



NY Green Bank
A Division of NYSERDA

NY Green Bank

Metrics, Reporting & Evaluation
Quarterly Report No. 37
(Through September 30, 2023)

Case 13-M-0412

11/30/2023

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Schedule

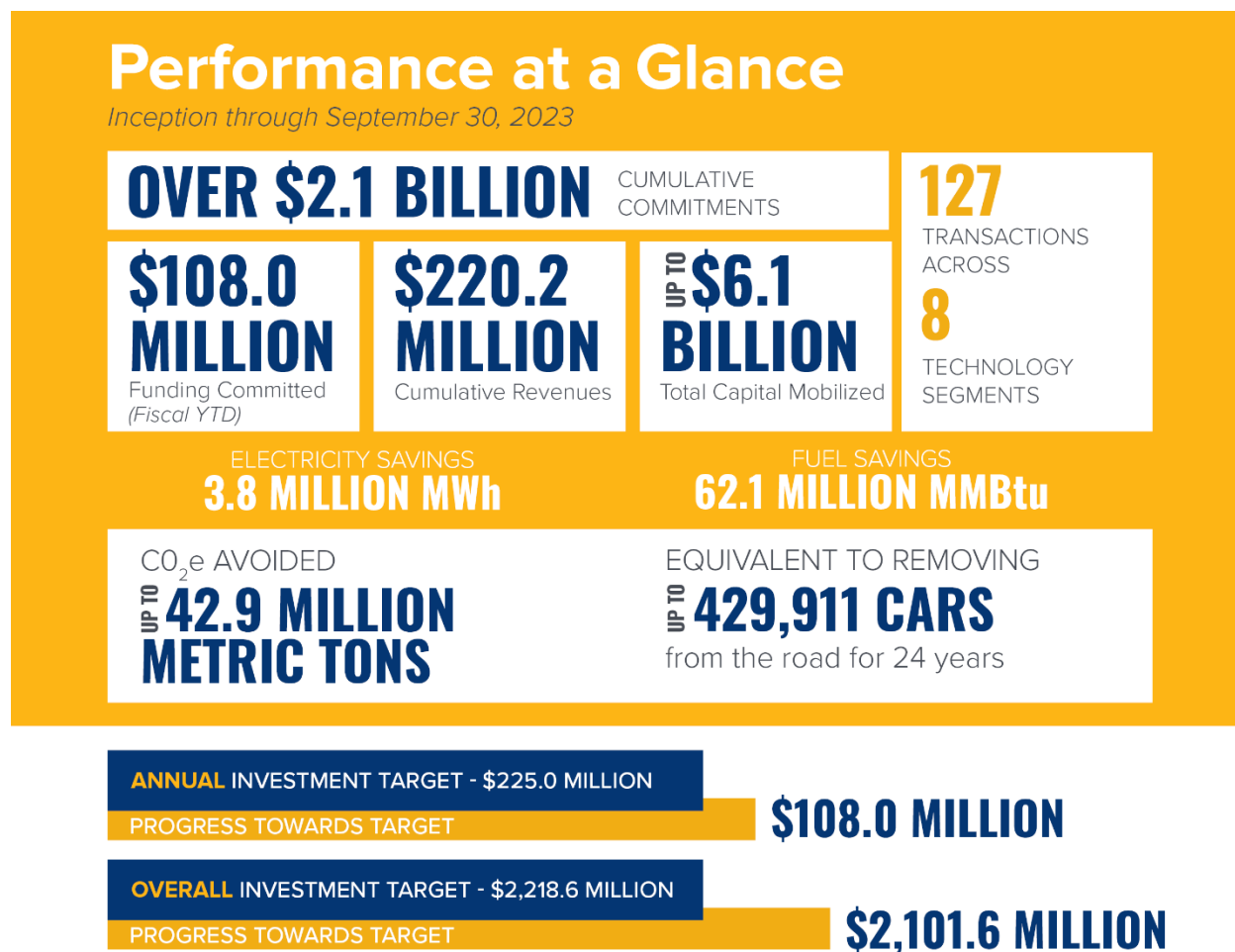
Transaction Profiles:

- Parity (Residential, Commercial & Industrial; Energy Efficiency)

1 Highlights¹

During the quarter ended September 30, 2023, NY Green Bank (“**NYGB**”) committed \$4.0 million to one investment.² Since its inception, NYGB has committed more than \$2.1 billion to clean energy and sustainable infrastructure projects and businesses operating in New York State (“**NYS**” or the “**State**”). During the quarter, NYGB generated \$20.4 million in revenue, bringing its cumulative total since inception to \$220.2 million. NYGB’s investments continue to mobilize capital in NYS; at quarter end its portfolio was expected to support up to \$6.1 billion in project costs for clean energy and sustainable infrastructure projects.

Figure 1: Performance at a Glance³



¹ This Quarterly Report (“**Report**”) is filed by NYGB with the NYS Public Service Commission (the “**Commission**” or the “**PSC**”) pursuant to the Metrics, Reporting & Evaluation Plan developed in consultation with the Department of Public Service (“**DPS**”) and filed with the Commission (the “**Metrics Plan**”). Defined terms used in the text of this Report but not separately described have the meanings respectively given to them in the Metrics Plan.

² The period April 1, 2023 to March 31, 2024 is referred to as the Plan Year or Fiscal Year (“**FY**”) throughout this Report.

³ Energy and emission values in *Figure 1* are presented as the sum of the lifetime benefits expected to be realized during the operating lives of all the projects supported by NYGB investments.

2 Business Update

NYGB's investment activities fall into two broad categories, which include:

- (a) Transactions that have closed, which collectively comprise NYGB's Investment Portfolio, discussed in [Section 2.1](#); and
- (b) Transactions that are in process but not yet closed, which collectively comprise NYGB's Active Pipeline, discussed in [Section 2.2](#).

2.1 Investment Portfolio Activity⁴

NYGB's Investment Portfolio was \$922.4 million at quarter end. NYGB continued to provide flexible capital to active project developers, owners, service providers and manufacturers of NYS clean energy and sustainable infrastructure projects. [Table 1](#) summarizes investment activity during the quarter ended September 30, 2023. Transaction Profiles for the investments described in this [Section 2.1](#) are also included in the Schedule – Transaction Profiles to this Report. Additionally, NYGB's Transaction Profiles are publicly available at www.greenbank.ny.gov/Investments/Portfolio.

