Contents

1 Performance at a Glance ............................................................................................................. 1
2 Background .................................................................................................................................. 2
3 Business Update .......................................................................................................................... 4
   3.1 Overview ................................................................................................................................. 4
   3.2 Investment Portfolio ............................................................................................................... 5
   3.3 Active Pipeline ....................................................................................................................... 6
   3.4 Operational Matters ............................................................................................................... 8
4 Quarterly Metrics ....................................................................................................................... 10
5 Subsequent Events ..................................................................................................................... 12
6 Defined Terms & Glossary .......................................................................................................... 14

Tables & Figures

Table 1. Metrics & Data Collection ................................................................................................2
Table 2. Quarterly Metrics ........................................................................................................... 10

Figure 1. Transaction Status ($ Millions) ..................................................................................... 5
Figure 2. $1.2 Billion Requested NYGB Investment by Technology ............................................. 6
Figure 3. ~$4.2 Billion Proposed Total Investments by Technology ............................................ 7
Figure 4. $1.2 Billion Requested NYGB Investment by End-Use Customer Segment ................ 7
Figure 5. $1.2 Billion Requested NYGB Investment by Geographic Distribution ...................... 8
1 Performance at a Glance

NY Green Bank ("NYGB") received over $1.2 billion in investment proposals through March 31, 2016, representing total proposed clean energy investment in the State exceeding $4.0 billion. As of May 10, 2016 these numbers have grown to $1.3 and $4.8 billion respectively.

The active pipeline of potential investments proceeding towards closing was ~$500.0 million as of March 31, 2016, continuing to be diversified across technology, location and end-user segment. As of May 10, 2016, the active pipeline remains at the same level – reflecting both new proposals (i.e., additions to the active pipeline) and dormant or closed transactions (i.e., subtractions from the active pipeline).

NYGB’s investment portfolio continues to grow and generate hundreds of millions of dollars of clean energy investment. As of March 31, 2016, NYGB’s investments supported clean energy projects with a total project cost of $328.0 million in aggregate. By May 10, 2016, this amount grew to $518.3 million, based on an overall portfolio size of $96.0 million and representing commitment of almost 50% of NYGB’s capital available for investment1.

NYGB’s current portfolio of investments represents an expected leverage ratio of total project costs to NYGB funds of ~5:1, which will be realized as planned clean energy projects are successfully implemented by NYGB’s clients and partners.

Continued revenue growth – over $2.9 million in revenues has been generated through March 31, 2016.

Current portfolio estimated lifetime greenhouse gas ("GHG") reductions as of May 10, 2016 of up to 2.9 million metric tons, equivalent to removing more than 37,000 cars from the road for a period of 17 years.

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1 Capital available for investment is $197.02 million, comprising the $218.5 million initially allocated to NYGB, less $21.48 million of approved expenses (made up of $4.0 million in evaluation costs, $13.248 million in approved administrative expenses (equal to 8.0% of $165.6 million initial ratepayer funds) and $4.232 million (equal to 8.0% of $52.9 million RGGI funds)).
2 Background

This Quarterly Report ("Report") is filed by NYGB with the New York State Public Service Commission (the "Commission") pursuant to the Metrics, Reporting & Evaluation Plan developed in consultation with the Department of Public Service ("DPS") and filed with the Commission\(^2\) (the "Metrics Plan"). The Metrics Plan reflects the requirements of the Order issued by the Commission in connection with the initial capitalization of NYGB (the "Initial Capitalization Order").\(^3\) Both the Initial Capitalization Order and the Metrics Plan define "Quarterly Reports" as "a quarterly [NYGB] status report [filed] within 45 days of the end of each quarter that reports on … progress in carrying out the organization and business plans provided."\(^4\)

The metrics reported quarterly are set out in Table 1 (the "Metrics"). Quarterly Reports also include NYGB performance quarter-over-quarter against tracked Metrics for the immediately preceding quarter.

For this Report, unless otherwise indicated, information with respect to both Metrics and operational and risk management milestones (the "Milestones") is provided for the first (calendar) quarter of 2016 and presents the situation as of March 31, 2016. In addition, any material subsequent events occurring in the period from April 1, 2016 through the date of this Report are described in Section 5.

<table>
<thead>
<tr>
<th>Table 1. Metrics &amp; Data Collection(^5)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Metric Type</strong></td>
</tr>
<tr>
<td>Risk Management Metrics(^6)</td>
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\(^{4}\) Ibid, pages 18 – 19 and 21, including Ordering Clause 8, page 25. Also, Metrics Plan, Section 4.1, page 7.

\(^{5}\) Capitalized terms used in Table 1 and not otherwise defined in this Report have the meanings given to them in the Metrics Plan.

