contract value, as reported to the Plan by PRIAC, represents contributions made under the contract, plus earnings, less participant withdrawals and administrative expenses. The specific circumstances under which PRIAC guarantees contract value are detailed in PRIAC's contract issued to the Plan.

# **New York Independent System Operator, Inc.**

## **401(k) Retirement Savings Plan**

Notes to Financial Statements  
December 31, 2021 and 2020

### **Note 5 - Fully Benefit-Responsive Group Annuity Contract - Continued**

Amounts contributed to the contract are deposited in PRIAC's general account. PRIAC is contractually obligated to repay the principal and interest at a specified interest rate that is guaranteed by PRIAC. The crediting rate is based on a rate setting process established by PRIAC but may not be less than 1.5% percent prior to any recordkeeping fee (which is zero). The crediting rate is reviewed from time to time (currently on a semi-annual basis) for resetting.

The Plan's ability to receive amounts due in accordance with fully benefit-responsive contracts and fulfillment of any guarantees specified in the group annuity contract are insurance claims and are dependent on the contract issuer's ability to meet its financial obligations. The issuer's ability to meet its contractual obligations may be affected by future economic and regulatory developments.

Certain events might limit the ability of the Plan to transact at contract value with the contract issuer. Examples of such events include the following: (1) amendments to the Plan documents (including complete or partial plan termination or merger with another plan); (2) changes to the Plan's prohibition on competing investment options or deletion of equity wash provisions; (3) bankruptcy of the Plan sponsor or other Plan sponsor events (for example, divestitures or spin-offs of a subsidiary) that cause a significant withdrawal from the Plan; or (4) the failure of the trust to qualify for exemption from federal income taxes or any required prohibited transaction exemption under the Employee Retirement Income Security Act of 1974. No events are probable of occurring that might limit the ability of the Plan to transact at contract value with the contract issuer and that also would limit the ability of the Plan to transact at contract value with the participants. While the contract is active, participant-directed benefit responsive transactions will be paid at contract value and will not be delayed. PRIAC has the right to delay making payments for certain other transactions.

In addition, certain events allow the issuer to terminate the contract with the Plan. Examples of such events include the following:

- 1) The Plan notifies PRIAC in writing that the contract will be terminated;
- 2) PRIAC determines that the class of business to which the contract belongs is no longer commercially desirable, and notifies all investors of that class in writing that the contracts will be terminated;
- 3) A material misrepresentation; and
- 4) A material amendment to the Plan without the consent of the issuer.

Upon contract termination, at the Plan's direction, payment may be made in one of three ways: (i) at contract value in annual installments over five years, (ii) at contract value in annual installments over a period of no more than ten years, or (iii) in the form of a single payment at market value (which could be less than contract value).

### **Note 6 - Related Party and Party-in-Interest Transactions**

#### *a. Related Party Transactions*

Administrative expenses paid by NYISO on behalf of the Plan totaled \$44,483 and \$98,139 for the years ended December 31, 2021 and 2020, respectively.

Certain Plan administrative functions are performed by employees of NYISO who do not receive compensation for such functions.

# **New York Independent System Operator, Inc.**

## **401(k) Retirement Savings Plan**

Notes to Financial Statements  
December 31, 2021 and 2020

### **Note 6 - Related Party and Party-in-Interest Transactions - Continued**

#### *b. Party-in-Interest Transactions*

One of the investment options is managed by Prudential Bank and Trust Company, the Trustee of the Plan.

Prudential Retirement Services provides certain administrative services to the Plan pursuant to a revenue sharing agreement between the Plan and Prudential Retirement Services. The Plan may receive earnings from Prudential Retirement Services, subject to provisions of the agreement. Earnings may be used to offset certain administrative expenses, or allocated to participants of the Plan, subject to the election of management. During the years ended December 31, 2021 and 2020, \$153,475 and \$117,399 of such earnings were allocated to participant accounts, respectively, and \$152,525 and \$115,959 was used to pay administrative expenses, respectively.

### **Note 7 - Plan Termination**

NYISO has the right under the Plan to discontinue its contributions at any time and to terminate the Plan. In the event that the Plan terminates, participants will become 100% vested in their accounts.

### **Note 8 - Tax Status**

The Plan has received a determination letter from the IRS dated May 29, 2014 stating that the Plan is qualified under the Internal Revenue Code (IRC) and is, therefore, exempt from federal taxes under the provisions of Section 501(a). Although the Plan has been amended since receiving the determination letter, the Plan administrator believes that the Plan is being operated in compliance with the applicable requirements of the IRC.

The Plan's management evaluates tax positions taken by the Plan and recognizes a tax liability or asset if an uncertain tax position was taken and it is more-likely-than-not that the tax position would not be sustained upon examination by taxing authorities. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

### **Note 9 - Risks and Uncertainties**

The Plan invests in various investments. Investments are exposed to various risks, such as interest rate, market, and credit. Market risks include global events which could impact the value of the investments, such as a pandemic or international conflict. Due to the level of risk associated with certain investments, it is at least reasonably possible that changes in the values of investments will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statement of net assets available for benefits.

