

NY Green Bank

*Quarterly Metrics Report No. 29
(September 30, 2021)*

Webinar | November 30, 2021



NEW YORK
STATE OF
OPPORTUNITY.

NY Green Bank
A Division of NYSERDA

Agenda

- **Performance**
- **Portfolio Update**
- **Objectives, Milestones & Deliverables**
- **Trends**
- **What's Coming Next?**
- **How to Stay in Touch**
- **Q&A**

Performance & Portfolio Update



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Performance at a Glance

Inception through September 30, 2021

OVER \$1.6 BILLION

CUMULATIVE
COMMITMENTS

**\$311.8
MILLION**

Funding Committed
(Fiscal YTD)

**\$133.2
MILLION**

Cumulative Revenues

**UP TO \$4.0
BILLION**

Total Capital Mobilized

97

TRANSACTIONS
ACROSS

8

TECHNOLOGY
SEGMENTS

CLEAN ENERGY GENERATION & ELECTRICITY SAVINGS

47.8 MILLION MWh

FUEL SAVINGS

43.7 MILLION MMBtu

CO₂e AVOIDED

**UP TO 31.2 MILLION
METRIC TONS**

EQUIVALENT TO REMOVING

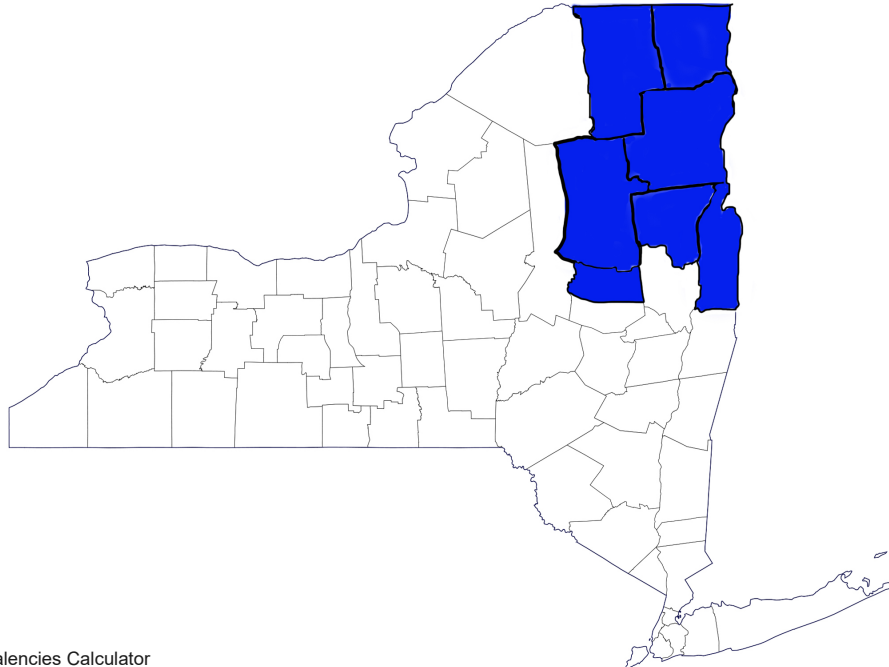
UP TO 325,291 CARS

from the road for 24 years

Annual Emissions Reduction Equivalent to...



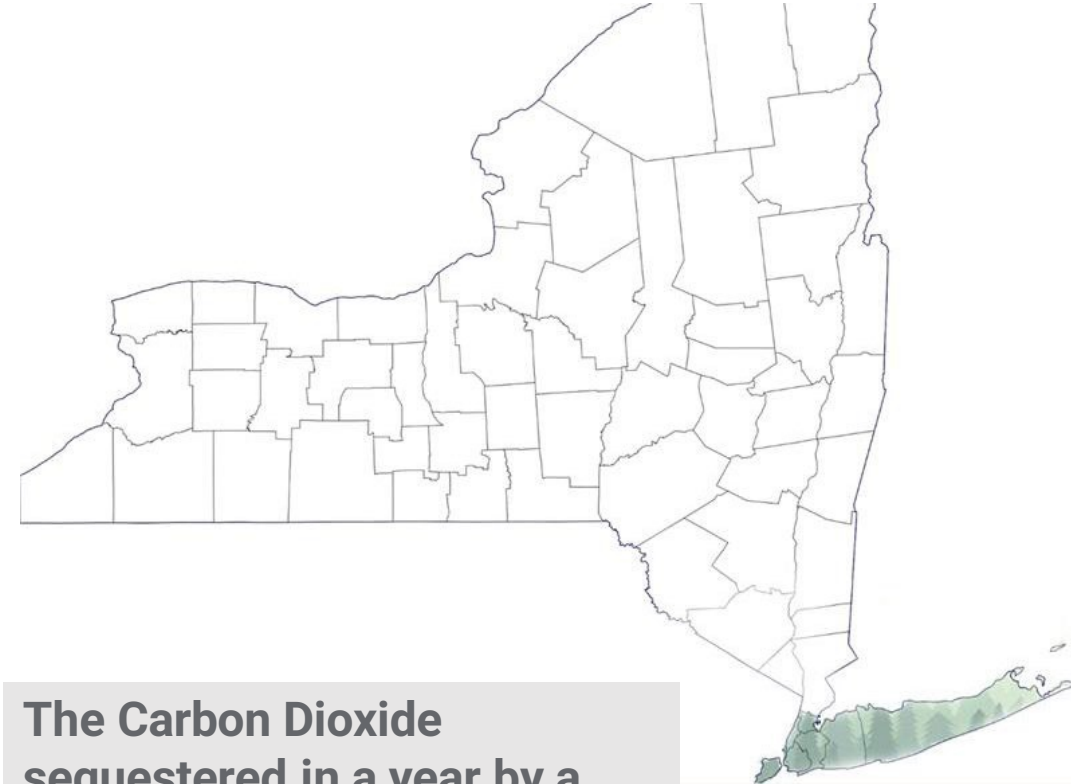
The average annual Carbon Dioxide emissions of 159,000 households, or all homes in the blue shaded region



OR



The Carbon Dioxide sequestered in a year by a forest the size of New York City and Long Island