\(^{6}\) The Initial Capitalization Order defines risk management metrics as those that assist in defining acceptable capital deployment opportunities.

\(^{7}\) "Approved Investments" represent proposed investments that have moved through NYGB’s transaction process – from proposal submission, evaluation, structuring/diligence/negotiation, agreement in principle, to vetting by NYGB’s Investment & Risk Committee ("IRC") and approval by New York State Energy Research and Development Authority’s ("NYSERDA’s") President & CEO after considering recommendations made by IRC members. Approved Investments represent an allocation of NYGB’s capital in accordance with the terms of the IRC approval – an interim stage before “Committed Funds” or “Deployed Funds” (both discussed in Section 4). Once an Approved Investment has been fully negotiated, executed and closed, it becomes “Committed” and/or “Deployed” and no longer represents a current Approved Investment. Equally, if an Approved Investment becomes dormant for any reason for a continuous period of one year prior to being fully negotiated, executed and closed and at the end of that period the probability of that investment moving forward towards execution and closing is regarded as low, it may also be removed from the category of Approved Investments. In that event, all capital amounts corresponding to that investment are regarded as released and available for other NYGB investments.

\(^{8}\) NYGB’s risk management protocols include portfolio construction principles, which require NYGB to identify and monitor concentration risk and exposures including as to technologies, product offerings and clients and counterparties, all within the context of NYGB’s specific State and clean energy focus in meeting its mandate.

\(^{9}\) NYGB records include information obtained from clients and partners, consistent with usual and customary commercial practices, including confidentiality policies and concerns that apply on a deal-by-deal basis.
<table>
<thead>
<tr>
<th>Metric Type</th>
<th>Metric</th>
<th>Data Collection</th>
<th>Timing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial &amp; Market Metrics</td>
<td>▪ Cumulative Total Project Costs(^{11})</td>
<td>NYGB records</td>
<td>90 days(^{10}) after March 31, 2015</td>
</tr>
<tr>
<td></td>
<td>▪ Cumulative Revenues(^{12})</td>
<td></td>
<td>Report quarterly (within 45 days after the end of each quarter). First quarterly report filed within 45 days after the third quarter 2014</td>
</tr>
<tr>
<td></td>
<td>▪ Cumulative Operating Expenses(^{13})</td>
<td></td>
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<tr>
<td></td>
<td>▪ Number and type of NYGB-supported projects financed</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>▪ Number and general type of NYGB clients and partners</td>
<td></td>
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<tr>
<td></td>
<td>▪ Audited Financials</td>
<td>NYGB records</td>
<td></td>
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<tr>
<td></td>
<td>▪ Mobilization Ratio</td>
<td></td>
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<td></td>
<td>▪ Return on Investment</td>
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<td>▪ Capital Redeployment Cycle Time</td>
<td></td>
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<td>▪ Level of awareness, knowledge and confidence of financial institutions and market intermediaries in clean energy investments(^{15})</td>
<td>Market evaluation(^{16})</td>
<td>Long-term outcome: Baseline and time series data to be reported as available from periodic evaluation</td>
</tr>
<tr>
<td>Energy &amp; Environmental Metrics</td>
<td>▪ Estimated lifetime and first year energy saved by fuel type from energy efficiency projects (MWh/MBtu)(^{17}) and/or estimated lifetime and first year clean energy generated (MWh)(^{18})</td>
<td>NYGB records Impact evaluation</td>
<td>Long-term outcomes: Estimates reported quarterly (within 45 days after the end of each quarter) for Committed Funds and Deployed Funds, later verified by impact evaluation. First quarterly report filed within 45 days after the third quarter 2014</td>
</tr>
<tr>
<td></td>
<td>▪ Estimated lifetime and first year primary energy saved from CHP (Btu)</td>
<td></td>
<td></td>
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<td></td>
<td>▪ Estimated clean energy generation installed capacity (MW), if applicable</td>
<td></td>
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</tbody>
</table>

\(^{10}\) Timing takes into account the period required for Audited Financials to be prepared and reviewed ahead of being available for public filing.

\(^{11}\) “Cumulative Total Project Costs” means, in any period, the aggregate of all amounts required to deploy clean energy project(s) comprising each NYGB investment for the corresponding term of that investment. “Cumulative Total Project Costs” captures all capital for the relevant investment irrespective of source (including, without limitation, sponsor equity, tax equity, other equity interests, all categories and types of debt or hybrid interests and incentives), including any assumed rollover of revolving facilities. “Cumulative Total Project Costs” is measured since inception and expressed in dollars.

\(^{12}\) “Cumulative Revenues” means the aggregate of all NYGB’s revenues since inception, including income from all sources but excluding fair market value adjustments (either increases or decreases) relating to NYGB capital held in U.S. Treasury securities.