# New York Independent System Operator, Inc. 401(k) Retirement Savings Plan

## Supplemental Schedule Required Under ERISA and Department of Labor Regulations Schedule H December 31, 2021

### Line 4i - Schedule of Assets (Held at end of Year)

| (a) | (b)<br>Identity of Issue, Borrower,<br>Lessor, or Similar Party | (c)<br>Description of Investment<br>Including Maturity Date,<br>Rate of Interest, Collateral, and<br>Par or Maturity Value | (d)<br>Cost (1) | (e)<br>Current<br>Value |
|-----|-----------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------|-----------------|-------------------------|
|     | American Funds Capital World Growth and Income Fund             | Mutual Fund                                                                                                                |                 | \$ 5,614,764            |
|     | American Funds EuroPacific Growth Fund                          | Mutual Fund                                                                                                                |                 | 2,713,880               |
|     | American Funds Income Fund                                      | Mutual Fund                                                                                                                |                 | 8,330,469               |
|     | Blackrock Technology                                            | Mutual Fund                                                                                                                |                 | 67,939                  |
|     | Blackrock High Yield Bond Fund                                  | Mutual Fund                                                                                                                |                 | 7,227,205               |
|     | Columbia Acorn International Class A Fund                       | Mutual Fund                                                                                                                |                 | 2,865                   |
|     | Doubleline Total Return Bond Fund Class 1                       | Mutual Fund                                                                                                                |                 | 20,788                  |
|     | Fidelity Freedom 2030                                           | Mutual Fund                                                                                                                |                 | 12,480                  |
|     | Fidelity Mid Cap Enhanced Index Fund                            | Mutual Fund                                                                                                                |                 | 37,713                  |
|     | Fidelity Select Defense & Aerospace                             | Mutual Fund                                                                                                                |                 | 32,725                  |
|     | Fidelity Select Energy                                          | Mutual Fund                                                                                                                |                 | 2,166                   |
|     | Fidelity Select Medical Technology & Devices                    | Mutual Fund                                                                                                                |                 | 37,621                  |
|     | Fidelity Select Pharmaceutical                                  | Mutual Fund                                                                                                                |                 | 25,151                  |
|     | Fidelity Select Semiconductors Port                             | Mutual Fund                                                                                                                |                 | 56,162                  |
|     | First Eagle Gold Class A                                        | Mutual Fund                                                                                                                |                 | 8,276                   |
|     | FPA New Income                                                  | Mutual Fund                                                                                                                |                 | 5,804                   |
|     | Harbor Capital Appreciation Fund                                | Mutual Fund                                                                                                                |                 | 20,795,520              |
|     | Harbor International Fund                                       | Mutual Fund                                                                                                                |                 | 3,725,169               |
|     | John Hancock Discipline Value Fund                              | Mutual Fund                                                                                                                |                 | 6,796,574               |
|     | JPMorgan U.S. Equity                                            | Mutual Fund                                                                                                                |                 | 15,908,893              |
|     | Matthews Asia Dividend Fund                                     | Mutual Fund                                                                                                                |                 | 2,734                   |
|     | Nationwide Ziegler NYSE Arca Tech 100 Index Fund                | Mutual Fund                                                                                                                |                 | 12,952,141              |
|     | Primecap Odyssey Aggressive Growth                              | Mutual Fund                                                                                                                |                 | 4,146                   |
|     | Schwab S&P 500 Index Fund                                       | Mutual Fund                                                                                                                |                 | 16,043                  |
|     | T. Rowe Price Health Sciences Fund                              | Mutual Fund                                                                                                                |                 | 4,065                   |
|     | T. Rowe Price Emerging Markets Stock Fund                       | Mutual Fund                                                                                                                |                 | 5,239,141               |
|     | T. Rowe Price RA 2005 Fund                                      | Mutual Fund                                                                                                                |                 | 478,436                 |
|     | T. Rowe Price RA 2010 Fund                                      | Mutual Fund                                                                                                                |                 | 351,487                 |
|     | T. Rowe Price RA 2015 Fund                                      | Mutual Fund                                                                                                                |                 | 589,842                 |
|     | T. Rowe Price RA 2020 Fund                                      | Mutual Fund                                                                                                                |                 | 4,683,184               |
|     | T. Rowe Price RA 2025 Fund                                      | Mutual Fund                                                                                                                |                 | 5,528,388               |
|     | T. Rowe Price RA 2030 Fund                                      | Mutual Fund                                                                                                                |                 | 8,234,089               |
|     | T. Rowe Price RA 2035 Fund                                      | Mutual Fund                                                                                                                |                 | 7,104,579               |
|     | T. Rowe Price RA 2040 Fund                                      | Mutual Fund                                                                                                                |                 | 6,473,279               |
|     | T. Rowe Price RA 2045 Fund                                      | Mutual Fund                                                                                                                |                 | 4,635,096               |
|     | T. Rowe Price RA 2050 Fund                                      | Mutual Fund                                                                                                                |                 | 4,513,708               |
|     | T. Rowe Price RA 2055 Fund                                      | Mutual Fund                                                                                                                |                 | 5,932,577               |
|     | T. Rowe Price RA Income Fund                                    | Mutual Fund                                                                                                                |                 | 816,657                 |
|     | T. Rowe SmallCap Growth Equity                                  | Mutual Fund                                                                                                                |                 | 6,732,923               |
|     | Third Avenue Real Estate Value Investment                       | Mutual Fund                                                                                                                |                 | 6,564                   |
|     | Vanguard Dividend Growth Investor Class A Fund                  | Mutual Fund                                                                                                                |                 | 63,827                  |
|     | Vanguard Financials Index Admiral Fund                          | Mutual Fund                                                                                                                |                 | 5,566                   |
|     | Vanguard Growth Index Fund                                      | Mutual Fund                                                                                                                |                 | 28,656,364              |
|     | Vanguard Health Care Investor Fund                              | Mutual Fund                                                                                                                |                 | 29,687                  |

See Independent Auditor's Report.

**New York Independent System Operator, Inc.**  
**401(k) Retirement Savings Plan**

Supplemental Schedule Required Under ERISA and  
Department of Labor Regulations  
Schedule H  
December 31, 2021

**Line 4i - Schedule of Assets (Held at end of Year) - Continued**

| (a) | (b)<br>Identity of Issue, Borrower,<br>Lessor, or Similar Party | (c)<br>Description of Investment<br>Including Maturity Date,<br>Rate of Interest, Collateral, and<br>Par or Maturity Value | (d)<br>Cost (1) | (e)<br>Current<br>Value      |
|-----|-----------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------|-----------------|------------------------------|
|     | Vanguard Institutional Index Fund                               | Mutual Fund                                                                                                                |                 | 32,310,823                   |
|     | Vanguard Intermediate Term Treasury Fund                        | Mutual Fund                                                                                                                |                 | 6,753,372                    |
|     | Vanguard International Growth Admiral                           | Mutual Fund                                                                                                                |                 | 48,394                       |
|     | Vanguard Life Strgy Grwth Port Inv Cl                           | Mutual Fund                                                                                                                |                 | 496,038                      |
|     | Vanguard Mid Cap Institutional Fund                             | Mutual Fund                                                                                                                |                 | 15,407,877                   |
|     | Vanguard Small Cap Index Adm                                    | Mutual Fund                                                                                                                |                 | 3,136,519                    |
|     | Vanguard Total Bond Index                                       | Mutual Fund                                                                                                                |                 | 1,642,790                    |
|     | Vanguard Total Stock Admiral                                    | Mutual Fund                                                                                                                |                 | 1,720,915                    |
|     | Vanguard Total Stock Market Index Admiral                       | Mutual Fund                                                                                                                |                 | 46,936                       |
|     | Vanguard Value Index Adm                                        | Mutual Fund                                                                                                                |                 | 9,531,988                    |
|     | Western Asset Core Bond Fund                                    | Mutual Fund                                                                                                                |                 | 10,756                       |
|     | Western Core Bond Fund                                          | Mutual Fund                                                                                                                |                 | 6,978,557                    |
| *   | Prudential Retirement Insurance & Annuity Company               | Guaranteed Investment Contract                                                                                             |                 | 24,238,322                   |
|     | National Financial                                              | Cash                                                                                                                       |                 | 12,011                       |
|     |                                                                 |                                                                                                                            |                 | <u>276,811,986</u>           |
| *   | Participant Notes (2)                                           | 4.10% - 9.75%                                                                                                              |                 | <u>2,192,886</u>             |
|     |                                                                 |                                                                                                                            |                 | <u><u>\$ 279,004,872</u></u> |

\* Represents a party-in-interest as defined by ERISA.