Table 1: New Investments

New Transactions	Description	NYGB Commitment	Closing Date
Parity	NYGB committed \$4MM in a revolving credit facility and term loan to finance the deployment of Parity's HVAC optimization software solution to improve energy efficiency in NYS.	\$4.0 million	8/14/2023
Total		\$4.0 million	

2.2 Pipeline Activity

Each proposed NYGB investment is categorized by the stage it has reached in NYGB's internal credit underwriting and transaction execution processes. [Figure 2](#) summarizes NYGB's overall transaction status and Active Pipeline from inception through September 30, 2023.⁵ At quarter end NYGB was managing an Active Pipeline of \$316.6 million.

Figure 2: Cumulative Pipeline Activity



⁴ Investment Portfolio, means, at any time, collectively, the investment transactions that NYGB has executed with its counterparties that have not yet matured or otherwise expired in accordance with their respective terms.

⁵ "IRC" takes the meaning Investment and Risk Committee.

Figure 3: Distribution of Active Pipeline by Investment Stage



Figure 4: End-Use Segment Distribution of Active Pipeline (\$316.6 million)

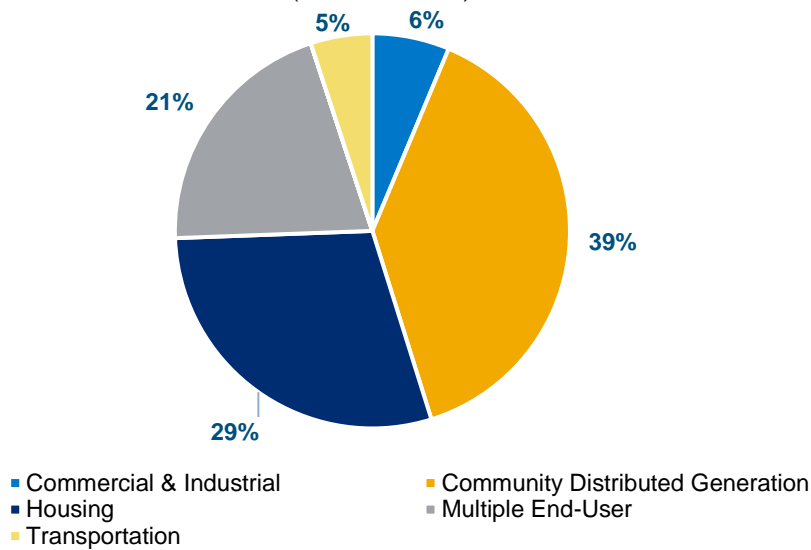


Figure 5: Geographic Distribution of Active Pipeline (\$316.6 million)

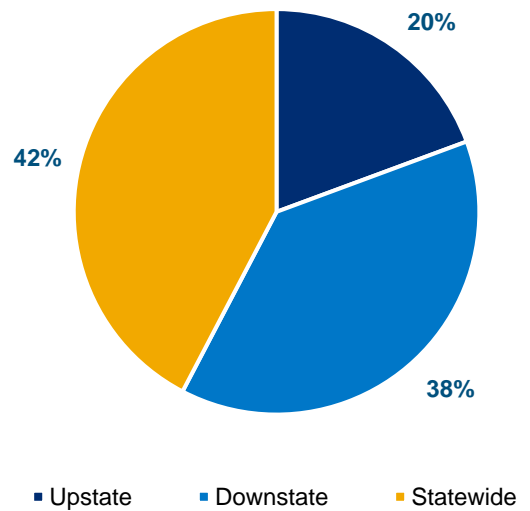
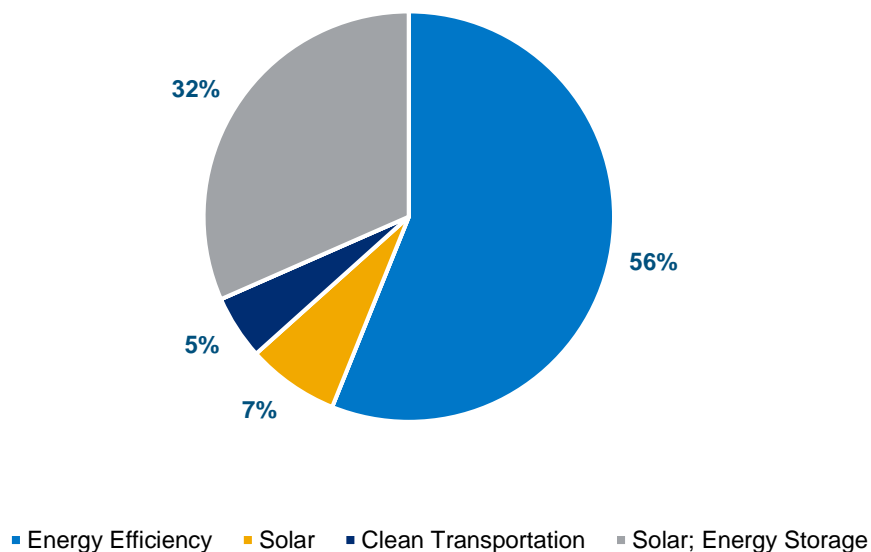


Figure 6: Technology Distribution of Active Pipeline (\$316.6 million)



2.3 Additional Achievements and Activities

In the quarter ended September 30, 2023, in addition to those matters referenced elsewhere in this report and ongoing “business as usual” activities (e.g., origination, execution and routine outreach), NYGB’s achievements include:

(a) Continuing Stakeholder Outreach and Communications:

NYGB hosted and participated in a variety of events this quarter, including:

July	<ul style="list-style-type: none"> Presented at Clean Trucks NY in Pearl River, NY
Aug	<ul style="list-style-type: none"> Attended OFN Northeast Regional Meeting in Boston, MA
Sept	<ul style="list-style-type: none"> Presented at RE+ on Energy Storage Presented at REFF Wall Street 2023 Hosted Community Decarbonization Fund Roadshow launch event in NYC

(b) Public Reporting and Metrics:

All NYGB reporting and metrics are available at www.greenbank.ny.gov/Resources/Public-Filings.

- i. Q2 Quarterly Report: On August 31, 2023, NYGB filed its Quarterly Report for the period ended June 30, 2023.
- ii. Q3 Quarterly Webinar: NYGB will host its regular Quarterly Review Webinar for this Report in December 2023, including discussion of activities during the quarter ended September 30, 2023.

3 Regulatory Framework

3.1 Purpose

As a steward of considerable public capital, NYGB periodically reports its progress and performance to allow all stakeholders, including the Commission and the public, to assess NYGB’s achievement of its overall mission.

3.2 NYGB Mission and Operating Principles

NYGB’s mission is to work in collaboration with the private sector to transform financing markets in ways that accelerate clean energy investments to combat climate change and deliver benefits equitably to all.

The key elements of NYGB’s mission are to collaborate with private participants and implement solutions that overcome market barriers with the goal to attract private sector investment in clean energy by enabling greater scale, new and expanded asset classes, and increased liquidity.