Q3 2021 Transactions

Eden, 4th Upsize

- \$1.5 MM bridge loan facility upsize (bringing total to \$9.2 MM)
- Supporting the development of up to 100 MW of community solar capacity
- Expected emission reductions over project lifetime: up to 1,264,927 MT

OYA Solar, Upsize

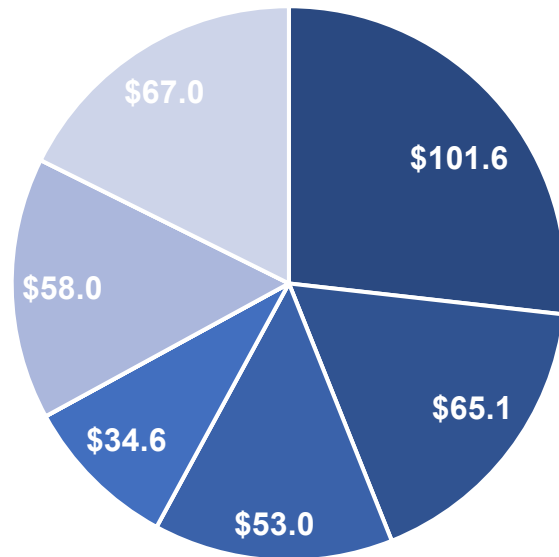
- \$3.8 MM construction and interconnection facility upsize (bringing total to \$38.8 MM)
- Supporting the development of up to 109.9 MW community solar capacity
- Expected emission reductions over project lifetime: up to 1,594,133 MT

NYCEEC Predevelopment Participation

- \$2.5 MM predevelopment loan
- Supporting 310 units of affordable housing and a 200-bed homeless shelter
- Expected emission reductions over project lifetime: up to 43,110 MT

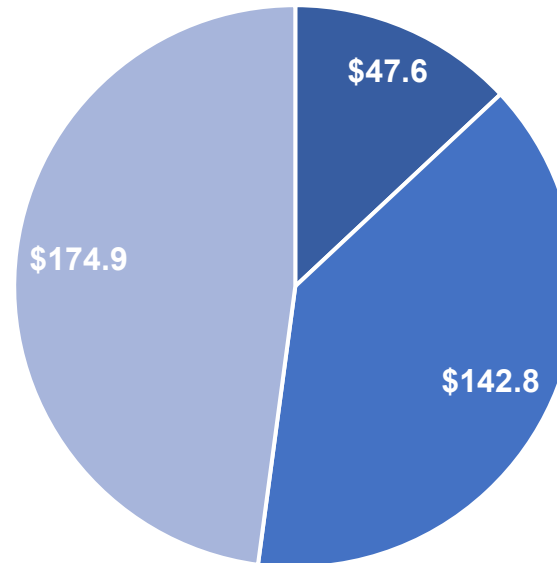
Distribution of Active Q3 2021 Pipeline by:

Technology



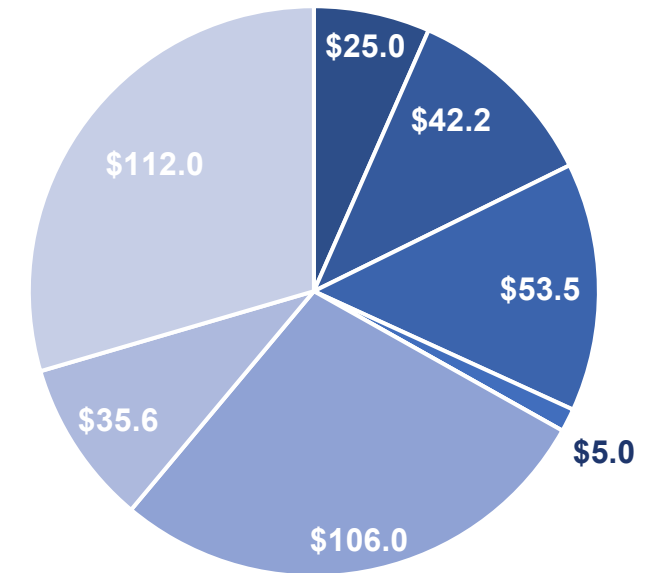
- Energy Efficiency
- Bioenergy
- Energy Storage
- Solar
- Multiple Technologies
- Wind

Geography



- Upstate
- Downstate
- Statewide

End-Use Customer Segment



- Agricultural
- Commercial & Industrial
- Community Distributed Generation
- Multiple End-User
- Residential
- Housing
- Utility-Scale/Grid Interconnected

Objectives, Milestones & Deliverables



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Progress on 2021-22 FY Objectives



	Objective	Progress
Supporting Disadvantaged Communities	Offer curated financing solutions to affordable housing and other target markets	Released RFP 19: Mandatorily Redeemable Preferred Equity for Disadvantaged Community Lenders
	Offer curated financing solutions to affordable housing and other target markets	Hosted “Get to Know RFP 18” webinar to engage with potential proposers in July 2021
	Hire Managing Director to focus on underwriting DAC transactions	Brought a Managing Director onboard to lead DAC strategy
	Expand NYGB Advisory Committee	Welcomed two new members to NYGB’s Advisory Committee
Capital Mobilization	Maintain Current Portfolio in excess of \$1B	As of Q2 close, was managing Current Portfolio of over \$1B