\(^{13}\) “Cumulative Operating Expenses” means the aggregate of all NYGB’s Operating Expenses since inception.

\(^{14}\) Timing takes into account the period required for Audited Financials to be prepared and reviewed ahead of being available for public filing.

\(^{15}\) Over time, as financing/investment agreements are executed and closed, NYGB will give consideration to the development of specific barriers and market transformation indicators.

\(^{16}\) As set out in Section 5.2 of the Metrics Plan, the reporting cycle for this Metric will be tied to the timing of the required evaluations.

\(^{17}\) Estimated energy impacts will generally be based on full savings compared against the baseline of the existing condition and will be reported quarterly. As these metrics are verified through impact evaluation, those results will be included in Quarterly Reports following completion of corresponding evaluations.

\(^{18}\) This Metrics category includes energy impacts from on-site fuel cells and bio-heat applications.
3 Business Update

3.1 Overview

NYGB’s investment activities fall into two broad categories of activities respectively relating to:

(a) Transactions that have closed, which collectively comprise NYGB’s investment “Portfolio”; and

(b) Transactions which are in process but not yet closed, which collectively comprise NYGB’s “Pipeline”.

Each proposed NYGB investment is categorized by the stage it has reached in NYGB’s internal processes.

While NYGB did not close any new investments during the quarter, in the weeks since, NYGB has closed four innovative transactions that were announced by Governor Andrew M. Cuomo on May 12, 2016. The press release, entitled “Governor Cuomo Announces Four New NY Green Bank Transactions to Generate Up to $220 Million in Clean Energy Projects” is available on NYGB’s website¹⁹ and these transactions are further discussed in Section 5.

NYGB’s overall transaction status is summarized in Figure 1,²⁰ showing that since inception through March 31, 2016:

(a) $1.2 billion of proposals have been received and evaluated by NYGB’s Scoring Committee;

(b) $1.1 billion of transactions have passed Scoring Committee evaluation – representing potential investments that meet NYGB’s mandate and proposal evaluation criteria;

(c) $402.9 million of transactions have received Greenlight Committee recommendation for advancement;

(d) $136.9 million of transactions have been vetted by the IRC and approved by NYSERDA’s President & CEO; and

(e) $54.5 million of transactions have been executed and closed - comprising NYGB’s Portfolio - mobilizing public and private investments to support $328.0 million in total project costs for new clean energy deployment in the State.


²⁰ Note that all these amounts are subject to change over time as proposals and transactions evolve.
Also as shown in Figure 1, NYGB has an active pipeline of $501.3 million.\textsuperscript{21} “Active Pipeline” is made up of transactions where: there is agreement in principle between the parties; there is momentum in moving the transaction forward; conditions are expected to be met; and NYGB is dynamically proceeding towards greenlight recommendation, investment and risk approval and execution and closing.

### 3.2 Investment Portfolio

Clients and partners in NYGB’s previously announced investments have made significant progress in advancing clean energy across New York State since finalizing transactions with NYGB, including:

- **Level Solar**: This Long Island-based company has installed solar on 840 homes, hired more than 50 people and expanded business into areas of New York beyond Long Island.

- **United Wind**: This Brooklyn-based company is on its way to doubling its 20 employees in the next year and expects to more than triple current staff by 2018. In addition, it has raised three rounds of capital that exceed $200.0 million in private investment and has begun construction on turbines in Wayne, Livingston, Genesee, Cayuga and Wyoming counties.

- **Renew Financial**: The company has built a network of more than 100 contractors in 139 locations across New York to roll out its ReHome New York loan program. By offering an online application and instant in-home approvals, the program is poised to significantly increase home energy efficiency projects in New York State.

- **Energy Improvement Corporation (“EIC”)**: A number of key counties and cities around the State have expressed renewed interest in Energize NY’s Property Assessed Clean Energy (“PACE”) initiative, which offers commercial property owners an attractive financing approach for energy efficiency, renewable energy and water conservation upgrades.

\textsuperscript{21} Unlike other references which are cumulative since NYGB inception, Active Pipeline is a point-in-time reference. As momentum behind individual transactions fluctuates while advancing towards execution and closing due to various factors, including many not under NYGB’s control, these transactions may move in and out of the Active Pipeline at any given time. NYGB expects to manage an Active Pipeline of $200.0 - $450.0 million on average at any time.
Further details on these investments are available in the Transaction Profiles publicly available on NYGB’s website at http://greenbank.ny.gov/Investments/Transaction-Profiles.