NYGB follows certain important operating principles to increase private sector market participation:

- (a) Focusing on wholesale capital markets (that is, providing structured financial products to developers and specific projects that result in clean energy benefits for all New Yorkers at scale – rather than funding consumers/homeowners directly);
- (b) Structuring financial products to foster replicable and scalable sustainable infrastructure investments;
- (c) Pricing financial products consistently with commercial approaches to credit quality and risk;

- (d) Collaborating with, rather than competing against, market participants that can engage, or are already engaging, the financial markets, but where that engagement or progress is constrained by a lack of available financing; and
- (e) Recycling its capital into new sustainable infrastructure investments, thereby maximizing the impact of its capital through multiple deployments.

3.3 Relationship to NYS Clean Energy Policy

NYGB contributes to the primary Clean Energy Fund (“**CEF**”) objectives of GHG emissions reductions, customer bill savings, energy efficiency, clean energy generation and mobilization of private sector capital.⁶ In turn, the CEF objectives support the State’s clean energy targets, including under the Green New Deal, which mandates a significant increase in the State’s Clean Energy Standard (“**CES**”) with a goal of 70% energy generation from renewable sources by 2030 and 100% carbon-free electricity by 2040.⁷ The CEF objectives also support the Climate Leadership and Community Protection Act of 2019 (the “**Climate Act**”),⁸ which puts NYS on a road to economy-wide carbon neutrality, through a target of reducing GHG emissions from all anthropogenic sources 85% over 1990 levels by the year 2050, a plan to offset remaining emissions, and an interim mandate of 40% GHG emission reductions by 2030.⁹ Additionally, the Climate Act required a Climate Action Council be formed and policy roadmap developed to ensure that at least 35%, with a target of 40%, of clean energy program resources benefit disadvantaged communities and individuals working in conventional energy industries are provided with training and opportunities in the growing clean energy economy.

4 Tables

4.1 Quarterly Metrics¹⁰

NYGB monitors its counterparties’ clean energy project installations throughout the duration of each investment through the receipt and review of periodic reports and by applying updated impact benefit calculation factors advised by DPS. Based on information received, NYGB regularly assesses the actual and expected energy and environmental impact benefits across its portfolio. As new information becomes available informing NYGB of NYS market uptake of clean energy projects, NYGB may correspondingly adjust (up or down) the overall portfolio’s high and low estimated Total Project Costs and energy and environmental metrics (identified at closing of each investment and reflected in Transaction Profiles). Consistently monitoring and refining expected outcomes improves the accuracy of NYGB’s portfolio-level estimate of impact benefits as it works toward meeting the CEF objectives to support the State’s clean energy goals. Given such periodic adjustments, the aggregate estimated benefits reported

⁶ As set out in the CEF Order (Cases 14-M-0094 etc.) issued and effective on January 21, 2016, page 40.

⁷ Announced in the 2019 State of the State.

See www.governor.ny.gov/sites/governor.ny.gov/files/atoms/files/2019StateoftheStateBook.pdf.

⁸ Senate Bill S6599 was signed into law on July 18, 2019. See legislation.nysenate.gov/pdf/bills/2019/a8429.

⁹ The Climate Act codified and expanded New York’s Green New Deal and other nation-leading clean energy and climate targets for the State, including: (a) 9,000 MW of offshore wind by 2035; (b) 6,000 MW of distributed solar deployment by 2025; (c) 3,000 MW of energy storage deployment by 2030; (d) more than doubling new large-scale land-based wind and solar resources through the CES; (e) maximizing the contributions and potential of New York’s existing renewable resources; (f) expanding and enhancing the Solar For All Program to increase access to affordable and clean energy for low-income, environmental justice and other underserved communities; and (g) initiatives to achieve carbon neutral building stock statewide, including through the energy efficiency target to reduce energy consumption by 185 trillion Btus below forecasted energy use in 2025. In 2022, Governor Hochul proposed to double the 2030 energy storage target, which would increase the deployment total from 3,000 MW to 6,000 MW. Additionally, Governor Hochul increased the distributed solar target by 4,000 MW, moving the target from 6,000 MW to 10,000 MW, while extending the achievement year from 2025 to 2030.

¹⁰ Regular reporting of energy and environmental benefits are inclusive of all transactions that receive NYGB funding, regardless of whether these transactions also receive support from ratepayer or other programs. In terms of assessing the extent of overlap and common benefits, NYSEERDA will modify intake information received on incentive programs to determine whether NYGB capital is involved for incentive program customers. Evaluation sampling of NYGB clients will also seek to identify transactions that involve funding from both within and outside of NYGB, including other ratepayer-funded programs to the extent possible. These two sources of information will allow NYSEERDA to estimate a reasonable overlap value for energy and environmental benefits so they are not double-counted when NYGB impacts are included in CEF or other NYS clean energy program results.

in Quarterly Reports are the most up-to-date estimates (and no longer reflect the sum of the low and high estimated benefits specified in the Transaction Profiles at the time of each transaction close).

Table 2 presents required metrics for the period July 1, 2023 through September 30, 2023 and the previous quarter ended June 30, 2023.

Table 2: Quarterly Metrics

Quarterly Metric	Quarter Ended June 30, 2023	Quarter Ended September 30, 2023
Capital Position		
Authorized Capital (\$)	\$1.0 billion	\$1.0 billion
Authorized Administrative Expenses (\$)	\$17.6 million	\$17.6 million
Authorized Evaluation Expenses (\$)	\$4.0 million	\$4.0 million
Operational Matters		
Cumulative Revenues (\$) ¹¹	\$199.8 million	\$220.2 million
Cumulative Operating Expenses (\$) ¹²	\$93.4 million	\$97.6 million
Direct Operating Expenses (\$)	\$58.2 million	\$60.9 million
Allocated Expenses (\$)	\$35.1 million	\$36.7 million
Investment Portfolio		
Undrawn Committed Funds (\$)	\$224.6 million	\$198.5 million
Deployed Funds (\$) ¹³	\$721.8 million	\$723.9 million
Current Portfolio (\$) ¹⁴	\$946.3 million	\$922.4 million
Investment Pipeline		
Active Pipeline (In the Quarter) (\$)	\$664.3 million	\$316.6 million
Investment Process		
Proposals and Approvals		
Proposals Received – Value (Cumulative) (\$)	\$6.9 billion	\$7.1 billion
Approvals - Scoring Committee (Cumulative) (\$)	\$6.2 billion	\$6.2 billion
Approvals - Greenlight Committee (Cumulative) (\$)	\$3.0 billion	\$2.9 billion
Approvals - IRC (Cumulative) (\$)	\$2.2 billion	\$2.2 billion
Investment Characteristics		
Overall Investments to Date (\$)	\$2.1 billion	\$2.1 billion
Total Project Costs (Cumulative) (\$) ¹⁵	In the range of \$4.8 billion to \$6.1 billion	In the range of \$4.8 billion to \$6.1 billion
Mobilization Ratio	Tracking at least 4.8:1 on average across portfolio	Tracking at least 4.8:1 on average across portfolio

¹¹ Cumulative Revenues include quarterly fair market value adjustments related to NYGB capital held in U.S. Treasury securities, consistent with U.S. generally accepted accounting principles. In addition, Cumulative Revenues are always stated net of impairments.