(1) Cost information may be omitted with respect to participant or beneficiary directed transactions under an individual account plan.

(2) These notes are solely secured by participant account balances in the Plan.

# New York Independent System Operator, Inc. 401(k) Retirement Savings Plan

## Supplemental Schedule Required Under ERISA and Department of Labor Regulations Schedule H December 31, 2021

### Line 4i - Schedule of Assets (Held at end of Year)

| (a) | (b)<br>Identity of Issue, Borrower,<br>Lessor, or Similar Party | (c)<br>Description of Investment<br>Including Maturity Date,<br>Rate of Interest, Collateral, and<br>Par or Maturity Value | (d)<br>Cost (1) | (e)<br>Current<br>Value |
|-----|-----------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------|-----------------|-------------------------|
|     | American Funds Capital World Growth and Income Fund             | Mutual Fund                                                                                                                |                 | \$ 5,614,764            |
|     | American Funds EuroPacific Growth Fund                          | Mutual Fund                                                                                                                |                 | 2,713,880               |
|     | American Funds Income Fund                                      | Mutual Fund                                                                                                                |                 | 8,330,469               |
|     | Blackrock Technology                                            | Mutual Fund                                                                                                                |                 | 67,939                  |
|     | Blackrock High Yield Bond Fund                                  | Mutual Fund                                                                                                                |                 | 7,227,205               |
|     | Columbia Acorn International Class A Fund                       | Mutual Fund                                                                                                                |                 | 2,865                   |
|     | Doubleline Total Return Bond Fund Class 1                       | Mutual Fund                                                                                                                |                 | 20,788                  |
|     | Fidelity Freedom 2030                                           | Mutual Fund                                                                                                                |                 | 12,480                  |
|     | Fidelity Mid Cap Enhanced Index Fund                            | Mutual Fund                                                                                                                |                 | 37,713                  |
|     | Fidelity Select Defense & Aerospace                             | Mutual Fund                                                                                                                |                 | 32,725                  |
|     | Fidelity Select Energy                                          | Mutual Fund                                                                                                                |                 | 2,166                   |
|     | Fidelity Select Medical Technology & Devices                    | Mutual Fund                                                                                                                |                 | 37,621                  |
|     | Fidelity Select Pharmaceutical                                  | Mutual Fund                                                                                                                |                 | 25,151                  |
|     | Fidelity Select Semiconductors Port                             | Mutual Fund                                                                                                                |                 | 56,162                  |
|     | First Eagle Gold Class A                                        | Mutual Fund                                                                                                                |                 | 8,276                   |
|     | FPA New Income                                                  | Mutual Fund                                                                                                                |                 | 5,804                   |
|     | Harbor Capital Appreciation Fund                                | Mutual Fund                                                                                                                |                 | 20,795,520              |
|     | Harbor International Fund                                       | Mutual Fund                                                                                                                |                 | 3,725,169               |
|     | John Hancock Discipline Value Fund                              | Mutual Fund                                                                                                                |                 | 6,796,574               |
|     | JPMorgan U.S. Equity                                            | Mutual Fund                                                                                                                |                 | 15,908,893              |
|     | Matthews Asia Dividend Fund                                     | Mutual Fund                                                                                                                |                 | 2,734                   |
|     | Nationwide Ziegler NYSE Arca Tech 100 Index Fund                | Mutual Fund                                                                                                                |                 | 12,952,141              |
|     | Primecap Odyssey Aggressive Growth                              | Mutual Fund                                                                                                                |                 | 4,146                   |
|     | Schwab S&P 500 Index Fund                                       | Mutual Fund                                                                                                                |                 | 16,043                  |
|     | T. Rowe Price Health Sciences Fund                              | Mutual Fund                                                                                                                |                 | 4,065                   |
|     | T. Rowe Price Emerging Markets Stock Fund                       | Mutual Fund                                                                                                                |                 | 5,239,141               |
|     | T. Rowe Price RA 2005 Fund                                      | Mutual Fund                                                                                                                |                 | 478,436                 |
|     | T. Rowe Price RA 2010 Fund                                      | Mutual Fund                                                                                                                |                 | 351,487                 |
|     | T. Rowe Price RA 2015 Fund                                      | Mutual Fund                                                                                                                |                 | 589,842                 |
|     | T. Rowe Price RA 2020 Fund                                      | Mutual Fund                                                                                                                |                 | 4,683,184               |
|     | T. Rowe Price RA 2025 Fund                                      | Mutual Fund                                                                                                                |                 | 5,528,388               |
|     | T. Rowe Price RA 2030 Fund                                      | Mutual Fund                                                                                                                |                 | 8,234,089               |
|     | T. Rowe Price RA 2035 Fund                                      | Mutual Fund                                                                                                                |                 | 7,104,579               |
|     | T. Rowe Price RA 2040 Fund                                      | Mutual Fund                                                                                                                |                 | 6,473,279               |
|     | T. Rowe Price RA 2045 Fund                                      | Mutual Fund                                                                                                                |                 | 4,635,096               |
|     | T. Rowe Price RA 2050 Fund                                      | Mutual Fund                                                                                                                |                 | 4,513,708               |
|     | T. Rowe Price RA 2055 Fund                                      | Mutual Fund                                                                                                                |                 | 5,932,577               |
|     | T. Rowe Price RA Income Fund                                    | Mutual Fund                                                                                                                |                 | 816,657                 |
|     | T. Rowe SmallCap Growth Equity                                  | Mutual Fund                                                                                                                |                 | 6,732,923               |
|     | Third Avenue Real Estate Value Investment                       | Mutual Fund                                                                                                                |                 | 6,564                   |
|     | Vanguard Dividend Growth Investor Class A Fund                  | Mutual Fund                                                                                                                |                 | 63,827                  |
|     | Vanguard Financials Index Admiral Fund                          | Mutual Fund                                                                                                                |                 | 5,566                   |
|     | Vanguard Growth Index Fund                                      | Mutual Fund                                                                                                                |                 | 28,656,364              |
|     | Vanguard Health Care Investor Fund                              | Mutual Fund                                                                                                                |                 | 29,687                  |

See Independent Auditor's Report.