Progress on 2021-22 FY Objectives

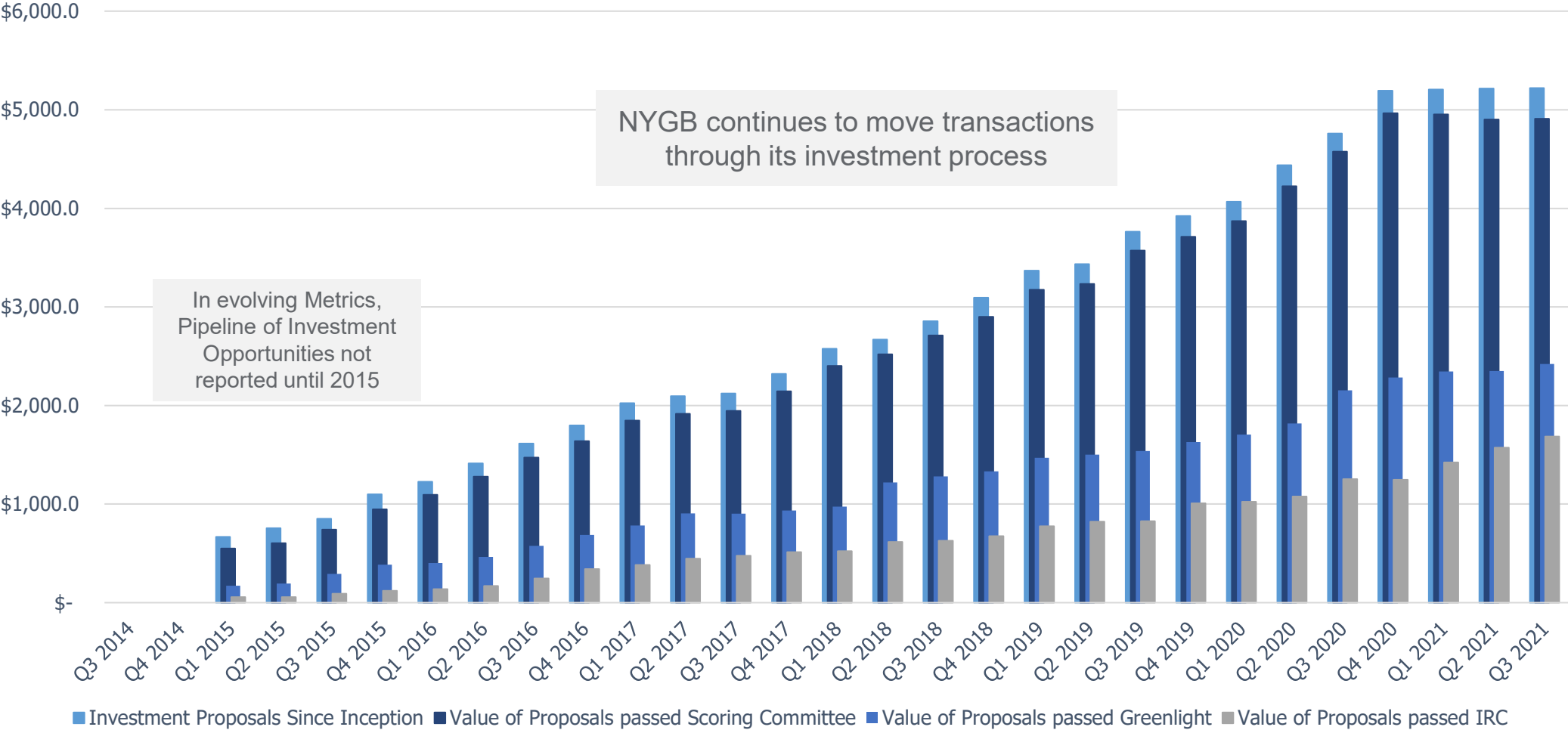
	Objective	Progress
Finalize Initial Portfolio Monetization	Close initial portfolio monetization transaction	Raised \$314 MM through a transaction with Bank of America in July 2021
Process Standardization	Deploy FinTech solutions for enhanced efficiency and productivity.	Rolled out multiple new FinTech platforms and integrated into regular NYGB operations
Streamline Legal Documentation	Implement new legal documentation and processes to support relationship with third-party capital provider(s).	Put in place new legal documentation and processes to support relationship with third-party capital provider
	Develop suite of form legal documents to minimize transaction burden and cost when working with counterparties in the affordable housing sector.	Drafted suite of legal documents to serve as templates for future transactions with NYS's affordable housing sector