¹² Cumulative Operating Expenses currently include \$1,099,231 in evaluation expenses.

¹³ Deployed Funds as presented in *Table 2* are net of all capital repaid to the reporting date.

¹⁴ Current Portfolio, means, at any time, the sum of Committed Funds and Deployed Funds and represents the dollar value of the Investment Portfolio. The dollar value of the Current Portfolio is expected to fluctuate from quarter to quarter, including to reflect any increases or decreases in Committed Funds and/or Deployed Funds. Committed Funds increase when new transactions are executed with commitments that have not yet been funded, and/or in connection with existing transactions, where repaid amounts may be available to be redrawn pursuant to the terms of investment agreements. Deployed Funds increase where the total dollars funded into investments exceed amounts repaid in the same period. Decreases in Committed Funds occur, for example, in connection with the release of undrawn funds at the end of an availability period or otherwise consistent with the terms of an investment, while decreases in Deployed Funds occur primarily when NYGB investments are repaid from time to time, allowing those monies to be recycled into new clean energy investments in the State, generating further benefits for ratepayers. Note that due to rounding for the purposes of presentation in this Report, the sum of Committed Funds and Deployed Funds may not be identical to Current Portfolio. In addition, Current Portfolio is always stated net of any portfolio losses.

¹⁵ Further to the definition of “Total Project Costs (Cumulative)” in the Metrics Plan, Total Project Costs (Cumulative) may include fair market value (“FMV”) data for a subset of NYGB’s investments. FMV is an estimated market valuation of fully installed energy projects provided by NYGB’s counterparties and is often required for federal income tax purposes by institutional investors and for certain grant program purposes unconnected with NYGB. As projects progress and the cost of installed equipment and labor are known and reported to NYGB by its counterparties, NYGB seeks to adjust reported values and replace FMV in its aggregated data sets and periodic reporting with reported actual costs.

Quarterly Metric	Quarter Ended June 30, 2023	Quarter Ended September 30, 2023
Portfolio Concentrations (%) ¹⁶	See Figure 11	See Figure 11
Number & Type of NYGB Investments	See Table 3	See Table 3
Number & General Type of NYGB Counterparties ¹⁷	84 – Financial Services, Industry, or Other	85 – Financial Services, Industry, or Other
Public Commitments		
Percentage of Commitments Benefitting Disadvantaged Communities (%) ¹⁸	20%	27%
\$200 million toward energy storage-related investments (%)	40%	40%
\$150 million for clean energy improvements in affordable housing properties (%)	39%	39%
\$100 million in financing to help clean transportation businesses locate or expand in New York (%)	10%	10%
Up to \$100 million in support of port infrastructure projects (%)	0%	0%

¹⁶ Based on executed transactions and reflecting dollar values invested by NYGB in renewable energy and energy efficiency transactions, each as a proportion of the Current Portfolio, the sum of Committed Funds and Deployed Funds and represents the dollar value of the Investment Portfolio.

¹⁷ In reporting the number and type of NYGB counterparties, NYGB seeks to reflect counterparties that are discrete (i.e., where NYGB is involved in different transactions with the same counterparty, that party is counted only once for the purposes of this metric); and directly in the transaction with NYGB (i.e., vendors or other counterparties to NYGB's clients or expected future transaction participants are not counted).

¹⁸ NYGB's goal is to commit at least 35% of capital to projects benefitting DACs from January 1, 2020 to the end of the CEF period.

4.2 Key Figures and Tables - Metrics, Reporting & Evaluation Quarterly Report No. 37 (Through September 30, 2023)

Figure 7: Cumulative Investments, Current Portfolio & Current Deployed Funds (\$MM)

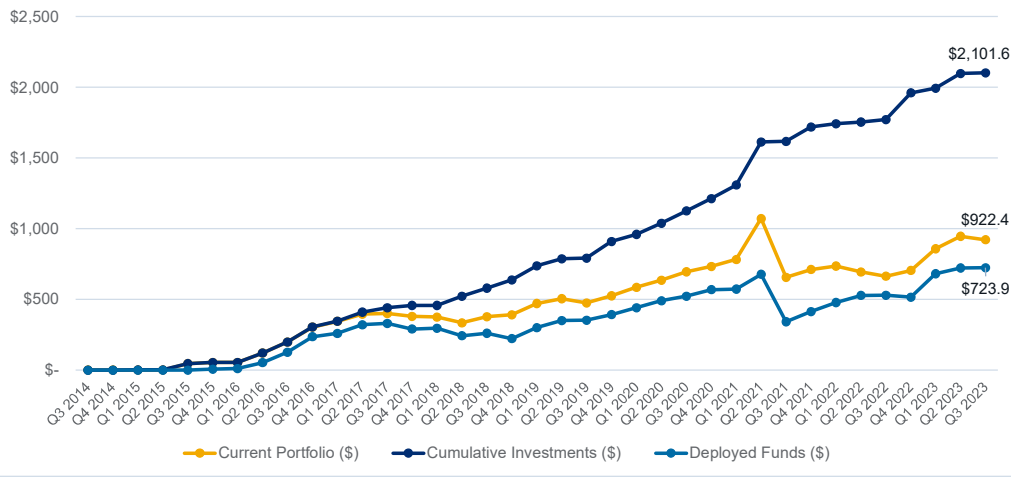


Figure 9: Cumulative Revenues vs. Expenses (\$MM)