# New York Independent System Operator, Inc. 401(k) Retirement Savings Plan

## Supplemental Schedule Required Under ERISA and Department of Labor Regulations Schedule H December 31, 2021

### Line 4i - Schedule of Assets (Held at end of Year) - Continued

| (a) | (b)<br>Identity of Issue, Borrower,<br>Lessor, or Similar Party | (c)<br>Description of Investment<br>Including Maturity Date,<br>Rate of Interest, Collateral, and<br>Par or Maturity Value | (d)<br>Cost (1) | (e)<br>Current<br>Value      |
|-----|-----------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------|-----------------|------------------------------|
|     | Vanguard Institutional Index Fund                               | Mutual Fund                                                                                                                |                 | 32,310,823                   |
|     | Vanguard Intermediate Term Treasury Fund                        | Mutual Fund                                                                                                                |                 | 6,753,372                    |
|     | Vanguard International Growth Admiral                           | Mutual Fund                                                                                                                |                 | 48,394                       |
|     | Vanguard Life Strgy Grwth Port Inv Cl                           | Mutual Fund                                                                                                                |                 | 496,038                      |
|     | Vanguard Mid Cap Institutional Fund                             | Mutual Fund                                                                                                                |                 | 15,407,877                   |
|     | Vanguard Small Cap Index Adm                                    | Mutual Fund                                                                                                                |                 | 3,136,519                    |
|     | Vanguard Total Bond Index                                       | Mutual Fund                                                                                                                |                 | 1,642,790                    |
|     | Vanguard Total Stock Admiral                                    | Mutual Fund                                                                                                                |                 | 1,720,915                    |
|     | Vanguard Total Stock Market Index Admiral                       | Mutual Fund                                                                                                                |                 | 46,936                       |
|     | Vanguard Value Index Adm                                        | Mutual Fund                                                                                                                |                 | 9,531,988                    |
|     | Western Asset Core Bond Fund                                    | Mutual Fund                                                                                                                |                 | 10,756                       |
|     | Western Core Bond Fund                                          | Mutual Fund                                                                                                                |                 | 6,978,557                    |
| *   | Prudential Retirement Insurance & Annuity Company               | Guaranteed Investment Contract                                                                                             |                 | 24,238,322                   |
|     | National Financial                                              | Cash                                                                                                                       |                 | 12,011                       |
|     |                                                                 |                                                                                                                            |                 | <u>276,811,986</u>           |
| *   | Participant Notes (2)                                           | 4.10% - 9.75%                                                                                                              |                 | <u>2,192,886</u>             |
|     |                                                                 |                                                                                                                            |                 | <u><u>\$ 279,004,872</u></u> |

\* Represents a party-in-interest as defined by ERISA.

(1) Cost information may be omitted with respect to participant or beneficiary directed transactions under an individual account plan.

(2) These notes are solely secured by participant account balances in the Plan.



## **401(k) Retirement Savings Plan**

Financial Statements

December 31, 2021 and 2020

**New York Independent System Operator, Inc.  
401(k) Retirement Savings Plan**

**Financial Statements**

**December 31, 2021 and 2020**

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## **Independent Auditor's Report**

Audit and Compliance Committee of the  
Board of Directors  
New York Independent System Operator, Inc.  
Rensselaer, New York

### **Scope and Nature of the ERISA Section 103(a)(3)(C) Audit of the 2021 Financial Statements**

We have performed an audit of the financial statements of the New York Independent System Operator, Inc. 401(k) Retirement Savings Plan (Plan), an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), as permitted by ERISA Section 103(a)(3)(C) (ERISA Section 103(a)(3)(C) audit). The financial statements comprise the statement of net assets available for benefits as of December 31, 2021, and the related statement of changes in net assets available for benefits the year then ended, and the related notes to the financial statements (2021 financial statements).

Management, having determined it is permissible in the circumstances, has elected to have the audit of the 2021 financial statements performed in accordance with ERISA Section 103(a)(3)(C) pursuant to 29 CFR 2520.103-8 of the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under ERISA. As permitted by ERISA Section 103(a)(3)(C), our audit need not extend to any statements or information related to assets held for investment of the Plan (investment information) by a bank or similar institution or insurance carrier that is regulated, supervised, and subject to periodic examination by a state or federal agency, provided that the statements or information regarding assets so held are prepared and certified to by the bank or similar institution or insurance carrier in accordance with 29 CFR 2520.103-5 of the DOL's Rules and Regulations for Reporting and Disclosure under ERISA (qualified institution).

Management has obtained a certification from a qualified institution as of and for the year ended December 31, 2021, stating that the certified investment information, as described in Note 3 to the financial statements, is complete and accurate.

### **Opinion on the 2021 Financial Statements**

In our opinion, based on our audit and on the procedures performed as described in the Auditor's Responsibilities for the Audit of the 2021 Financial Statements section:

- The amounts and disclosures in the accompanying 2021 financial statements, other than those agreed to or derived from the certified investment information, are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).
- The information in the accompanying 2021 financial statements related to assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

### **Basis for Opinion on the 2021 Financial Statements**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the 2021 Financial Statements section of our report. We are required to be independent of the Plan and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our ERISA Section 103(a)(3)(C) audit opinion.

### **Responsibilities of Management for the 2021 Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. Management's election of the ERISA Section 103(a)(3)(C) audit does not affect management's responsibility for the financial statements.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Management is also responsible for maintaining a current plan instrument, including all plan amendments, administering the Plan, and determining that the Plan's transactions that are presented and disclosed in the financial statements are in conformity with the Plan's provisions, including maintaining sufficient records with respect to each of the participants, to determine the benefits due or which may become due to such participants.

### **Auditor's Responsibilities for the Audit of the 2021 Financial Statements**

Except as described in the Scope and Nature of the ERISA Section 103(a)(3)(C) Audit of the 2021 Financial Statements section of our report, our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if, there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.



### **Auditor's Responsibilities for the Audit of the 2021 Financial Statements - Continued**

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for a reasonable period of time.

Our audit did not extend to the certified investment information, except for obtaining and reading the certification, comparing the certified investment information with the related information presented and disclosed in the 2021 financial statements, and reading the disclosures relating to the certified investment information to assess whether they are in accordance with the presentation and disclosure requirements of U.S. GAAP.

Accordingly, the objective of an ERISA Section 103(a)(3)(C) audit is not to express an opinion about whether the financial statements as a whole are presented fairly, in all material respects, in accordance with U.S. GAAP.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### **Other Matters**

#### ***2021 Supplemental Schedule Required by ERISA***

The supplemental schedule of assets (held at end of year) as of December 31, 2021, is presented for purposes of additional analysis and is not a required part of the financial statements but is supplementary information required by the DOL's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information included in the supplemental schedule, other than that agreed to or derived from the certified investment information, has been subjected to auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. For information included in the supplemental schedule that agreed to or is derived from the certified investment information, we compared such information to the related certified investment information.

In forming our opinion on the supplemental schedule, we evaluated whether the supplemental schedule, other than the information agreed to or derived from the certified investment information, including its form and content, is presented in conformity with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.



**Other Matters - Continued**

***2021 Supplemental Schedule Required by ERISA - Continued***

In our opinion:

- The form and content of the supplemental schedule, other than the information in the supplemental schedule that agreed to or is derived from the certified investment information, are presented, in all material respects, in conformity with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.
- The information in the supplemental schedule related to assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).