In the normal course of managing its Portfolio, and pursuant to executed contractual arrangements, NYGB periodically deploys funds to its clients for the specific clean energy purposes of each transaction. Deployments are reflected in Section 4 (i.e., in Deployed Funds). Many NYGB investments relate to distributed generation or energy efficiency finance – which is all about funding portfolios of projects. Once an investment closes, developers begin implementing projects and drawing down on capital over time. These projects are “delayed draw” by design, in that funds are not Deployed until project sponsors meet certain development milestones over a time period necessary to originate, develop and construct a large number of smaller, distributed clean energy projects. NYGB also enters into transactions that are not expected to be funded, such as those involving credit enhancements that comprise a contingent obligation for NYGB, and where NYGB capital is only drawn if a contingency is triggered.

### 3.3 Active Pipeline

Demand for NYGB investments and participation in transactions is evidenced by proposals that have been submitted to NYGB in response to its open solicitation for investment proposals (the “Investment RFP”). Through March 31, 2016, proposals requesting $1.2 billion of NYGB capital have been received, in connection with total proposed clean energy investments in New York State of an estimated $4.2 billion (including private sector capital; see Figure 2 and Figure 3).

**Figure 2. $1.2 Billion Requested NYGB Investment by Technology**

[Diagram showing technology distribution by proposed NYGB investment ($1.2 billion)]

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23 77% of the proposals received by NYGB identify the total project value of the investments proposed at $3.3 billion. While 23% of the proposals received do not specify the total project value of investments, these have been estimated at just under $1.0 billion.

NYGB_Quarterly_Report_PSC_Mar_2016_160516_FINAL
The proposals received to date are diverse by end-use customer segmentation and locations throughout the State as shown in Figure 4 and Figure 5.

Figure 3. ~$4.2 Billion\textsuperscript{24} Proposed Total Investments by Technology

Figure 4. $1.2 Billion Requested NYGB Investment by End-Use Customer Segment

\textsuperscript{24} Represents proposed total project cost, including private capital.
3.4 Operational Matters
Quarterly Reports are required to address Milestones pursuant to both the Initial Capitalization Order and the Metrics Plan. In the last calendar quarter, in addition to those matters referenced elsewhere in this Report and ongoing “business as usual” activities (e.g., ongoing origination, execution and routine outreach), achievements include:

(a) CEF Order, Completion of NYGB’s $1.0 Billion Capitalization & Authorization of Credit Facility: As the culmination of efforts that commenced with the September 2013 “Petition of the New York State Energy Research and Development Authority to Provide Initial Capitalization for the New York Green Bank”\(^{25}\), on January 21, 2016 NYGB’s full capitalization at $1.0 billion was authorized by the Commission pursuant to the “Order Authorizing the Clean Energy Fund Framework”\(^{26}\) (the “CEF Order”). Among other things, the CEF Order:

i. Confirmed the annual allocation schedule of ratepayer collections (the “CEF NYGB Incremental Collections”) to NYGB over the 10-year term of the Clean Energy Fund (“CEF”), including the Commission’s acknowledgment that “[m]aintaining the momentum established to date is paramount to positioning NYGB for success”\(^{27}\);

ii. Authorized putting in place a NYGB credit facility, backed by the CEF NYGB Incremental Collections (the “Credit Facility”). The purpose of the Credit Facility is to ensure that NYGB has the requisite liquidity to remain fully able to meet and service market demand for its investment and participation in transactions. The Credit Facility is estimated to permit “an additional $500 million of investment … [during the period of the CEF], increasing NYGB’s investment to $1.9 billion and … adding an additional $1.5 billion in leveraged funds for a total estimated impact of $5.7 billion”\(^{28}\). Based on need, the Credit Facility will be put in

\(^{26}\) Cases 14-M-0094 et al., issued and effective on January 21, 2016.
\(^{27}\) Case 14-M-0094 et al., at page 74.
\(^{28}\) Ibid, at page 77.
place, consistent with the requirements of the CEF Order, including efforts to minimize associated fees and interest;

iii. Prescribes a consistent approach – across all CEF programs – to eligibility criteria. Consistent with the CEF Order, NYGB will make clean energy investments that (x) advance market transformation, deployment or technical innovation; and (y) advance at least one of the goals laid out in the 2015 New York State Energy Plan (i.e., reduce GHG emissions; increase renewable energy capacity; or increase energy efficiency); and

iv. Includes certain filing and other requirements of NYGB in connection with the Metrics Plan, Business Plan and Credit Facility.