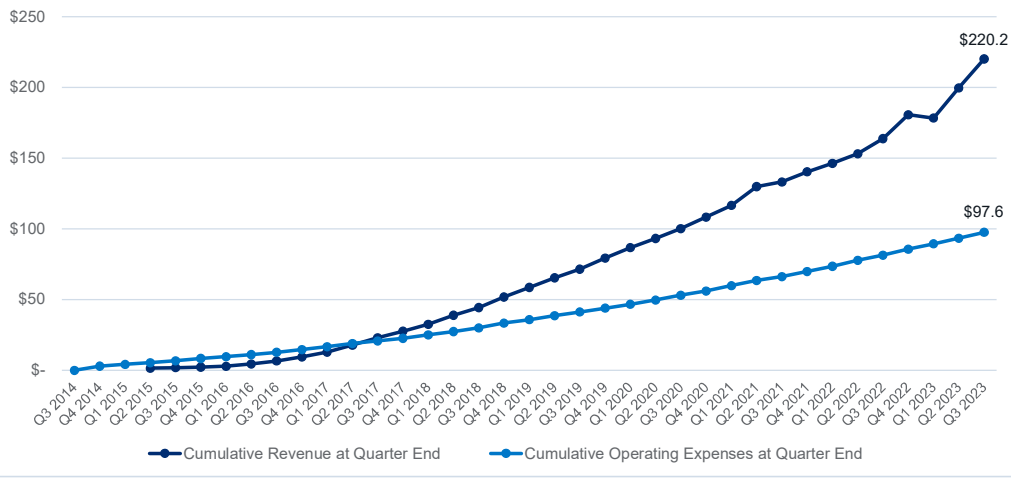
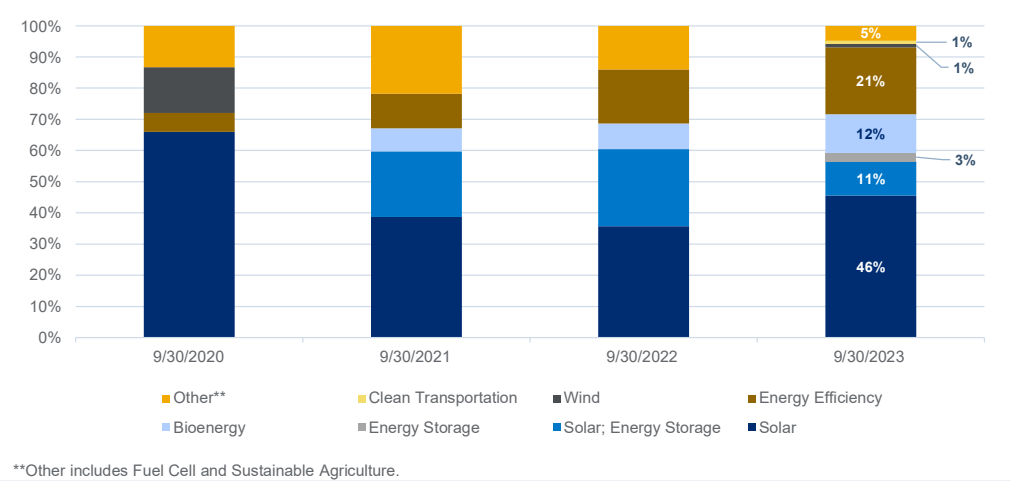


Figure 11: Portfolio Concentrations over Time (Committed Funds)



**Other includes Fuel Cell and Sustainable Agriculture.

Figure 8: NYGB Pipeline of Proposals & Approvals (\$MM)

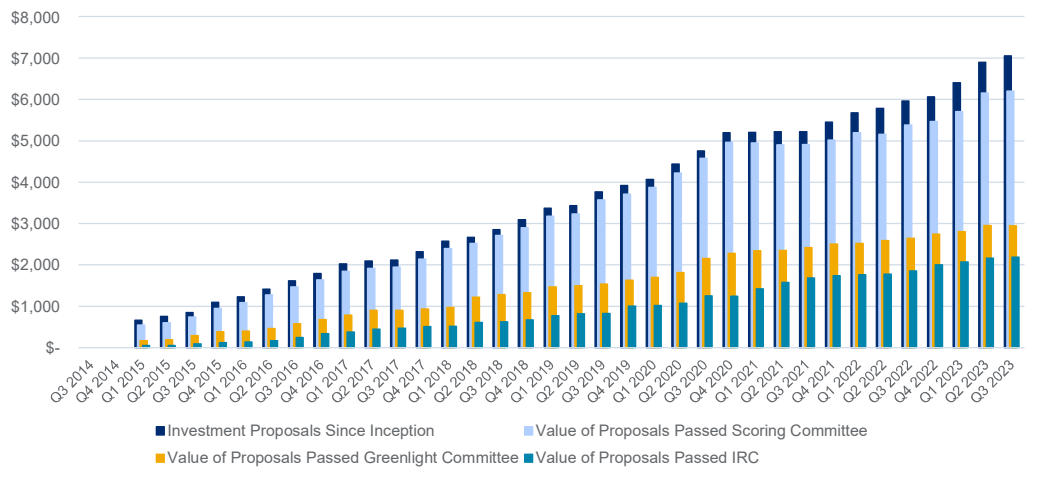


Figure 10: Quarterly Revenues vs. Expenses (\$MM)

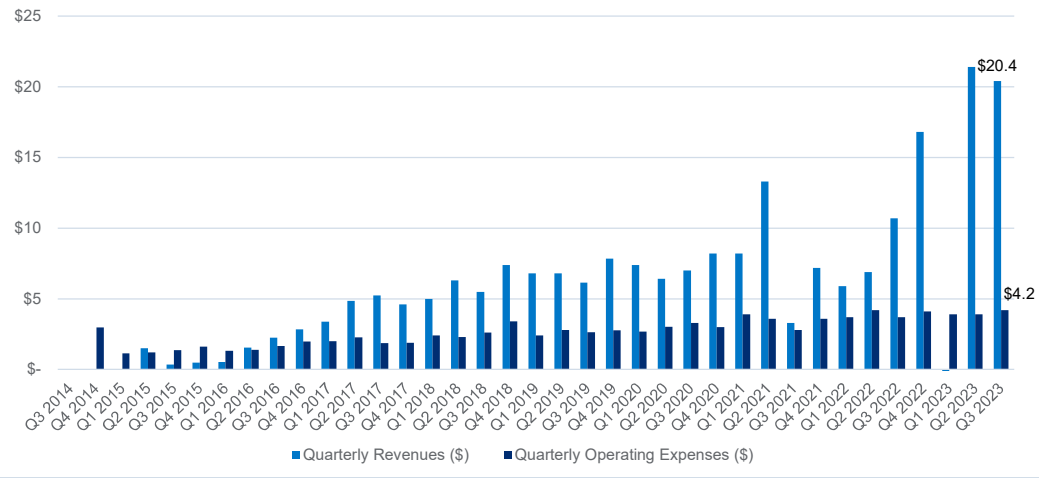


Table 3: Number and Type of NYGB Investments Since Inception

Technology	Count	Percentage
Bioenergy	6	5%
Clean Transportation	3	3%
Energy Efficiency	30	13%
Solar	64	51%
Solar; Energy Storage	4	8%
Energy Storage	1	1%
Wind	5	5%
Other**	14	13%