Trends

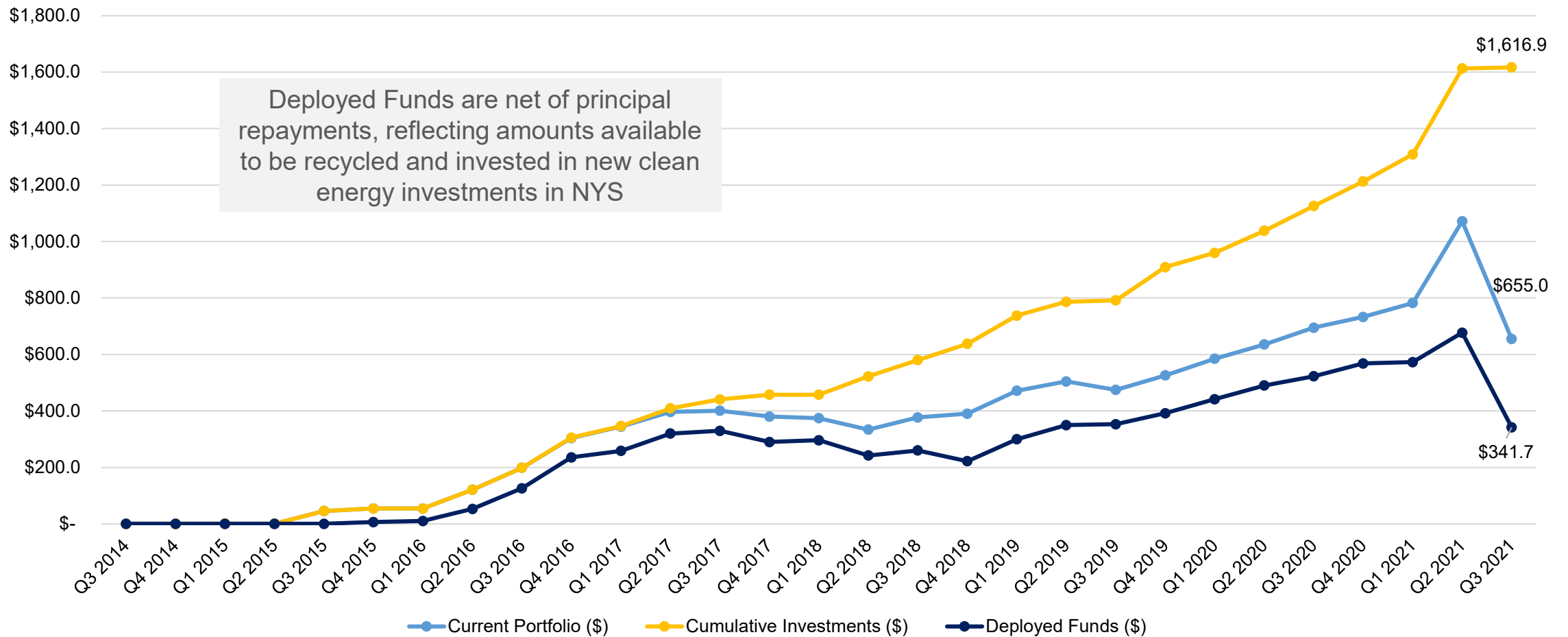


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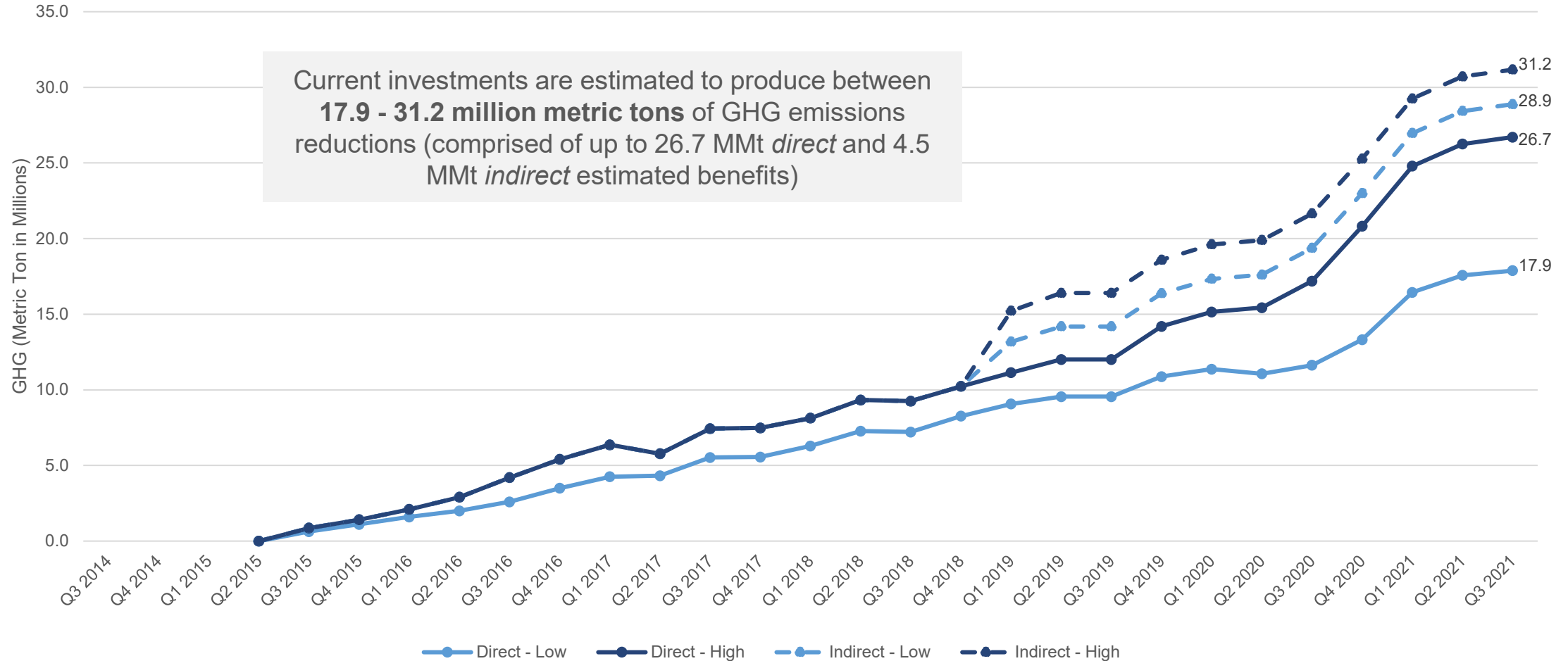
NYGB Pipeline of Proposals & Approvals



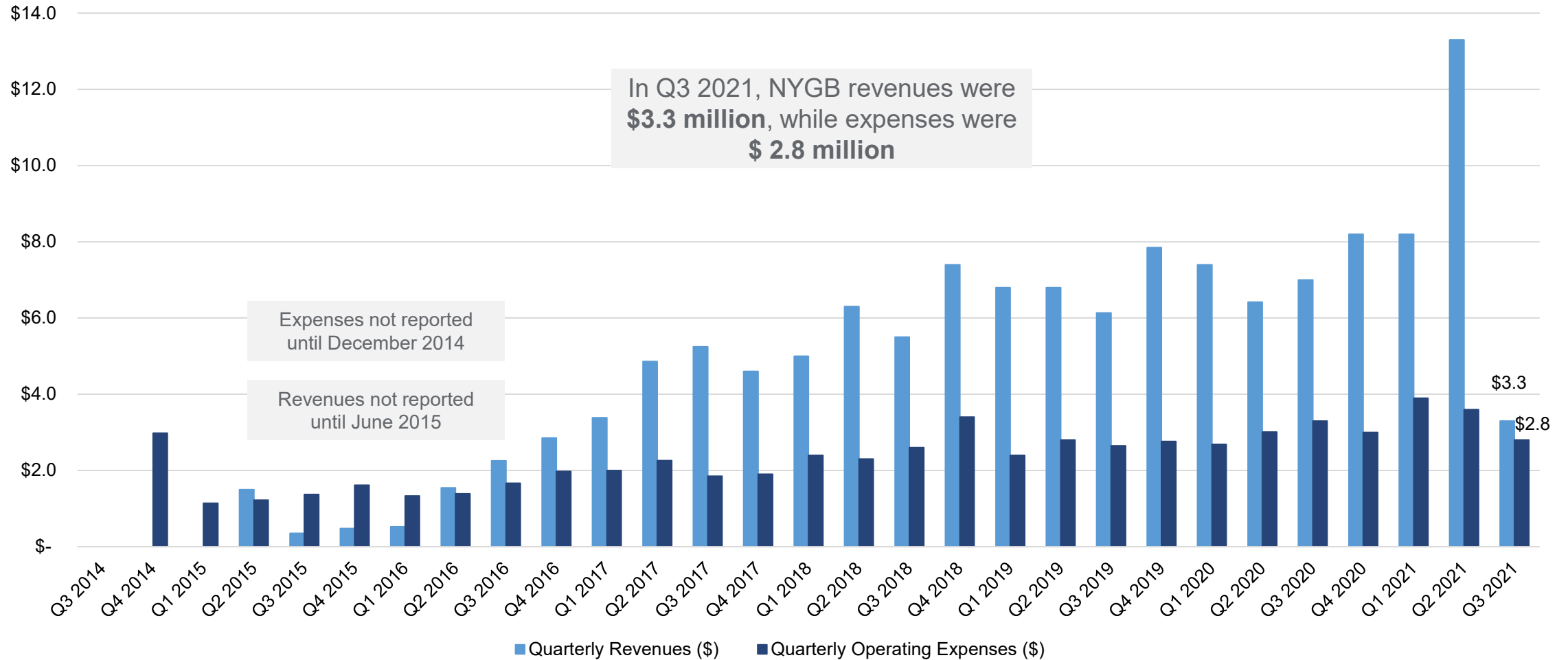
Cumulative Investments, Current Portfolio & Current Deployed Funds