(b) Commence “Metrics 3.0” Revision and Stakeholder Process: As required by the CEF Order, NYGB commenced activities related to the revision of the Metrics Plan. In particular, the CEF Order provides that in consultation with DPS staff, NYGB and NYSERDA “shall review the [Metrics Plan] to determine if other revisions are needed to properly track and assess NYGB progress on an ongoing basis”.29 This review is to include input from stakeholders with a further revised version of the Metrics Plan being filed concurrently with NYGB’s Business Plan on June 20, 2016.30 NYGB organized a series of stakeholder input meetings and a public meeting during April and May 2016 – in both Albany and New York City – to solicit input from interested parties in connection with the Metrics Plan and NYGB’s periodic reporting.

(c) Issue Procurement RFPs for Key NYGB Infrastructure and Operational Platforms:

i. On March 4, 2016, NYGB publicly issued its “Request for Proposals – Fund Administration, Loan/Investment Servicing; RFP No. 4” including on its website (see http://greenbank.ny.gov/Opportunities/Service-Providers). RFP No. 4 was launched to retain independent fund administration and loan/investment servicing to help meet and manage NYGB’s middle and back-office needs consistent with industry best practices for comparable funds (in both the private and public sectors), while taking into account the unique aspects of NYGB. This represents a refinement and relaunch of a process commenced in Spring 2015 that failed to yield an arrangement with a suitably qualified counterparty on acceptable terms and conditions. RFP No. 4 submissions were due March 28, 2016 and NYGB’s evaluation of the responses received continues in the second quarter.

ii. Also on March 4, 2016, NYGB publicly issued its “Request for Proposals – CRM, Transaction Pipeline & Portfolio Management Platform; RFP No. 5” (available at http://greenbank.ny.gov/Opportunities/Service-Providers). RFP No. 5 was launched to source a third-party platform, purpose-built for financial and investment businesses, to support NYGB’s customer relationship management and transaction pipeline and portfolio management, through the investment life cycle. Submissions were due March 29, 2016 and, in parallel with the advancement of RFP No. 4, NYGB’s evaluation of the responses received continues in the second quarter.

(d) Public Reporting & Metrics: Filing with the Commission, on February 16, 2016, of the Quarterly Report for the period ending December 31, 2015.

(e) Continuing Stakeholder Outreach & Communications: Specific highlights of targeted outreach include:

29 Ibid. Ordering Clause 36, page 112.
30 Ibid.
i. NYGB is arranging a second annual Statewide Meeting Series where senior staff will again participate in meetings in targeted locations around the State, this time focusing on meetings with community members actively facilitating economic development in their respective regions along with potential project proposers; and

ii. NYGB issued its first periodic newsletter to interested parties on March 1, 2016. Any individual or organization that wishes to receive periodic updates from NYGB, but does not currently do so, may have their details (including name, organization, title and email address) added to NYGB’s database by sending a request to info@greenbank.ny.gov.

(f) Advisory Committee: An Advisory Committee meeting was held on February 2, 2016. Information regarding NYGB’s Advisory Committee – including its membership and charter - is accessible on NYGB’s website at http://greenbank.ny.gov/About/Advisory-Committee. Advisory Committee meetings occur at least semi-annually.

4 Quarterly Metrics

Required metrics for the period January 1, through March 31, 2016 are set out in Table 2 below. Consistent with prior Quarterly Reports and reflecting the ongoing evolution of NYGB’s Metrics reporting, the following terms apply:

(a) “Authorized Capital”, has the same meaning as “Capital” in the Metrics Plan; and

(b) “Available Capital” means, at the relevant time, the sum of all capital received by NYGB, cumulative investment income (derived from investment of cash on hand), any Capital Gains, and cumulative fees and interest on Committed Funds and Deployed Funds, less the sum of Cumulative Operating Expenses, Deployed Funds and any Capital Losses, all expressed in dollars.

Table 2. Quarterly Metrics

<table>
<thead>
<tr>
<th>Metric</th>
<th>Status – Q4 2015</th>
<th>Status – Q1 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital:</td>
<td></td>
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<tr>
<td>Authorized34</td>
<td>$368.5 million</td>
<td>$1.0 billion</td>
</tr>
<tr>
<td>Available</td>
<td>$206.3 million</td>
<td>$201.7 million</td>
</tr>
<tr>
<td>Approved Investments (In the Quarter)</td>
<td>$75.0 million</td>
<td>$46.5 million</td>
</tr>
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</table>