**Other includes Fuel Cell and Sustainable Agriculture.

4.3 Direct and Indirect Metrics Benefits

NYGB's activities have the potential to generate both direct and indirect impact benefits for NYS residents. While the Metrics Plan was designed with an initial focus on direct impact benefits, NYGB differentiates between Direct and Indirect Impact Metrics, tracking both to more comprehensively quantify the estimated impact of each NYGB investment on the NYS clean energy and sustainable infrastructure market. This is consistent with the CEF Order, which specifically recognizes the importance of catalyzing markets and generating indirect benefits as part of CEF initiatives, including over longer time horizons.¹⁹

The quantification of indirect impact benefits is intended to capture the market transformational effects of NYGB investment activity. Many other CEF initiatives also anticipate accruing indirect benefits related to longer-term effects from follow-on market activity. These indirect impacts are grounded in a theory of change developed for each initiative, and NYSERDA will use market evaluation approaches, consistent with the rest of the CEF, to verify the indirect impacts as they accrue. Estimated indirect benefits are reflected in NYGB progress reporting, in general and toward meeting NYGB's CEF goals. The realization and evaluation of NYGB indirect benefits over time will also be reflected in periodic reporting as appropriate. Both direct and indirect metrics contribute to the reduction of GHGs in the State from NYGB activity.

For NYGB, Direct and Indirect Impact Metrics are further defined as follows:

- (a) *Direct Impact Metrics:* Direct Impact Metrics quantify the estimated impact of a counterparty's project development or business-building activity. The types of Direct Impact Metrics that NYGB tracks are those outlined in the Metrics Plan (and publicly reported quarterly), in aggregate on a path to achieving the impact benefit objectives by the end of the CEF in December 2025. Benefits are tracked on an estimated and actual basis (with actuals reported annually for NYGB's Investment Portfolio in each calendar year). NYGB investments typically involve terms that limit or incentivize the use of NYGB investment proceeds to new or incremental project development in NYS.
- (b) *Indirect Impact Metrics:* Indirect Impact Metrics seek to measure the effect of NYGB investment for projects, pipelines, or other counterparty structures that wholly or in part catalyze other developments in the clean energy and sustainable infrastructure market beyond that in which NYGB directly invests (e.g., providing liquidity in the secondary markets and in relation to large-scale renewables with merchant exposure). While NYGB investments might not fund new project development, material indirect benefits are nevertheless expected to accrue to the State over time as a result of this type of NYGB activity. NYGB tracks such estimated benefits (which can be in MWs, MWhs, MMBtus, or metric tons of GHG reduced/avoided) on a lifetime basis. The realization of indirect impact benefits is expected over time. To confirm the nature and extent of indirect impact benefits that are in fact realized by the State, periodic market assessments will occur as needed to verify that new development activity has in fact happened, validating NYGB's estimated indirect impact benefits.

¹⁹ See CEF Order (Cases 14-M-0094 et al.) pages 68 – 69: "The approved [CEF eligibility criteria] provide NYSERDA with the needed flexibility to choose initiatives that will create the greatest benefits for the least cost and to support innovative new technologies and approaches. We recognize that initiatives oriented toward market development, while they have the potential to create the greatest benefits for ratepayers in the long run, will have more indirect and less easily calculated clean energy benefits as compared to resource acquisition programs. We require NYSERDA to take a broad view of these indirect benefits when considering whether an initiative is eligible for CEF funding and to also take into account other benefits of the initiative, including its contribution to all of the CEF goals and its economic development benefits. Funding market-based projects with an indirect impact on clean energy is wholly consistent with the Commission's historic approach to clean energy programs. For example, the Commission approved workforce development programs, designed to achieve both indirect clean energy benefits and economic development benefits, as part of both [the energy efficiency performance standard] and [the renewable portfolio standard]. Holistic consideration of these benefits will best support the SEP, the goals described in the New York State Energy Law, and the interests of ratepayers".

Table 4: Estimated Energy & Environmental Benefits

Quarterly Metric	Quarter Ended June 30, 2023	Quarter Ended September 30, 2023
Direct Impact Benefits²⁰		
Lifetime		
Total Energy Savings (MMBtu equivalent)	Up to 48,570,000 MMBtu	Up to 54,921,000 MMBtu
Electricity Savings (MWh)	3,089,000 - 3,363,000 MWh	3,131,000 - 3,802,000 MWh
Natural Gas Fuel Savings (MMBtu)	41.4 – 57.2 million MMBtu	41.5 - 62.1 million MMBtu
Other Fuel Savings (MMBtu)	0 MMBtu	0 MMBtu
Distributed Solar Capacity (Renewable MW)	1,154 – 1,480 MW	1,154 – 1,480 MW
Annual		
Total Energy Savings (MMBtu equivalent)	Up to 2,359,000 MMBtu	Up to 2,677,000 MMBtu
Electricity Savings (MWh)	291,000 - 315,000 MWh	293,000 - 337,000 MWh
Natural Gas Fuel Savings (MMBtu)	2,400,000 - 3,295,000 MMBtu	2,406,000 - 3,538,000 MMBtu
Other Fuel Savings (MMBtu)	0 MMBtu	0 MMBtu
Indirect Impact Benefits²¹		
Lifetime		
Total Energy Savings (MMBtu equivalent)	0 MMBtu	0 MMBtu
Electricity Savings (MWh)	0 MWh	0 MWh
Natural Gas Fuel Savings (MMBtu)	0 MMBtu	0 MMBtu
Other Fuel Savings (MMBtu)	0 MMBtu	0 MMBtu
Distributed Solar Capacity (Renewable MW)	9 - 26 MW	9 - 26 MW
Annual		
Total Energy Savings (MMBtu equivalent)	0 MMBtu	0 MMBtu
Electricity Savings (MWh)	0 MWh	0 MWh
Natural Gas Fuel Savings (MMBtu)	0 MMBtu	0 MMBtu
Other Fuel Savings (MMBtu)	0 MMBtu	0 MMBtu
Lifetime Emission Reductions		
Direct (metric tons CO_{2e})	30.8 – 38.1 million metric tons	30.8 – 38.4 million metric tons
Indirect (metric tons CO_{2e})	2.2 - 4.5 million metric tons	2.2 - 4.5 million metric tons

5 Progress Against Plan Deliverables

In its Annual Plan 2023 – 2024, filed on June 28, 2023, NYGB identified deliverables (the “**Plan Deliverables**”) that collectively mark its progress toward key initiatives in the period April 1, 2023 through March 31, 2024.

NYGB’s Quarterly Reports are required to address progress against the Plan Deliverables and provide a brief narrative (as appropriate) of status and an explanation of any material variances relative to expectations.

Table 5 summarizes NYGB’s performance against the Plan Deliverables as of September 30, 2023.

²⁰ For Committed and Deployed Funds.

