

Transaction Profile

Financing in action

DISTRIBUTED SUN – SUNX

Bridge loan to support the deployment of community solar projects in New York State



NY Green Bank's upsize will support additional projects in the SunX portfolio. Bridge loan proceeds will finance project interconnection advance payments to utilities for community distributed generation (CDG) solar projects.

Market Barriers and Solutions

Solar project developers are often expected to pay for interconnection expenses as they finalize construction financing arrangements, which limits project deployment. NY Green Bank bridges the period to finalize financing arrangements for projects which have completed the CESIR process — this creates an easier pathway forward for developers to enable greater distributed generation deployment.

Capital market participants face difficulties assessing and pricing the risk exposures from CDG projects, due to limited precedent. This transaction will generate performance data and demonstrate the ability of these projects to achieve competitive risk-return profiles.

On-site solar installations are often not viable due to project siting, property ownership, and consumer preference issues. This transaction supports the deployment of CDG solar projects, which provide **CDG subscribers** with increased access to clean, low-cost energy, regardless of where their home or business is located.

Transaction amount: **\$2.5 million**

Counterparties:

(Project Developer) DSUN

(Electric Utilities) NYSEG and RG&E, subsidiaries of Avangrid, Inc.

Product: **Interconnection bridge loan**

Date closed: **December 2021**

Estimated lifetime metric tons CO_{2e} reduced: **697,000**

Technology: **Solar**

Location: **Statewide**

End-use segment: **Community distributed generation**



“NYGB is an important partner to DSUN. Beginning in 2016 we collaborated to create loan products for CDG in New York. Our projects, with the support of NYGB capital, increased the generation of renewable energy in upstate New York, created quality jobs, and through full repayment, earned money on behalf of New York citizens. We are happy the continuation of our relationship and credit facility with NYGB will extend that success story.”

Distributed Sun