31 Note that the energy and environmental metrics included in this Report reflect rounding for ease of representation.
32 That is, “the aggregate capital allocated to [NYGB] from all public sources at the relevant time, including time-weighted adjustments to account for changes in NY Green Bank’s capitalization, expressed in dollars”.
33 As defined in Section 3.2 of the Metrics Plan.
34 NYGB’s Authorized Capital is made up of $165.6 million pursuant to the Initial Capitalization Order, $150.0 million pursuant to the Commission’s “Order Approving Additional Capitalization with Modification for New York Green Bank” issued and effective July 17, 2015 (the ‘2015 Capitalization Order’), $631.5 million pursuant to the CEF Order, and $52.9 million in RGGI funding. This aggregate amount does not include $500,000 of U.S. Department of Energy (“DOE”) funds specifically designated for providing loan loss reserve facilities to support PACE projects which was transferred to NYGB by NYSERDA in May 2014, given the fit of these types of activities within the broader NYGB Portfolio. The DOE funds are committed by NYGB to an EIC transaction announced on May 28, 2014 (see http://greenbank.ny.gov/News/In-the-News/2014-05-28--Energy-Improvement-Corporation-Announces-Agreement-with-Bank-of-America-Merrill-Lynch ) and, together with all repayments and related fees over time, must remain segregated and available only for the particular purposes originally intended. Of authorized capital, a total of $4.0 million has been reserved for evaluation costs and $17.48 million is reserved for administration expenses, consistent with the Initial Capitalization Order.
<table>
<thead>
<tr>
<th>Metric</th>
<th>Status – Q4 2015</th>
<th>Status – Q1 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Committed Funds(^{30}) (Cumulative)</td>
<td>$48.3 million</td>
<td>$44.5 million</td>
</tr>
<tr>
<td>Deployed Funds(^{35}) (Cumulative)</td>
<td>$6.2 million</td>
<td>$10.0 million</td>
</tr>
<tr>
<td>Overall Portfolio Size(^{37})</td>
<td>$54.5 million</td>
<td>$54.5 million</td>
</tr>
<tr>
<td>Overall Portfolio Concentrations(^{38})</td>
<td>47% Energy Efficiency</td>
<td>47% Energy Efficiency</td>
</tr>
<tr>
<td></td>
<td>53% Renewable Energy</td>
<td>53% Renewable Energy</td>
</tr>
<tr>
<td>Cumulative Total Project Costs</td>
<td>$328.0 million</td>
<td>$328.0 million</td>
</tr>
<tr>
<td>Cumulative Revenues(^{39})</td>
<td>$2.3 million</td>
<td>$2.9 million</td>
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<tr>
<td>Cumulative Operating Expenses</td>
<td>$8.3 million</td>
<td>$9.7 million</td>
</tr>
<tr>
<td>Number &amp; Type of NYGB-Supported Projects Financed</td>
<td>3 – Energy Efficiency</td>
<td>3 – Energy Efficiency</td>
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<tr>
<td></td>
<td>2 – Renewable Energy</td>
<td>2 – Renewable Energy</td>
</tr>
<tr>
<td>Number &amp; General Type of NYGB Clients &amp; Partners</td>
<td>8 – Local Development Corporation, Global Corporate &amp; Investment Banks, Commercial/Regional Banks, Specialty Finance Company, Energy Project Developers</td>
<td>8 – Local Development Corporation, Global Corporate &amp; Investment Banks, Commercial/Regional Banks, Specialty Finance Company, Energy Project Developers</td>
</tr>
<tr>
<td>Estimated Lifetime Energy Saved by Fuel Type from Energy Efficiency Projects (MWh/MMBtu) and/or Estimated Lifetime Clean Energy Generated (MWh) for Committed Funds &amp; Deployed Funds</td>
<td>Estimated Lifetime Energy Saved by Fuel Type (Energy Efficiency): 960,000 – 1,000,000 MWh; and 8.6 – 9.4 million MMBtu</td>
<td>Estimated Lifetime Energy Saved by Fuel Type (Energy Efficiency): 960,000 – 1,000,000 MWh; and 8.6 – 9.4 million MMBtu</td>
</tr>
<tr>
<td></td>
<td>Estimated Lifetime Clean Energy Generated: 1,100,000 – 2,000,000 MWh</td>
<td>Estimated Lifetime Clean Energy Generated: 1,100,000 – 2,000,000 MWh</td>
</tr>
<tr>
<td>Estimated First Year(^{40}) Energy Saved by Fuel Type from Energy Efficiency Projects (MWh/MMBtu) and/or Estimated First Year Clean Energy Generated (MWh) for Committed Funds &amp; Deployed Funds</td>
<td>Estimated First Year Energy Saved by Fuel Type (Energy Efficiency): 77,000 – 82,000 MWh; and 760,000 – 830,000 MMBtu</td>
<td>Estimated First Year Energy Saved by Fuel Type (Energy Efficiency): 77,000 – 82,000 MWh; and 760,000 – 830,000 MMBtu</td>
</tr>
</tbody>
</table>

\(^{30}\) Where “Committed Funds” means, in any period, the aggregate funds to be provided by NYGB pursuant to fully negotiated client and partner financing/investment agreements executed in that period, without such funds having yet been Deployed, expressed in dollars. “Committed” has a corresponding meaning. See Metrics Plan, page 6.