***Auditor's Report on the 2020 Financial Statements***

We were engaged to audit the 2020 financial statements of the Plan. As permitted by 29 CFR 2520.103-8 of the DOL's Rules and Regulations for Reporting and Disclosure under ERISA, the plan administrator instructed us not to perform and we did not perform any auditing procedures with respect to the information certified by a qualified institution. In our report dated August 4, 2021, we indicated that (a) because of the significance of the information that we did not audit, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion and accordingly, we did not express an opinion on the 2020 financial statements, and (b) the form and content of the information included in the 2020 financial statements other than that derived from the certified information were presented in compliance with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

*BST+Co.CPAs, LLP*

Albany, New York  
October 6, 2022



**New York Independent System Operator, Inc.**  
**401(k) Retirement Savings Plan**

Statements of Net Assets Available for Benefits

|                                                                 | December 31,                 |                              |
|-----------------------------------------------------------------|------------------------------|------------------------------|
|                                                                 | <u>2021</u>                  | <u>2020</u>                  |
| <b>ASSETS</b>                                                   |                              |                              |
| Investments, at fair value                                      | \$ 252,561,653               | \$ 211,882,655               |
| Fully benefit-responsive investment contract, at contract value | 24,238,322                   | 23,051,896                   |
| Cash, held for investment                                       | 12,011                       | 7,195                        |
|                                                                 | <u>276,811,986</u>           | <u>234,941,746</u>           |
| Receivables                                                     |                              |                              |
| Contributions                                                   | 47,532                       | 41,256                       |
| Participant notes                                               | 2,192,886                    | 2,393,271                    |
|                                                                 | <u>2,240,418</u>             | <u>2,434,527</u>             |
| <b>NET ASSETS AVAILABLE FOR BENEFITS</b>                        | <u><b>\$ 279,052,404</b></u> | <u><b>\$ 237,376,273</b></u> |

**New York Independent System Operator, Inc.  
401(k) Retirement Savings Plan**

Statements of Changes in Net Assets Available for Benefits

|                                                                    | <b>Years Ended December 31,</b> |                              |
|--------------------------------------------------------------------|---------------------------------|------------------------------|
|                                                                    | <b>2021</b>                     | <b>2020</b>                  |
| <b>ADDITIONS</b>                                                   |                                 |                              |
| Investment income                                                  |                                 |                              |
| Net appreciation in fair value of investments                      | \$ 35,988,393                   | \$ 33,087,818                |
| Interest and dividends                                             | 3,223,566                       | 3,021,048                    |
|                                                                    | <u>39,211,959</u>               | <u>36,108,866</u>            |
| Interest income from participant notes receivable                  | <u>114,873</u>                  | <u>136,625</u>               |
| Contributions                                                      |                                 |                              |
| Employer                                                           | 6,888,220                       | 7,211,958                    |
| Participants                                                       | 7,205,482                       | 7,172,826                    |
| Rollovers                                                          | 526,732                         | 856,688                      |
|                                                                    | <u>14,620,434</u>               | <u>15,241,472</u>            |
| Total additions                                                    | <u>53,947,266</u>               | <u>51,486,963</u>            |
| <b>DEDUCTIONS</b>                                                  |                                 |                              |
| Benefits paid                                                      | 12,051,920                      | 7,199,855                    |
| Administrative expenses                                            | 219,215                         | 211,687                      |
| Total deductions                                                   | <u>12,271,135</u>               | <u>7,411,542</u>             |
| <b>Net increase in net assets available for benefits</b>           | <b>41,676,131</b>               | <b>44,075,421</b>            |
| <b>NET ASSETS AVAILABLE FOR BENEFITS, <i>beginning of year</i></b> | <u>237,376,273</u>              | <u>193,300,852</u>           |
| <b>NET ASSETS AVAILABLE FOR BENEFITS, <i>end of year</i></b>       | <u><b>\$ 279,052,404</b></u>    | <u><b>\$ 237,376,273</b></u> |

# **New York Independent System Operator, Inc. 401(k) Retirement Savings Plan**

Notes to Financial Statements  
December 31, 2021 and 2020

## **Note 1 - Description of the Plan**

The New York Independent System Operator, Inc. 401(k) Retirement Savings Plan (Plan) was formed on December 1, 1999. The Plan was most recently amended effective January 1, 2019. The Plan is sponsored by New York Independent System Operator, Inc. (NYISO).

The following brief description of the Plan is provided for general information purposes only. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

### *a. General*

The Plan is a defined contribution plan covering all eligible employees of NYISO. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

The Plan assets are held by Prudential Bank and Trust Company, the Trustee of the Plan. NYISO contributions, participant elective deferrals, and participant accounts are managed by Prudential Retirement Services, the record keeper, who invests cash received and income from investments based on instructions from NYISO and participants and makes distributions to participants. The Retirement Board of NYISO is responsible for administration of the Plan, recommending investment policy to the Board of Directors, and monitoring investment performance. The Retirement Board reports to NYISO's Board of Directors.

### *b. Contributions*

Each year, participants may contribute a percent of pretax annual compensation, subject to certain limitations as defined by the Plan. The maximum participant deferral was \$19,500 for the years ended December 31, 2021 and 2020. Participants age 50 and over are also permitted to make additional "catch-up" contributions. Participants may also contribute rollover amounts representing distributions from other qualified defined benefit or defined contribution plans.

Under the "safe harbor" election, NYISO matches a portion of eligible employee contributions. The safe harbor match is 100% of the first 3% of a participant's annual compensation and 50% of the next 2% of a participant's annual compensation for a maximum of up to 4% of a participant's annual compensation. A safe harbor matching contribution is a minimum contribution made by NYISO that allows the Plan to be exempt from 401(k) non-discrimination tests. NYISO's safe harbor matching contribution was \$2,771,844 and \$2,885,043 for the years ended December 31, 2021 and 2020, respectively.

The Plan allows for additional discretionary non-elective employer contributions, which are allocated based on participant compensation and years of service, as defined in the Plan document. NYISO's total employer non-elective contributions were \$4,241,023 and \$4,326,915 for the years ended December 31, 2021 and 2020, respectively.

Participants direct their elective deferral amounts and NYISO contributions into various investment options offered by the Plan. Participants may change their rate of contribution at any time effective with the first eligible payroll after the request is received.

# **New York Independent System Operator, Inc.**

## **401(k) Retirement Savings Plan**

Notes to Financial Statements  
December 31, 2021 and 2020

### **Note 1 - Description of the Plan - Continued**

#### *c. Plan Eligibility*

Employees of NYISO are eligible to participate in the Plan beginning on the date of hire. Employees of NYISO are eligible to share in NYISO's safe harbor matching and non-elective contributions immediately.

#### *d. Participant Accounts*

Each participant's account is credited with the participant's contribution and allocations of: (a) NYISO's contributions; (b) the Plan's investment earnings (losses), net of investment expenses; and (c) administrative expenses paid by the Plan. Allocations are based on participant earnings or account balances, as defined by the Plan. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

#### *e. Vesting*

Participants are 100% vested immediately in their elective deferral amounts, rollover contributions, and NYISO's safe harbor matching contributions, plus actual earnings thereon.