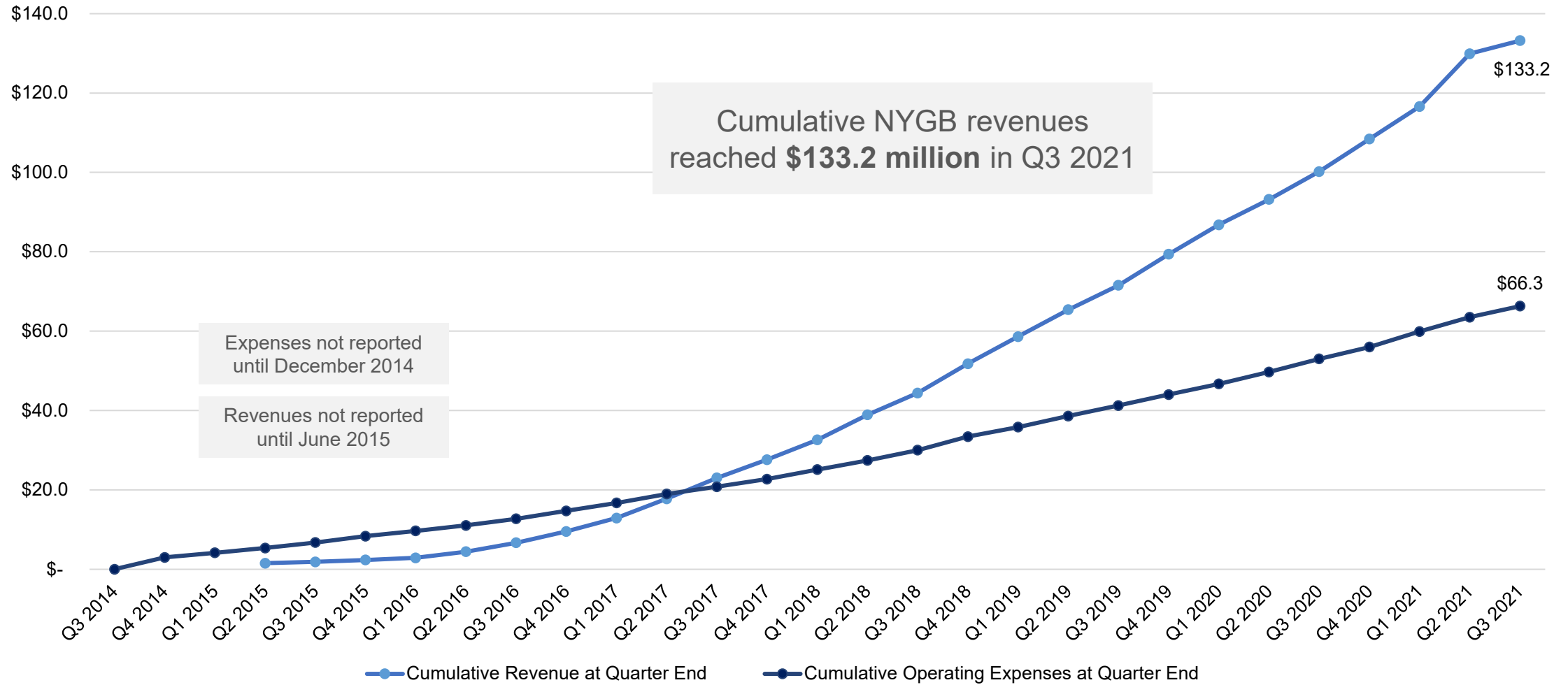
Estimated Gross Lifetime GHG Emission Reductions for Committed Funds & Deployed Funds



Quarterly Revenues vs. Expenses



Cumulative Revenues vs. Expenses



What's Coming Next?



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What's Coming Next?

- > Responsible Investor USA 2021: December 9 at 11:15am ET
 - Managing Director Kim Erle will be participating as a speaker in [Deep Dive 4: Investing in sustainable real estate and infrastructure under Biden's \\$1.2 trillion plan](#). The conference, which includes sessions from December 7 through 9, is virtual and free to attend.
- > Next Quarterly Report
 - For the quarter ending December 31, 2021, the next Metrics, Reporting & Evaluation Quarterly Report will be filed with the PSC on February 14, 2022.

ri responsible investor

RI USA 2021

Live and free to air | December 7th - 9th

Deep Dive 4: Investing in sustainable real estate and infrastructure under Biden's \$1.2 trillion plan

December 9th, 2021 | 11:15 ET / 16:15 GMT

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#RIUSA2021

Contact NY Green Bank

- > Sign up for our mailing list for periodic updates on our website: www.greenbank.ny.gov
- > All additional information is available on the website, including all RFI and RFP opportunities: www.greenbank.ny.gov
- > Follow us on social media:

