

NY Green Bank

Quarterly Metrics Report No.32 (June 30, 2022)

Webinar | September 13, 2022



NY Green Bank
A Division of NYSERDA

AGENDA

- PERFORMANCE & PORTFOLIO UPDATE
- OBJECTIVES, MILESTONES & DELIVERABLES
- TRENDS
- WHAT'S COMING NEXT?
- Q&A
- HOW TO STAY IN TOUCH
- APPENDIX

PERFORMANCE & PORTFOLIO UPDATE

Performance at a Glance

Inception through June 30, 2022

OVER \$1.7 BILLION

CUMULATIVE
COMMITMENTS

**\$12.5
MILLION**

Funding Committed
(Fiscal YTD)

**\$153.2
MILLION**

Cumulative Revenues

**UP TO \$4.5
BILLION**

Total Capital Mobilized

108

TRANSACTIONS
ACROSS

8

TECHNOLOGY
SEGMENTS

ELECTRICITY SAVINGS

2.3 MILLION MWh

FUEL SAVINGS

45.4 MILLION MMBtu

CO₂e AVOIDED

**UP TO 30.6 MILLION
METRIC TONS**

EQUIVALENT TO REMOVING

UP TO 320,535 CARS
from the road for 24 years

ANNUAL INVESTMENT TARGET - \$225.0 MILLION

PROGRESS TOWARDS TARGET

\$12.5 MILLION

OVERALL INVESTMENT TARGET - \$1,758.9 MILLION

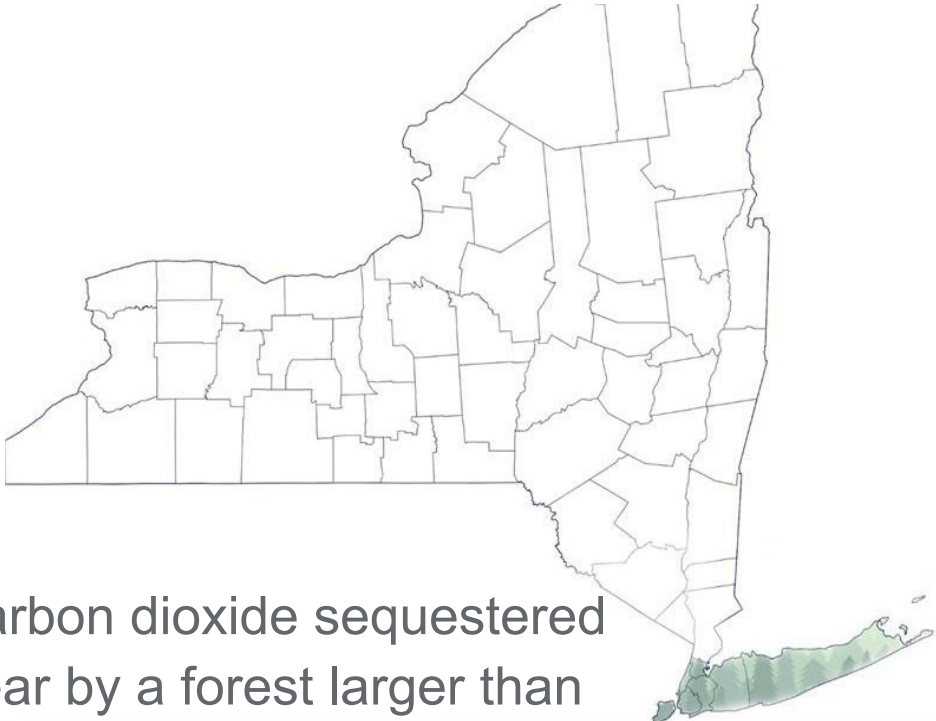
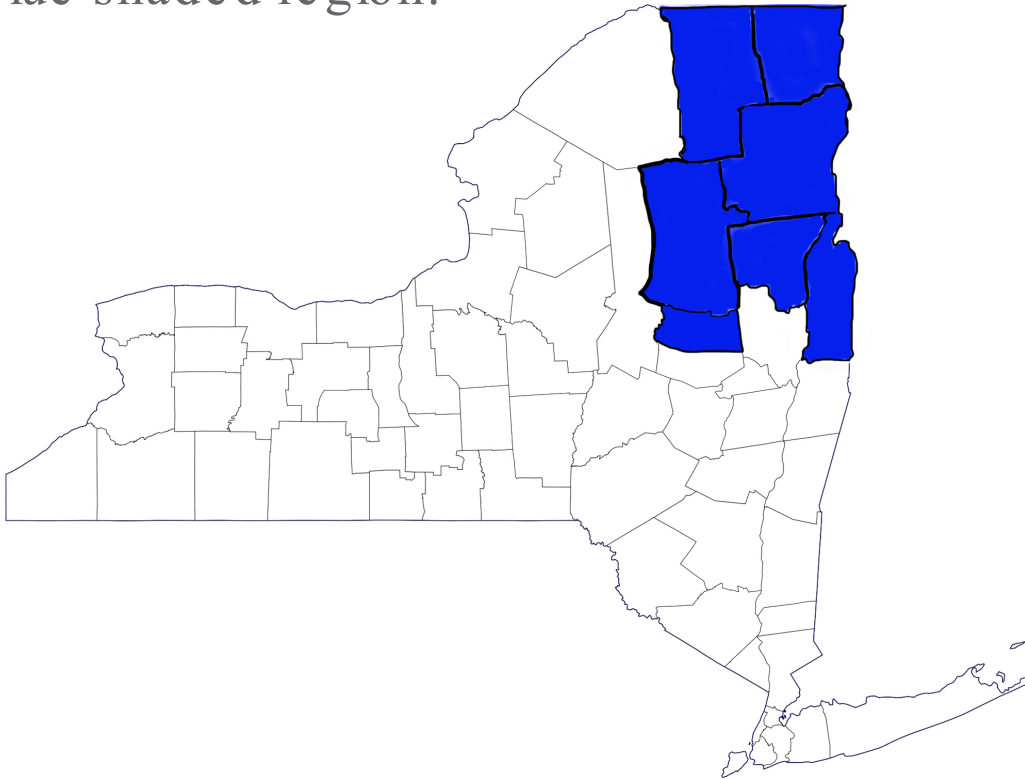
PROGRESS TOWARDS TARGET

\$1,754.1 MILLION

ANNUAL EMISSIONS REDUCTION EQUIVALENT TO...