Vesting in NYISO's discretionary non-elective contributions is based on years of continuous service. Participants become fully vested after three years of credited service. A participant is also 100% vested upon (1) disability; (2) death; (3) normal retirement at age 59½; or (4) termination of the Plan. If a participant's employment with NYISO is terminated before age 59½ for any reason other than disability or death, the participant is entitled to an amount equal to the vested portion of his or her account balance. There is no partial vesting of benefits.

#### *f. Participant Notes Receivable*

Participants may borrow from their accounts a minimum of \$1,000 up to a maximum equal to the lesser of \$50,000, or 50% of their account balance. In addition, the \$50,000 limit is reduced by the highest outstanding loan balance (of any previous loans made) in the previous twelve months. Participant notes are secured by the balance in the participants' accounts and bear interest at rates which ranged from 4.10% to 9.75% for both years ended December 31, 2021 and 2020. Principal and interest are paid ratably through regular payroll deductions. In general, loans must be repaid within five years; however, if the loan is used to purchase a principal residence, the repayment period may be set for a term not to extend beyond twenty years.

#### *g. Payment of Benefits*

On death, disability, retirement, or termination of service, a participant may receive the value of the vested interest in their account as a lump-sum distribution or installments over a period of years selected by the participant. Participants may also receive in-service distributions at age 59½ or on account of financial hardship as defined by the Plan.

# **New York Independent System Operator, Inc.**

## **401(k) Retirement Savings Plan**

Notes to Financial Statements  
December 31, 2021 and 2020

### **Note 1 - Description of the Plan - Continued**

#### *h. Forfeiture Accounts*

Forfeitures may be used to pay administrative expenses under the Plan or to reduce employer contributions. A total of \$2,700 and \$34,924 of forfeiture amounts were used to pay administrative expenses during the years ended December 31, 2021 and 2020, respectively. A total of \$125,252 of forfeiture amounts were used to reduce employer contributions for the year ended December 31, 2021. There were no forfeitures used to reduce employer contributions for the year ended December 31, 2020. Forfeitures totaled \$127,173 and \$35,590 during the years ended December 31, 2021 and 2020, respectively. Unallocated forfeitures totaled \$56,112 and \$59,808 as of December 31, 2021 and 2020, respectively.

### **Note 2 - Summary of Significant Accounting Policies**

#### *a. Basis of Accounting*

The accompanying financial statements are prepared in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) for defined contribution plans.

#### *b. Estimates*

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

#### *c. Investment Valuation and Income Recognition*

Investments are reported at fair value (except for fully benefit-responsive investment contracts, which are reported at contract value). Fair value is defined as the price that would be received to sell an asset in an orderly transaction between market participants on the measurement date. Contract value is the relevant measure for the portion of the net assets available for benefits of a defined contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants normally would receive if they were to initiate permitted transactions under the terms of the Plan.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation includes the Plan's gains and losses on investments bought and sold as well as held during the year.

#### *d. Participant Notes Receivable*

Notes receivable from participants are stated at their unpaid principal balance plus any accrued, but unpaid interest. Interest income is recorded on the accrual basis. No allowance for credit losses has been recorded as of December 31, 2021 and 2020. If a participant ceases to make loan repayments and the Plan administrator deems the participant loan to be in default, the participant loan balance is reduced, and a benefit payment is recorded.

# **New York Independent System Operator, Inc.**

## **401(k) Retirement Savings Plan**

Notes to Financial Statements  
December 31, 2021 and 2020

### **Note 2 - Summary of Significant Accounting Policies - Continued**

#### *e. Payment of Benefits*

Benefits are recorded when paid.

#### *f. Administrative Expenses*

Certain Plan fees are paid from Plan assets, and other administrative expenses of the Plan are paid directly by NYISO. Management fees charged to the Plan for investments are deducted from income earned on a daily basis and are not separately reflected. Investment related expenses are included in net appreciation in fair value of investments. Fees related to the administration of notes receivable from participants are charged directly to the participant's account and are included in administrative expenses.

#### *g. Subsequent Events*

The Plan has evaluated subsequent events for potential recognition or disclosure through October 6, 2022, the date the financial statements were available to be issued.

### **Note 3 - Certified Investments**

Certain information related to investments and notes receivable from participants disclosed in the accompanying financial statements and ERISA-required supplemental schedule, including cash, investments and notes receivable from participants held at December 31, 2021 and 2020, and net appreciation in fair value of investments, interest and dividends, and interest income on participant notes receivable for the years ended December 31, 2021 and 2020, was obtained by management and agreed to or derived from information certified as complete and accurate by the Trustee of the Plan.

### **Note 4 - Investments and Fair Value Measurements**

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets (Level 1) and the lowest priority to unobservable inputs (Level 3).

The three levels of the fair value hierarchy are as follows:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets in active markets that the Plan has the ability to access.

Level 2 Inputs to the valuation methodology include:

- Quoted prices for similar assets in active markets;
- Quoted prices for identical or similar assets in inactive markets;
- Inputs other than quoted prices that are observable for the asset; and
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

# New York Independent System Operator, Inc.

## 401(k) Retirement Savings Plan

Notes to Financial Statements  
December 31, 2021 and 2020

### Note 4 - Investments and Fair Value Measurements - Continued

If the asset has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodology used for assets measured at fair value. There have been no changes in methodologies used at December 31, 2021 and 2020.

Mutual funds: Valued at the daily closing price as reported by the funds. Mutual funds held by the Plan are open-end funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.

The method described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation method is appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following tables set forth, by level within the fair value hierarchy, the Plan's assets at fair value:

| December 31, 2021 |                       |             |             |                       |
|-------------------|-----------------------|-------------|-------------|-----------------------|
|                   | Level 1               | Level 2     | Level 3     | Total                 |
| Mutual Funds      | <u>\$ 252,561,653</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 252,561,653</u> |
| December 31, 2020 |                       |             |             |                       |
|                   | Level 1               | Level 2     | Level 3     | Total                 |
| Mutual Funds      | <u>\$ 211,882,655</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 211,882,655</u> |

### Note 5 - Fully Benefit-Responsive Group Annuity Contract

During 2015, the Plan entered into a group annuity contract with Prudential Retirement Insurance and Annuity Company (PRIAC). As described in Note 2, this contract meets the fully benefit-responsive criteria and, therefore, is reported at contract value. Contract value is the relevant measure for fully benefit-responsive contracts because this is the amount received by participants if they were to initiate permitted transactions under the terms of the Plan. Contract value, as reported to the Plan by PRIAC, represents contributions made under the contract, plus earnings, less participant withdrawals and administrative expenses. The specific circumstances under which PRIAC guarantees contract value are detailed in PRIAC's contract issued to the Plan.