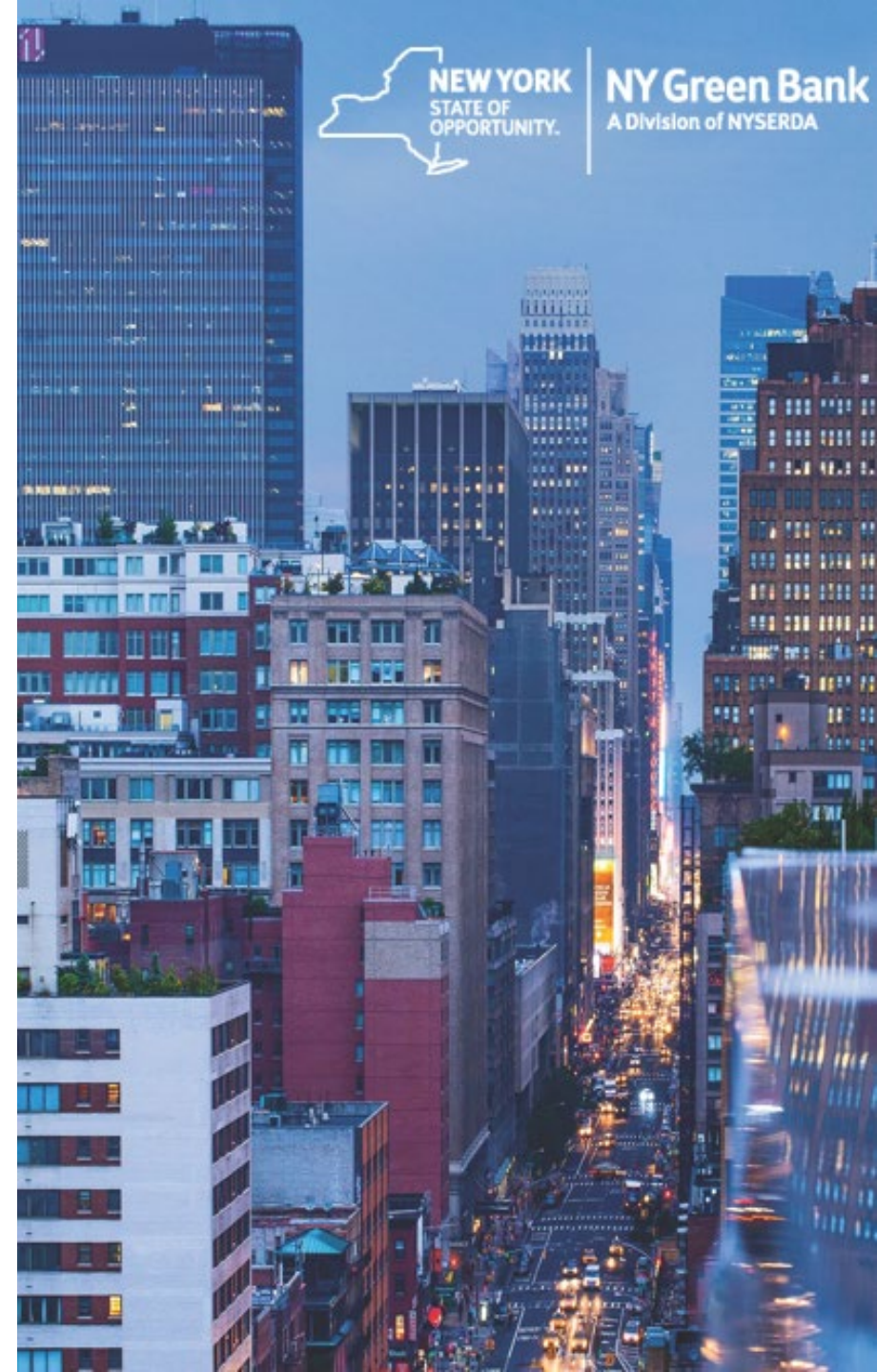
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Q&A



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A close-up photograph of a person's hand, wearing a light-colored sweater, plugging a blue charging cable into the charging port of a white electric vehicle. The background is blurred, showing what appears to be a parking garage or a similar outdoor setting. A semi-transparent blue banner is overlaid across the middle of the image, containing white text.

**Contact us at info@greenbank.ny.gov
to discuss potential investment ideas**

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Appendix



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Progress on FY 2021-22 Deliverables



OBJECTIVE CATEGORY	DELIVERABLE	PROGRESS AS OF SEPTEMBER 30, 2021
EFFECTIVELY MANAGE A STRONG AND GROWING PORTFOLIO		
Financing Solutions to Support Disadvantaged Communities	Launch <i>RFP 18: Financing Arrangements for High-Performance Affordable Housing</i> , a purpose-built proposal and evaluation pathway for electrification/electrification-readiness projects in multifamily affordable housing, accompanied by custom scoring criteria and published selected indicative terms to align with industry practice.	<input checked="" type="checkbox"/> Achieved for the Plan Year: NYGB released RFP 18 in May 2021. The launch of RFP 18 aligns with NY Green Bank’s target of committing \$150 million in affordable housing investments by December 2025.
	Host “Get to Know RFP 18” webinar in July 2021 to engage with potential proposers.	<input checked="" type="checkbox"/> Achieved for the Plan Year: In July 2021, NYGB convened affordable housing and energy efficiency market participants virtually to provide an overview of RFP 18, what the solicitation offers, and how potential proposers can engage, followed by audience Q&A.
	Launch preferred equity investment RFP targeting CDFIs, non-profits, and specialty finance companies investing in disadvantaged communities (“DACs”).	<input checked="" type="checkbox"/> Achieved for the Plan Year: NYGB released RFP 19: Mandatorily Redeemable Preferred Equity for Disadvantaged Community Lenders on September 27, 2021.