²¹ NYGB reports and tracks indirect impact benefits to reflect the contribution to NYS clean energy goals made by NYGB activities and related incremental value for all NYS consumers.

Table 5: Plan Deliverables

OBJECTIVE CATEGORY	DELIVERABLE	PROGRESS
IDENTIFY AND CLOSE FUNDING GAPS IN ALIGNMENT WITH STATE POLICIES AND PUBLIC COMMITMENTS		
Committed Funds	Deliver at least \$225 million of incremental commitments	☑ In Process: As of September 30, NYGB has committed \$108MM toward the annual goal of \$225MM.
Committed Funds - DAC Specific	Execute three loans under the Community Decarbonization Fund	☑ In Process: As of September 30, NYGB has not made any commitments toward this goal, but has received four additional proposals during the quarter, resulting in a total CDF pipeline of \$63MM.
Committed Funds - Sector Specific	Execute \$30MM of affordable housing transactions	☑ In Process: As of September 30, NYGB has not made any commitments toward this \$30MM goal, but is working on \$3.3MM of affordable housing transactions in the active pipeline.
	Execute \$20MM of building decarbonization transactions that benefit disadvantaged communities	☑ In Process: As of September 30, NYGB has not made any commitments toward this \$20MM goal, but is working on \$61.3MM of building decarbonization transactions that benefit disadvantaged communities in the active pipeline.
	Execute \$30MM of clean transportation transactions	☑ In Process: As of September 30, NYGB has not made any commitments toward this \$30MM goal, but is working on \$16.0MM of clean transportation transactions in the active pipeline.
	Execute \$50MM of energy storage transactions	☑ In Process: As of September 30, NYGB has made \$25MM of commitments toward this \$50MM goal, and is working on \$5MM of energy storage transactions in the active pipeline.
MOBILIZE CAPITAL: STRENGTHEN NYGB'S CAPITAL POSITION		
Federal Funding	<p>Apply for federal dollars under relevant programs</p> <p><u>Interim Deliverable:</u> Apply for the NYS allocation under the DOE's Energy Efficiency Revolving Loan Fund</p>	<p>☑ In Process: During the quarter, NYGB continued to monitor the US Environmental Protection Agency's ("EPA") \$27B Greenhouse Gas Reduction Fund ("GGRF") and the three funding pathways under this program. NYGB reviewed the Notice of Funding Opportunity ("NOFO") for the \$7B Solar for All program, which was released on June 28, 2023 and had ongoing discussions with lead applicants to the \$14B National Clean Investment Fund and \$6B Clean Communities Investment Accelerator competitions.</p> <p><u>Interim Deliverable:</u> ☑ Complete: In May 2023, NYGB and NYSERDA applied for the \$4MM NYS allocation under the Department of Energy's ("DOE") Energy Efficiency Revolving Loan Fund ("EE RLF").</p>
CONTINUOUSLY IMPROVE AND ENHANCE NYGB OPERATIONS AND PORTFOLIO MANAGEMENT		
Process Enhancement	Add features to existing portfolio management tools	☑ In Process: During the quarter, NYGB worked with existing portfolio management tool providers to advance efforts to optimize the product to help NYGB be more efficient and minimize administrative burden.
	Launch a new solicitation for a CRM platform	☑ Not Started: NYGB will kick off this process later in the year, closer to when the current contract expires in March 2024.
Professional Development	Enhance training and industry relationship building opportunities for team members	☑ In Process: During the quarter, NYGB offered a new training course on financial analysis and planned another course on project finance and financial modeling.
Risk Management	Retain a third-party to complete a resiliency assessment of assets financed by NYGB	☑ In Process: NYGB is working to develop the scope of work for a third-party, with input from NYSERDA and other experts.
	<u>Interim Deliverable:</u>	<p><u>Interim Deliverable:</u> ☑ In Process: During the quarter, NYGB met with the NYSERDA Contracts team to understand the RFP process for a</p>

OBJECTIVE CATEGORY	DELIVERABLE	PROGRESS
	Complete scope of work for resiliency assessment	scope of work of this type.
Stakeholder Engagement	Launch Website 2.0 to improve infrastructure and align with NYSERDA's updated website	<input checked="" type="checkbox"/> In Process: In May 2023, NYGB launched an improved version of Website 1.0, which enhanced content (e.g., improved NY Green Bank Team and Portfolio pages), simplified and reduced the number of pages, and published new pages that highlight NYGB's 10-year anniversary, the launch of the Community Decarbonization Fund, and NYGB's commitments to climate equity. This effort was to patch up the website and make sure it reflected the most current information. Web 2.0 efforts to commence in the new year once Web 1.0 is updated with additional 10-year anniversary campaign information (e.g., sector highlights).
	Track and measure metrics to assess effectiveness of NYGB communications and marketing activities	<input checked="" type="checkbox"/> Complete: In June 2023, NYGB turned on new features on its LinkedIn and website to gather more data about how users interact with posts and content. NYGB worked with NYSERDA and a third-party consultant to design the reporting on these metrics. NYGB has tracked and measured these metrics and will continue to do so throughout the 2023 - 24 Plan Year to assess effectiveness of communication and marketing activities. NYSERDA shared the first report with NYGB in September 2023.
	Publish sector highlights as part of the 10-year anniversary campaign to demonstrate NYGB's impact since inception	<input checked="" type="checkbox"/> In Process: During the quarter, NYGB developed content for four sector highlights - energy storage, clean transportation, building decarbonization, and community distributed generation - and determined the cadence for releasing them with the NYSERDA Marketing and Communications team. NYGB released the Community Distributed Generation sector highlight this quarter, and the remainder of the sectors will be published next quarter.
	Engage with stakeholders in every region of NYS to give information about NYGB's available programs and seek feedback <u>Interim Deliverable:</u> Complete meetings in half of the regions of NYS	<input checked="" type="checkbox"/> In Process: NYGB has identified five possible NYGB hosted events for fall 2023. NYGB will also be working with the Regional Economic Development Councils and Regional Clean Energy Hubs to attend public meetings and possibly co-host events. <u>Interim Deliverable:</u> <input checked="" type="checkbox"/> In Process: NYGB has identified events in five regions that we will participate in by the end of the calendar year.
Program Coordination	Increase integration with NYSERDA through program design, implementation, and evaluation	<input checked="" type="checkbox"/> In Process: NYGB has been in ongoing discussions with NYSERDA's evaluation team to ensure alignment on calculating progress towards its DAC goal.

Schedule – Transaction Profiles

As required by the Metrics Plan, Transaction Profiles for each of the transactions closed during the quarter to which this Report relates are attached.



TRANSACTION PROFILE

November 2023

\$4 million revolving credit facility and term loan to finance the deployment of HVAC optimization software to improve energy efficiency in New York

PARITY INC.