# **New York Independent System Operator, Inc.**

## **401(k) Retirement Savings Plan**

Notes to Financial Statements  
December 31, 2021 and 2020

### **Note 5 - Fully Benefit-Responsive Group Annuity Contract - Continued**

Amounts contributed to the contract are deposited in PRIAC's general account. PRIAC is contractually obligated to repay the principal and interest at a specified interest rate that is guaranteed by PRIAC. The crediting rate is based on a rate setting process established by PRIAC but may not be less than 1.5% percent prior to any recordkeeping fee (which is zero). The crediting rate is reviewed from time to time (currently on a semi-annual basis) for resetting.

The Plan's ability to receive amounts due in accordance with fully benefit-responsive contracts and fulfillment of any guarantees specified in the group annuity contract are insurance claims and are dependent on the contract issuer's ability to meet its financial obligations. The issuer's ability to meet its contractual obligations may be affected by future economic and regulatory developments.

Certain events might limit the ability of the Plan to transact at contract value with the contract issuer. Examples of such events include the following: (1) amendments to the Plan documents (including complete or partial plan termination or merger with another plan); (2) changes to the Plan's prohibition on competing investment options or deletion of equity wash provisions; (3) bankruptcy of the Plan sponsor or other Plan sponsor events (for example, divestitures or spin-offs of a subsidiary) that cause a significant withdrawal from the Plan; or (4) the failure of the trust to qualify for exemption from federal income taxes or any required prohibited transaction exemption under the Employee Retirement Income Security Act of 1974. No events are probable of occurring that might limit the ability of the Plan to transact at contract value with the contract issuer and that also would limit the ability of the Plan to transact at contract value with the participants. While the contract is active, participant-directed benefit responsive transactions will be paid at contract value and will not be delayed. PRIAC has the right to delay making payments for certain other transactions.

In addition, certain events allow the issuer to terminate the contract with the Plan. Examples of such events include the following:

- 1) The Plan notifies PRIAC in writing that the contract will be terminated;
- 2) PRIAC determines that the class of business to which the contract belongs is no longer commercially desirable, and notifies all investors of that class in writing that the contracts will be terminated;
- 3) A material misrepresentation; and
- 4) A material amendment to the Plan without the consent of the issuer.

Upon contract termination, at the Plan's direction, payment may be made in one of three ways: (i) at contract value in annual installments over five years, (ii) at contract value in annual installments over a period of no more than ten years, or (iii) in the form of a single payment at market value (which could be less than contract value).

### **Note 6 - Related Party and Party-in-Interest Transactions**

#### *a. Related Party Transactions*

Administrative expenses paid by NYISO on behalf of the Plan totaled \$44,483 and \$98,139 for the years ended December 31, 2021 and 2020, respectively.

Certain Plan administrative functions are performed by employees of NYISO who do not receive compensation for such functions.

# **New York Independent System Operator, Inc.**

## **401(k) Retirement Savings Plan**

Notes to Financial Statements  
December 31, 2021 and 2020

### **Note 6 - Related Party and Party-in-Interest Transactions - Continued**

#### *b. Party-in-Interest Transactions*

One of the investment options is managed by Prudential Bank and Trust Company, the Trustee of the Plan.

Prudential Retirement Services provides certain administrative services to the Plan pursuant to a revenue sharing agreement between the Plan and Prudential Retirement Services. The Plan may receive earnings from Prudential Retirement Services, subject to provisions of the agreement. Earnings may be used to offset certain administrative expenses, or allocated to participants of the Plan, subject to the election of management. During the years ended December 31, 2021 and 2020, \$153,475 and \$117,399 of such earnings were allocated to participant accounts, respectively, and \$152,525 and \$115,959 was used to pay administrative expenses, respectively.

### **Note 7 - Plan Termination**

NYISO has the right under the Plan to discontinue its contributions at any time and to terminate the Plan. In the event that the Plan terminates, participants will become 100% vested in their accounts.

### **Note 8 - Tax Status**

The Plan has received a determination letter from the IRS dated May 29, 2014 stating that the Plan is qualified under the Internal Revenue Code (IRC) and is, therefore, exempt from federal taxes under the provisions of Section 501(a). Although the Plan has been amended since receiving the determination letter, the Plan administrator believes that the Plan is being operated in compliance with the applicable requirements of the IRC.

The Plan's management evaluates tax positions taken by the Plan and recognizes a tax liability or asset if an uncertain tax position was taken and it is more-likely-than-not that the tax position would not be sustained upon examination by taxing authorities. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

### **Note 9 - Risks and Uncertainties**

The Plan invests in various investments. Investments are exposed to various risks, such as interest rate, market, and credit. Market risks include global events which could impact the value of the investments, such as a pandemic or international conflict. Due to the level of risk associated with certain investments, it is at least reasonably possible that changes in the values of investments will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statement of net assets available for benefits.