Progress on FY 2021-22 Deliverables



OBJECTIVE CATEGORY	DELIVERABLE	PROGRESS AS OF SEPTEMBER 30, 2021
EFFECTIVELY MANAGE A STRONG AND GROWING PORTFOLIO		
Financing Solutions to Support Disadvantaged Communities	Expand impact measurement and reporting to reflect the broader benefits of DAC transactions.	<input checked="" type="checkbox"/> Ongoing and On-track: NYGB continues to follow updates from NYS's Climate Justice Working Group.
	Hire Managing Director to focus specifically on underwriting DAC transactions.	<input checked="" type="checkbox"/> Achieved for the Plan Year: In July 2021, NYGB brought a Managing Director onboard to lead its DAC investment strategy.
	Expand NYGB Advisory Committee targeting expertise in DAC transactions and access to advocacy community.	<input checked="" type="checkbox"/> Achieved for the Plan Year: As of this report filing, NYGB has welcomed two new members to its Advisory Committee. Their experience and expertise will help NYGB meet its commitment to DAC.
	Update NYGB mission statement to reflect recent changes to NYSERDA mission statement.	<input checked="" type="checkbox"/> Ongoing and On-track: NYGB has begun discussions and coordination within NYSERDA to develop an updated mission statement.
Targeted Business Development	Update and distribute marketing collateral to reflect NYGB's latest and most informed approaches to energy storage and clean transportation.	<input checked="" type="checkbox"/> Ongoing and On-track: NYGB has begun drafting updated materials for outreach in its target segments.
Improve Existing Pathways for Market Engagement	Launch redesigned website.	<input checked="" type="checkbox"/> Ongoing and On-track: NYGB has begun planning the content and process of its website re-design.
	Revise and re-launch RFP 1 to more clearly define what constitutes a substantially complete application, clarify information requests and provide more transparency around how NYGB evaluates applications, while implementing a scoring methodology that better differentiates between applications, including robust consideration of portfolio fit.	<input checked="" type="checkbox"/> Achieved for the Plan Year: In May 2021, NY Green Bank updated RFP No. 1 requirements and scoring processes to streamline its review of proposals. A summary overview of modifications can be found in the Summary of Revisions document.

Progress on FY 2021-22 Deliverables



OBJECTIVE CATEGORY	DELIVERABLE	PROGRESS AS OF SEPTEMBER 30, 2021
Committed Funds	Deliver at least \$225.0 million of incremental commitments in the Current Plan Year.	<input checked="" type="checkbox"/> Achieved for the Plan Year: As of quarter end, NYGB has committed \$311.8 million during the Current Plan Year, exceeding its annual target.
Active Pipeline	Maintain an Active Pipeline of at least \$450.0 million per quarter on average throughout the Current Plan Year.	<input checked="" type="checkbox"/> Not achieved for the Quarter: At quarter end, NYGB's Active Pipeline totaled \$379.3 million.
MOBILIZE CAPITAL: STRENGTHEN NYGB'S CAPITAL POSITION		
Finalize Initial Portfolio Monetization	Close initial portfolio monetization transaction.	<input checked="" type="checkbox"/> Achieved for the Plan Year: On July 28, 2021, NYGB raised \$314 million through a transaction with Bank of America.
Mobilize Capital	Demonstrate capital mobilization by managing a Current Portfolio in excess of NYGB's \$1.0 billion initial capitalization.	<input checked="" type="checkbox"/> Achieved for the Plan Year: At the end of the first quarter of the 2021 -22 fiscal year, NYGB was managing a Current Portfolio of over \$1.0 billion, signaling the need to execute its portfolio monetization strategy.
CONTINUOUSLY IMPROVE AND ENHANCE NYGB OPERATIONS AND PORTFOLIO MANAGEMENT		
ESG Monitoring and Reporting	Expand NYGB's risk evaluation processes by incorporating expanded ESG considerations for NYGB as a financing entity, as well as for its potential and existing borrowers.	<input checked="" type="checkbox"/> Ongoing and On-track: An ESG project team at NYGB has been working to better understand the ESG factors that impact its investment portfolio. During the quarter, the project team focused on the relationship between ESG factors and traditional credit factors.
Process Standardization	Deploy FinTech solutions for enhanced efficiency and productivity.	<input checked="" type="checkbox"/> Achieved for the Plan Year: During the quarter, rolled out multiple new FinTech platforms and integrated into regular NYGB operations.
Streamline Legal Documentation	Implement new legal documentation and processes to support relationship with third-party capital provider(s).	<input checked="" type="checkbox"/> Achieved for the Plan Year: New legal documentation and processes are in place to support relationship with third-party capital provider.
	Develop suite of form legal documents to minimize transaction burden and cost when working with counterparties in the affordable housing sector.	<input checked="" type="checkbox"/> Achieved for the Plan Year: NYGB along with its external counsel drafted a suite of legal documents to serve as templates for future transactions within NYS's affordable housing sector.

Quarterly Metrics



Quarterly Metric	Quarter Ended June 30, 2021	Quarter Ended September 30, 2021
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 (\$)	\$129.9 million	\$133.2 million
▪ Cumulative Operating Expenses (\$)	\$63.5 million	\$66.3 million
▪ Direct Operating Expenses (\$)	\$39.5 million	\$41.6 million
▪ Allocated Expenses (\$)	\$24.0 million	\$24.7 million
Investment Portfolio		
▪ Undrawn Committed Funds (\$)	\$394.8 million	\$313.3 million
▪ Deployed Funds (\$)	\$676.9 million	\$341.7 million
▪ Current Portfolio (\$)	\$1,071.7 million	\$655.0 million
▪ Overall Investments to Date (\$)	\$1.6 billion	\$1.6 billion

^[1] 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.

^[2] Cumulative Operating Expenses currently include \$628,238 in evaluation expenses.

^[3] Deployed Funds as presented in *Table 2* are net of all capital repaid to the reporting date.

^[4] 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 26 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.

Quarterly Metrics (cont.)

▪ Total Project Costs (Cumulative) (\$)	In the range of \$3.1 to \$3.9 billion	In the range of \$3.2 to \$4.0 billion
▪ Mobilization Ratio	Tracking at least 3.2:1 on average across portfolio	Tracking at least 3.2:1 on average across portfolio
▪ Portfolio Concentrations (%)	55.2% Renewable Energy	55.2% Renewable Energy
	25.9% Energy Efficiency	26.0% Energy Efficiency
	18.9% Other	18.8% Other
▪ Number & Type of NYGB Investments	63 – Renewable Energy	65 – Renewable Energy
	16 – Energy Efficiency	17 – Energy Efficiency
	15 – Other	15 – Other
▪ Number & General Type of NYGB Counterparties	88 – Financial Services, Industry or Other	88 – Financial Services, Industry or Other

Quarterly Metrics (cont.)