On August 14, 2023, NY Green Bank (“NYGB”) closed a \$3.0 million revolving credit facility and \$1.0 million term loan to Parity Inc. (“Parity”). NYGB’s facility will fund equipment procurement and installation of Parity’s HVAC optimization Software as a Service (“SaaS”) solution in New York and refinance existing debt and support general corporate purposes.

Transaction Description

A \$3.0 million revolving credit facility will fund Parity’s SaaS solution in New York and a \$1.0 million term loan will be used to refinance existing debt and support general corporate purposes. Parity is a fast-growing company that reduces energy consumption in multi-family residential and hospitality buildings. It helps reduce exposure to Local Law 97 fines by remotely and automatically controlling a building’s HVAC systems.

This Transaction Profile is provided pursuant to the updated NY Green Bank – Metrics, Reporting & Evaluation Plan, Version 3.1 (the “**Metrics Plan**”) developed in collaboration with the NYS Department of Public Service and filed with the NYS Public Service Commission (the “**Commission**”) on May 2, 2022.¹ This Transaction Profile contains specific information in connection with the Parity, Inc. transaction entered into in August 2023, as required by the Metrics Plan.²

Form of NYGB Investment

NYGB Product	Product Sub-Type	Committed Capital
Asset Loan & Investment	Revolver	\$3.0 million
Asset Loan & Investment	Term Loan	\$1.0 million

Location(s) of Underlying Project(s)

Downstate. Projects will be located in New York City.

Types of Organizations that are Transaction Participants

	Name	Participant Type
Counterparty	Parity Inc.	Project Sponsor
	Parity U.S. Inc.	Project Borrower

¹ Case 13-M-0412.

² See Section 4.0 at page 8 - 9 and Schedule 3.

Summary of Financing Market Objectives & Barriers Addressed

Beneficiary	Market Barrier	Financing Solution
Commercial debt providers	A key market barrier stems from the lack of precedent and limited appetite from traditional commercial debt providers to finance transactions tied to utility incentives. Utility incentives may not fit into any one asset class or may be too small individually to generate sufficient interest from traditional debt investors. Another market barrier is the hesitancy of traditional commercial debt providers to finance transactions with early-stage companies.	NY Green Bank's transaction addresses this gap in the market by bridging the utility incentive payments and freeing up capital for the borrower to focus on business expansion and accelerating deployment of its SaaS solution. This transaction can serve as a market precedent for traditional third-party lenders and debt providers, demonstrating the viability of treating a utility's incentive offer letter as an asset, spurring additional investments into the New York State energy efficiency market. This transaction provides support to a high-growth, early-stage company that will benefit from having access to additional capital to fuel faster growth in its key target market of New York State.

Technologies Involved

Technology	Measures
Energy Efficiency	HVAC, Energy Management / Control Systems

Metrics & Evaluation Plan

Planned Energy & Environmental Metrics

NYGB's minimum investment criteria require that "transactions will have the potential for energy savings and/or clean energy generation that will contribute to greenhouse gas ("**GHG**") emission reductions in support of New York's energy policies".³ In addition, the Metrics Plan requires that the following energy and environmental measures applicable to this transaction be reported:⁴

- Estimated lifetime and annual total energy savings (MMBtu equivalent)
- Estimated lifetime and annual natural gas fuel savings (MMBtu equivalent)

The estimated gross lifetime and annual energy and environmental impacts of the investment are as follows:

Energy/Environmental	Lifetime	Lifetime	Annualized	Annualized
Impact	Low Estimate	High Estimate	Low Estimate	High Estimate
Estimated total energy savings (MMBtu equivalent)	127,156	4,853,280	6,358	242,664
Estimated natural gas fuel savings (MMBtu)	Same as above			
Estimated GHG emission reductions (metric tons)	19,478	266,356	974	13,318

³ Case 13-M-0412, "Order Establishing New York Green Bank and Providing Initial Capitalization" issued and effective December 19, 2013 of the Commission, Ordering Clause 6 at pages 24 – 25.

⁴ See Metrics Plan, Section 2.0 at pages 2 - 6.

Planned Market Characterization Baseline & Market Transformation Potential

The Metrics Plan requires that market evaluation occurs when a critical mass of NYGB financing and investment arrangements are in place. Market evaluation activities commenced in 2018 on sectors that NYGB has supported since inception, consistent with the requirement for such assessments approximately three to five years following initial NYGB capital deployments.⁵ NYSERDA collected baseline data for the NYGB portfolio in 2019 and will update the data to include indicators specific to this transaction. NYSERDA will use baseline data collected for indicators as a comparison point against which to assess market progress in later studies. Progress indicators are defined below for the short, medium and long terms.

NYGB expects that program and/or future market evaluation will demonstrate progress across short-term indicators, including:

- Size and location of projects financed by the investment;
- Aggregate expected energy savings for projects financed by the investment.

NYGB expects that program tracking and/or future market evaluation will demonstrate progress across medium- and long-term indicators, including:

- Increase in market volume of energy efficient properties;
- Increase in general understanding of energy efficient properties by the financial community;
- Increased awareness and use of energy efficiency investment performance data by financing entities;
- Demonstration of competitive risk-return profiles for energy efficient properties;
- Decreased operating costs of energy efficient properties; and
- Increased number of new lending participants.

Proposed Method of Outcome/Impact Evaluation (by NYSERDA) & Timeframe

NYSERDA will evaluate the impact this transaction has had on the clean energy finance markets and the energy/environmental benefits it delivers.

Market evaluation will assess the short, medium, and long-term indicators identified above. Methods will include analysis of program data along with interviews and surveys of market participants (e.g., financial community) to track information including but not limited to: project scale information and influence of NYGB's participation on financial markets. As noted, NYSERDA collected baseline data on key indicators in its first phase evaluation during 2018 – 19. Later follow-up studies will assess progress against baseline levels for other market segments as those evolve. The specific timing of these efforts may be revised based on experience or other factors as NYGB's investment portfolio further develops and evolves.

Impact evaluation will assess which of the projects funded under the investment raised construction financing and were completed, commissioned, and placed in service.

In accordance with the Metrics Plan, NYGB will track Parity projects that receive incentives or funding from other entities (e.g., utility, other NYSERDA programs) to minimize any double-counting activity on a consolidated basis. As set out in the Metrics Plan, evaluation sampling approaches will also be used as a mechanism to estimate overlap and minimize double counting. NYSERDA and NYGB will attempt to coordinate market and impact evaluation activities for projects that receive support from multiple sources in order to maximize the efficiency of data collection and avoid participant survey fatigue.

⁵ See Metrics Plan, Section 3.3 at page 7 - 8.