# New York Independent System Operator, Inc. 401(k) Retirement Savings Plan

## Supplemental Schedule Required Under ERISA and Department of Labor Regulations Schedule H December 31, 2021

### Line 4i - Schedule of Assets (Held at end of Year)

| (a) | (b)<br>Identity of Issue, Borrower,<br>Lessor, or Similar Party | (c)<br>Description of Investment<br>Including Maturity Date,<br>Rate of Interest, Collateral, and<br>Par or Maturity Value | (d)<br>Cost (1) | (e)<br>Current<br>Value |
|-----|-----------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------|-----------------|-------------------------|
|     | American Funds Capital World Growth and Income Fund             | Mutual Fund                                                                                                                |                 | \$ 5,614,764            |
|     | American Funds EuroPacific Growth Fund                          | Mutual Fund                                                                                                                |                 | 2,713,880               |
|     | American Funds Income Fund                                      | Mutual Fund                                                                                                                |                 | 8,330,469               |
|     | Blackrock Technology                                            | Mutual Fund                                                                                                                |                 | 67,939                  |
|     | Blackrock High Yield Bond Fund                                  | Mutual Fund                                                                                                                |                 | 7,227,205               |
|     | Columbia Acorn International Class A Fund                       | Mutual Fund                                                                                                                |                 | 2,865                   |
|     | Doubleline Total Return Bond Fund Class 1                       | Mutual Fund                                                                                                                |                 | 20,788                  |
|     | Fidelity Freedom 2030                                           | Mutual Fund                                                                                                                |                 | 12,480                  |
|     | Fidelity Mid Cap Enhanced Index Fund                            | Mutual Fund                                                                                                                |                 | 37,713                  |
|     | Fidelity Select Defense & Aerospace                             | Mutual Fund                                                                                                                |                 | 32,725                  |
|     | Fidelity Select Energy                                          | Mutual Fund                                                                                                                |                 | 2,166                   |
|     | Fidelity Select Medical Technology & Devices                    | Mutual Fund                                                                                                                |                 | 37,621                  |
|     | Fidelity Select Pharmaceutical                                  | Mutual Fund                                                                                                                |                 | 25,151                  |
|     | Fidelity Select Semiconductors Port                             | Mutual Fund                                                                                                                |                 | 56,162                  |
|     | First Eagle Gold Class A                                        | Mutual Fund                                                                                                                |                 | 8,276                   |
|     | FPA New Income                                                  | Mutual Fund                                                                                                                |                 | 5,804                   |
|     | Harbor Capital Appreciation Fund                                | Mutual Fund                                                                                                                |                 | 20,795,520              |
|     | Harbor International Fund                                       | Mutual Fund                                                                                                                |                 | 3,725,169               |
|     | John Hancock Discipline Value Fund                              | Mutual Fund                                                                                                                |                 | 6,796,574               |
|     | JPMorgan U.S. Equity                                            | Mutual Fund                                                                                                                |                 | 15,908,893              |
|     | Matthews Asia Dividend Fund                                     | Mutual Fund                                                                                                                |                 | 2,734                   |
|     | Nationwide Ziegler NYSE Arca Tech 100 Index Fund                | Mutual Fund                                                                                                                |                 | 12,952,141              |
|     | Primecap Odyssey Aggressive Growth                              | Mutual Fund                                                                                                                |                 | 4,146                   |
|     | Schwab S&P 500 Index Fund                                       | Mutual Fund                                                                                                                |                 | 16,043                  |
|     | T. Rowe Price Health Sciences Fund                              | Mutual Fund                                                                                                                |                 | 4,065                   |
|     | T. Rowe Price Emerging Markets Stock Fund                       | Mutual Fund                                                                                                                |                 | 5,239,141               |
|     | T. Rowe Price RA 2005 Fund                                      | Mutual Fund                                                                                                                |                 | 478,436                 |
|     | T. Rowe Price RA 2010 Fund                                      | Mutual Fund                                                                                                                |                 | 351,487                 |
|     | T. Rowe Price RA 2015 Fund                                      | Mutual Fund                                                                                                                |                 | 589,842                 |
|     | T. Rowe Price RA 2020 Fund                                      | Mutual Fund                                                                                                                |                 | 4,683,184               |
|     | T. Rowe Price RA 2025 Fund                                      | Mutual Fund                                                                                                                |                 | 5,528,388               |
|     | T. Rowe Price RA 2030 Fund                                      | Mutual Fund                                                                                                                |                 | 8,234,089               |
|     | T. Rowe Price RA 2035 Fund                                      | Mutual Fund                                                                                                                |                 | 7,104,579               |
|     | T. Rowe Price RA 2040 Fund                                      | Mutual Fund                                                                                                                |                 | 6,473,279               |
|     | T. Rowe Price RA 2045 Fund                                      | Mutual Fund                                                                                                                |                 | 4,635,096               |
|     | T. Rowe Price RA 2050 Fund                                      | Mutual Fund                                                                                                                |                 | 4,513,708               |
|     | T. Rowe Price RA 2055 Fund                                      | Mutual Fund                                                                                                                |                 | 5,932,577               |
|     | T. Rowe Price RA Income Fund                                    | Mutual Fund                                                                                                                |                 | 816,657                 |
|     | T. Rowe SmallCap Growth Equity                                  | Mutual Fund                                                                                                                |                 | 6,732,923               |
|     | Third Avenue Real Estate Value Investment                       | Mutual Fund                                                                                                                |                 | 6,564                   |
|     | Vanguard Dividend Growth Investor Class A Fund                  | Mutual Fund                                                                                                                |                 | 63,827                  |
|     | Vanguard Financials Index Admiral Fund                          | Mutual Fund                                                                                                                |                 | 5,566                   |
|     | Vanguard Growth Index Fund                                      | Mutual Fund                                                                                                                |                 | 28,656,364              |
|     | Vanguard Health Care Investor Fund                              | Mutual Fund                                                                                                                |                 | 29,687                  |

See Independent Auditor's Report.

**New York Independent System Operator, Inc.  
401(k) Retirement Savings Plan**

Supplemental Schedule Required Under ERISA and  
Department of Labor Regulations  
Schedule H  
December 31, 2021

**Line 4i - Schedule of Assets (Held at end of Year) - Continued**

| (a) | (b)<br>Identity of Issue, Borrower,<br>Lessor, or Similar Party | (c)<br>Description of Investment<br>Including Maturity Date,<br>Rate of Interest, Collateral, and<br>Par or Maturity Value | (d)<br>Cost (1) | (e)<br>Current<br>Value      |
|-----|-----------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------|-----------------|------------------------------|
|     | Vanguard Institutional Index Fund                               | Mutual Fund                                                                                                                |                 | 32,310,823                   |
|     | Vanguard Intermediate Term Treasury Fund                        | Mutual Fund                                                                                                                |                 | 6,753,372                    |
|     | Vanguard International Growth Admiral                           | Mutual Fund                                                                                                                |                 | 48,394                       |
|     | Vanguard Life Strgy Grwth Port Inv Cl                           | Mutual Fund                                                                                                                |                 | 496,038                      |
|     | Vanguard Mid Cap Institutional Fund                             | Mutual Fund                                                                                                                |                 | 15,407,877                   |
|     | Vanguard Small Cap Index Adm                                    | Mutual Fund                                                                                                                |                 | 3,136,519                    |
|     | Vanguard Total Bond Index                                       | Mutual Fund                                                                                                                |                 | 1,642,790                    |
|     | Vanguard Total Stock Admiral                                    | Mutual Fund                                                                                                                |                 | 1,720,915                    |
|     | Vanguard Total Stock Market Index Admiral                       | Mutual Fund                                                                                                                |                 | 46,936                       |
|     | Vanguard Value Index Adm                                        | Mutual Fund                                                                                                                |                 | 9,531,988                    |
|     | Western Asset Core Bond Fund                                    | Mutual Fund                                                                                                                |                 | 10,756                       |
|     | Western Core Bond Fund                                          | Mutual Fund                                                                                                                |                 | 6,978,557                    |
| *   | Prudential Retirement Insurance & Annuity Company               | Guaranteed Investment Contract                                                                                             |                 | 24,238,322                   |
|     | National Financial                                              | Cash                                                                                                                       |                 | 12,011                       |
|     |                                                                 |                                                                                                                            |                 | <u>276,811,986</u>           |
| *   | Participant Notes (2)                                           | 4.10% - 9.75%                                                                                                              |                 | <u>2,192,886</u>             |
|     |                                                                 |                                                                                                                            |                 | <u><u>\$ 279,004,872</u></u> |

\* Represents a party-in-interest as defined by ERISA.

(1) Cost information may be omitted with respect to participant or beneficiary directed transactions under an individual account plan.

(2) These notes are solely secured by participant account balances in the Plan.