\(^{35}\) Where “Deployed Funds” means, in any period, the aggregate funds that have been advanced by NYGB subject to the terms of fully negotiated client and partner financing/investment agreements executed in that period, expressed in dollars. “Deployed” has a corresponding meaning. See Metrics Plan, page 6.

\(^{37}\) Note that at any time, NYGB’s overall Portfolio size equals the sum of Committed Funds and Deployed Funds.

\(^{38}\) Based on executed and closed transactions, and reflecting proportionate dollar values invested by NYGB.

\(^{39}\) NYGB revenue figures do not reflect quarterly fair market value adjustments (either increases or decreases) relating to NYGB capital held in U.S. Treasury securities. These valuation adjustments are included in NYGB’s quarterly and year-end financial statements based on generally accepted accounting principles. However, given that NYGB’s unused capital balances from time to time consist of U.S. Treasury securities with laddered maturities, and those securities are largely held to maturity or liquidated closer to maturity to meet cash needs, fair market valuation adjustments are anticipated to be largely temporary and so are omitted from Metrics reports to provide a clearer indication of NYGB’s revenues. For the period ending March 31, 2016, NYGB’s cumulative fair market valuation adjustment was an increase of $348,600 (~0.2% of the capital invested).

\(^{40}\) First year energy savings refer to the first year of estimated energy savings once a measure is installed and as such savings will not necessarily correspond to the first year of the investment term. The majority of NYGB’s investments have a two to three-year development cycle in which projects are originated, installed and placed into commercial operation.
<table>
<thead>
<tr>
<th>Metric</th>
<th>Status – Q4 2015</th>
<th>Status – Q1 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Estimated First Year Clean Energy Generated:</td>
<td>61,000 – 99,000 MWh</td>
<td>61,000 – 99,000 MWh</td>
</tr>
<tr>
<td>Estimated First Year Primary Energy Saved from CHP (Btu) for Committed</td>
<td>Not Applicable</td>
<td>Not Applicable</td>
</tr>
<tr>
<td>Funds &amp; Deployed Funds</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Estimated Clean Energy Generation Installed Capacity (MW), if applicable,</td>
<td>54.0 – 79.0 MW</td>
<td>54.0 – 79.0 MW</td>
</tr>
<tr>
<td>for Committed Funds &amp; Deployed Funds</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Estimated Lifetime Greenhouse Gas Emission Reductions (metric tons)</td>
<td>1,100,000 – 1,400,000 metric tons</td>
<td>1,600,000 – 2,100,000 metric tons</td>
</tr>
<tr>
<td>for Committed Funds &amp; Deployed Funds</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

5 Subsequent Events

Since March 31, 2016, the following Milestones have occurred with respect to NYGB’s business:

(a) Closing of Four New Investments: As noted in Section 3.1, NYGB has closed four new investments which drive up to an additional $220.0 million in clean energy projects in the State. These four transactions are expected to result in more than 6,200 residential rooftop solar installations, 400 residential energy efficiency projects and eight large, ground-mounted solar installations for commercial and industrial users. Along with NYGB’s existing investments, the new transactions are advancing the Governor’s Reforming the Energy Vision (“REV”) strategy by facilitating increased private sector financing of clean energy projects. In particular:

i. Investec & Sunrun: NYGB is participating in a consortium of capital providers led by Investec, an international specialist bank and asset manager, that is providing $340.0 million to Sunrun, the largest dedicated residential solar company in the United States. Sunrun is expanding the residential solar market nationwide by providing affordable clean energy to homeowners for little to no upfront cost. Sunrun designs, installs, finances, insures, monitors and maintains the solar panels on a homeowner’s roof, while families receive predictable pricing for 20 years or more. It is expected that NYGB’s involvement in the transaction will result in up to $140.0 million used to develop solar projects in New York State.

ii. Guggenheim, DZ Bank & Solar Mosaic: NYGB is participating in a transaction with DZ Bank of Germany to provide financing of up to $200.0 million for Solar Mosaic, a national specialty finance company headquartered in Oakland, California, that offers a no-money-down solar financing option for homeowners. Guggenheim Securities LLC, the investment banking and capital markets business of Guggenheim Partners, a global investment and advisory firm, acted as sole arranger of the credit facility, which is a financial product similar to a line of credit that will be used to fund a portfolio of solar

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41 As of January 1, 2016, NYSERDA utilizes a 1,160 lbs/MWh conversion factor to estimate GHG emissions reductions for electric generation and energy efficiency savings across all components of the CEF. NYSERDA previously utilized a 625 lbs/MWh conversion factor.
loans. This transaction is expected to result in up to $40.0 million in new residential rooftop solar projects in New York State.