Direct Impact Benefits		
<ul style="list-style-type: none"> Estimated Gross Lifetime Energy Saved by Fuel Type from Energy Efficiency Projects (MWh/MMBtu) and/or Estimated Gross Lifetime Clean Energy Generated (MWh) 	572,000 – 677,000 MWh; and 29.0–42.8 million MMBtu	572,000 – 677,000 MWh; and 29.6–43.7 million MMBtu
	31.1 – 46.9 million MWh	31.6 - 47.8 million MWh
<ul style="list-style-type: none"> Estimated Gross First Year Energy Saved by Fuel Type from Energy Efficiency Projects (MWh/MMBtu) and/or Estimated Gross First Year Clean Energy Generated (MWh) 	39,400 – 46,300 MWh; and 1,832,000 – 2,662,000 MMBtu	39,400 – 46,300 MWh; and 1,844,000 – 2,680,000 MMBtu
	1,479,000 – 2,247,000 MWh	1,502,000 – 2,280,000 MWh
<ul style="list-style-type: none"> Estimated Gross Lifetime Energy Saved from CHP (MWh) 	2,040,000 – 2,170,000 MWh	2,040,000 – 2,170,000 MWh
<ul style="list-style-type: none"> Estimated Gross First Year Energy Saved from CHP (MWh) 	201,000 – 213,300 MWh	201,000 – 213,300 MWh
<ul style="list-style-type: none"> Estimated Gross Lifetime Energy Savings from CHP (MMBtu) 	-23,400,000 - -48,500,000 MMBtu	-23,400,000 - -48,500,000 MMBtu

¹¹¹ Further to the definition of “Total Project Costs (Cumulative)” in the Metrics Plan (see page 15), 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.

¹¹² Given the range of Total Project Costs that NYGB investments mobilize, the Mobilization Ratio also represents a range: currently of 3.1:1 to 3.9:1.

¹¹³ Based on executed transactions and reflecting dollar values invested by NYGB in renewable energy and energy efficiency transactions, each as a proportion of the Commitments to date.

¹¹⁴ “Other” technology classification includes: CHP, sustainable transportation, fuel cells, energy storage, microgrids and other types of projects that are not readily classified as either renewable energy or energy efficiency.

¹¹⁵ 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).

¹¹⁶ Types include Local Development Corporation; Global, Corporate and/or Investment Bank; Regional Bank; Specialty Finance Company; Energy Project Developer; Municipal, University, Schools & Hospitals; Energy Technology Provider & Vendors; Government Authority; Insurance Company; Transportation

¹¹⁷ For Committed and Deployed Funds

¹¹⁸ NYGB does not, by filing this Report, make any claim to the environmental attributes associated with megawatt-hours expected to be generated by projects supported by investments in its portfolio. NYGB has relinquished all such rights and disavows any and all rights to any environmental claims or renewable energy.

¹¹⁹ All “estimated gross first year” metrics refer to the first year of estimated gross benefits (e.g., energy saved, installed capacity, GHGs, etc.) that are expected to occur when each underlying project is fully installed. This means that estimated gross first year benefits across NYGB’s portfolio do not (and are not intended to) correspond to installed benefits in any given year, and instead represent cumulative estimated benefits across NYGB’s portfolio based on transactions executed through the CEF term. Note that underlying projects will usually be installed over one or more years following execution of investment agreements (reflecting project development/implementation and funding deployment cycles). The sum of all estimated gross first year measures will approximate the total annual CEF benefits goals for NYGB investments at the end of the CEF term (i.e., in 2025). As set out in Section 2.2.2 of the Metrics Plan, NYGB reports on installed energy and environmental benefits associated with NYGB’s portfolio in the prescribed form annually, with such reporting included in the Quarterly Metrics Report for each quarter ended December 31.

¹²⁰ For CHP systems, energy savings in thermal unit form is computed as the difference between the natural gas displaced by the recovered thermal energy and natural gas consumption by the generator. See www.nysed.gov/-/media/Files/Publications/PPSER/Program-Evaluation/2015ContractorReports/2015-Distributed-Generation-CHP-Impact-Evaluation-Final.pdf for information on CHP impact evaluation methods in NYS.

Quarterly Metrics (cont.)



▪ Estimated Gross First Year Energy Savings from CHP (MMBtu)	-2,350,000 - -4,860,000 MMBtu	-2,350,000 - -4,860,000 MMBtu
▪ Estimated Gross Clean Energy Generation Installed Capacity from CHP (MW)	46.6 – 68.6 MW	46.6 – 68.6 MW
▪ Estimated Gross Clean Energy Generation Installed Capacity (MW)	1,048 – 1,500 MW	1,037 – 1,500 MW
▪ Estimated Gross Lifetime GHG Emission Reductions (metric tons)	17.6 – 26.3 million metric tons	17.9 - 26.7 million metric tons
Indirect Impact Benefits		
▪ Estimated Lifetime Energy Saved (MWh)	-	-
▪ Estimated Lifetime Energy Saved (MMBtu)	-	-
▪ Estimated Lifetime Clean Energy Generation (MWh)	4.1 – 8.5 million MWh	4.1 – 8.5 million MWh
▪ Estimated Installed Capacity CHP (MW)	-	-
▪ Estimated Installed Capacity (MW)	61.2 – 129.7 MW	61.2 – 129.7 MW
▪ Estimated Lifetime GHG Emissions Reductions (Metric Tons)	2.2 – 4.5 million metric tons	2.2 – 4.5 million metric tons
Investment Pipeline		
▪ Active Pipeline (In the Quarter) (\$)	\$460.1 million	\$379.3 million
Investment Process		
▪ Proposals Received – Value (Cumulative) (\$)	\$5.2 billion	\$5.2 billion
▪ Approvals - Scoring Committee (Cumulative) (\$)	\$5.0 billion	\$5.0 billion
▪ Approvals - Greenlight Committee (Cumulative) (\$)	\$2.4 billion	\$2.4 billion
▪ Approvals - IRC (Cumulative) (\$)	\$1.6 billion	\$1.7 billion

^[1] NYSERDA utilizes a 1,103 lbs/MWh conversion factor to estimate GHG emissions reductions for electric generation and energy efficiency savings across all components of the CEF.

^[2] 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.