iii. **BQ Energy:** NYGB and BQ Energy have established a standardized approach to construction and post-construction project finance that will broaden the availability of solar to businesses that have had limited access to financing due to lack of scale and/or public credit ratings. BQ Energy is a renewable energy project developer headquartered in Poughkeepsie that specializes in solar development in landfills, which are often unsuitable for other development. The first project under this agreement will be located at the landfill in Patterson, N.Y. The project is the first of a portfolio of projects totaling up to $30.0 million, each of which will benefit from the standardized documentation and credit underwriting approach.

iv. **Sealed:** NYGB is participating in a transaction with Sealed Inc. – a New York City-based energy software company – to provide financing for energy upgrades totaling $7.5 million for up to 400 homeowners in New York State. This will also significantly expand Sealed’s business across the State, adding jobs while strengthening and expanding its New York-based contractor network. Sealed offers an innovative “Pay-As-You-Save” financing product that fills a gap in the marketplace by allowing customers to pay for the improvements out of the guaranteed savings the projects generate, making home energy improvements more accessible for homeowners.

A Transaction Profile for each of NYGB’s investments is available on NYGB’s website generally within 30 days of closing and is included as an exhibit to the Quarterly Report for the period in which the relevant transaction closed. Transaction Profiles for the above four investments will be included in the Quarterly Report to be filed for the period ending June 30, 2016.

(b) **Business Planning:** NYGB has commenced its annual strategy review and business planning process, ahead of filing its Business Plan with the Commission on June 20, 2016.

(c) **Advisory Committee:** An Advisory Committee meeting was held on April 19, 2016.
6 Defined Terms & Glossary

“2015 Capitalization Order” has the meaning given to that term in footnote 34.

“Active Pipeline” has the meaning given to that term in Section 3.1.

“Advisory Committee” means the advisory committee of NYGB.

“Approved Investments” has the meaning given to that term in footnote 7.

“Authorized Capital” has the meaning given to that term in Section 4.

“Available Capital” has the meaning given to that term in Section 4.

“Btu” means British thermal unit, a measure of heat energy in fuels.

“Business Plan” means, as the context requires, NYGB’s annual business plan filed with the Commission.

“CEF” has the meaning given to that term in Section 3.4.

“CEF NYBG Incremental Collections” has the meaning given to that term in Section 3.4.

“CEF Order” has the meaning given to that term in Section 3.4.

“CES” means the Clean Energy Standard under development by DPS that will mandate achievement of the State goal that 50% of the State’s electricity is generated from renewable resources by 2030, Case 15-E-0302.

“CHP” means combined heat and power.

“Commission” means the New York State Public Service Commission.

“Committed Funds” has the meaning given to that term in the Metrics Plan.

“Credit Facility” has the meaning given to that term in Section 3.4.

“Cumulative Operating Expenses” has the meaning given to that term in footnote 13.

“Cumulative Revenues” has the meaning given to that term in footnote 12.

“Cumulative Total Project Costs” has the meaning given to that term in footnote 11.

“Deployed Funds” has the meaning given to that term in the Metrics Plan.

“DOE” means the United States Department of Energy.

“DPS” means the New York State Department of Public Service.

“EIC” has the meaning given to that term in Section 3.2.

“GHG” has the meaning given to that term in Section 1.

“Greenlight Committee” means the NYGB committee of that name in its investment process.

“Initial Capitalization Order” has the meaning given to that term in Section 2.

“Investment RFP” has the meaning given to that term in Section 3.3.

“IRC” means the Investment & Risk Committee of NYGB.

“Metrics” has the meaning given to that term in Section 2.
“Metrics Plan” has the meaning given to that term in Section 2.
“Milestones” has the meaning given to that term in Section 2.
“MMBtu” means million Btus.
“MW” means megawatt, a measure of installed energy generation capacity.
“MWh” means megawatt-hour, a measure of energy production.
“NYGB” means NY Green Bank.
“NYSERDA” means the New York State Energy Research and Development Authority.
“PACE” has the meaning given to that term in Section 3.2.
“Pipeline” has the meaning given to that term in Section 3.1.
“Portfolio” has the meaning given to that term in Section 3.1.
“Quarterly Reports” means the quarterly reports filed by NYGB with the Commission as contemplated in both the Initial Capitalization Order and the Metrics Plan as discussed in Section 2.
“REV” has the meaning given to that term in Section 5.
“RGGI” means the Regional Greenhouse Gas Initiative.
“Scoring Committee” means the NYGB committee of that name in its investment process.
“Transaction Profile” has the meaning given to that term in the Metrics Plan.