186,000 

Households, or all homes in the blue shaded region:



The carbon dioxide sequestered in a year by a forest larger than

**NEW YORK CITY,
LONG ISLAND, &
WESTCHESTER**



Q2 2022 TRANSACTIONS

SEALED UPSIZE

NYGB increased its existing senior-secured revolving credit facility. Sealed will use the upsize to expand its current operations and complete additional energy-saving improvements in homes in NYS.

- **Upsize amount:** \$7.5 MM (\$25.0 MM aggregate)
- **Date closed:** June 2022
- **Lifetime metric tons CO₂e reduced:** 34,200
- **Technologies:** Energy efficiency / building decarbonization
- **Location:** State wide
- **End-use segment:** Residential

NYCEECSUBORDINATED LOAN

Transaction highlight of the quarter

TRANSACTION PROFILE

NYCEEC SUBORDINATE LOAN

Subordinated debt lending to support clean energy and energy efficiency projects in disadvantaged communities

- Transaction amount: \$5.0 MM
- Date closed: June 2022
- Lifetime metric tons CO₂e reduced: 12,858
- Technologies: Energy efficiency / building decarbonization, solar / storage



“NY Green Bank capital enables NYCEEC to scale green lending to accelerate equitable building decarbonization in NYS and achieves a large multiplier effect by crowding in capital and catalyzing investment in low-carbon buildings. This capital is critical to achieving NYCEEC’s vision for energy efficiency and clean energy financing for buildings to achieve scale and be accessible to all.”

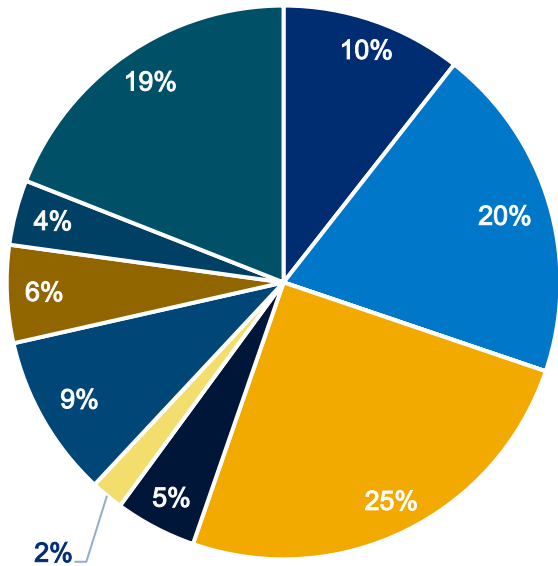
- Jay Merves, Director of Business Development, NYCEEC



DISTRIBUTION OF ACTIVE Q2 2022 PIPELINE

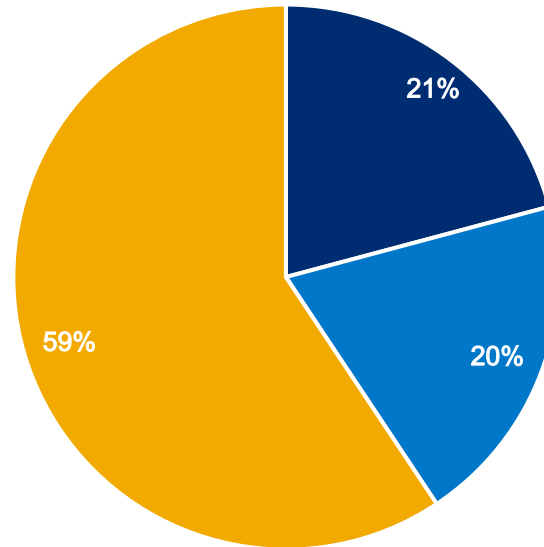
Total: \$526 million

Technology



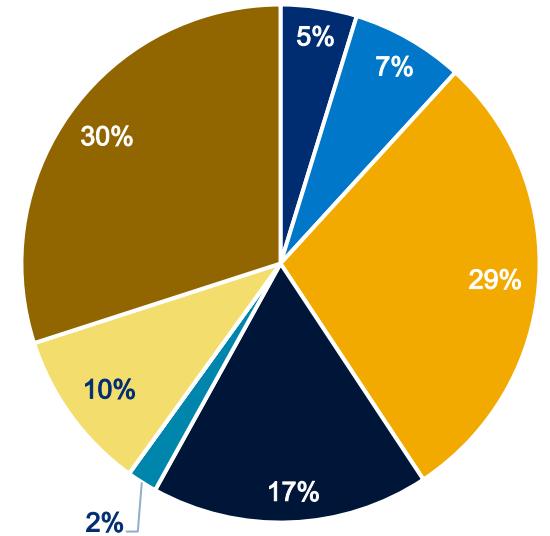
- Bioenergy
- Energy Efficiency
- Solar
- Sustainable Agriculture
- Clean Transportation
- Wind
- Energy Storage
- Solar; Energy Storage
- Port Infrastructure

Geography



- Upstate
- Downstate
- Statewide

End-Use Customer Segment



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



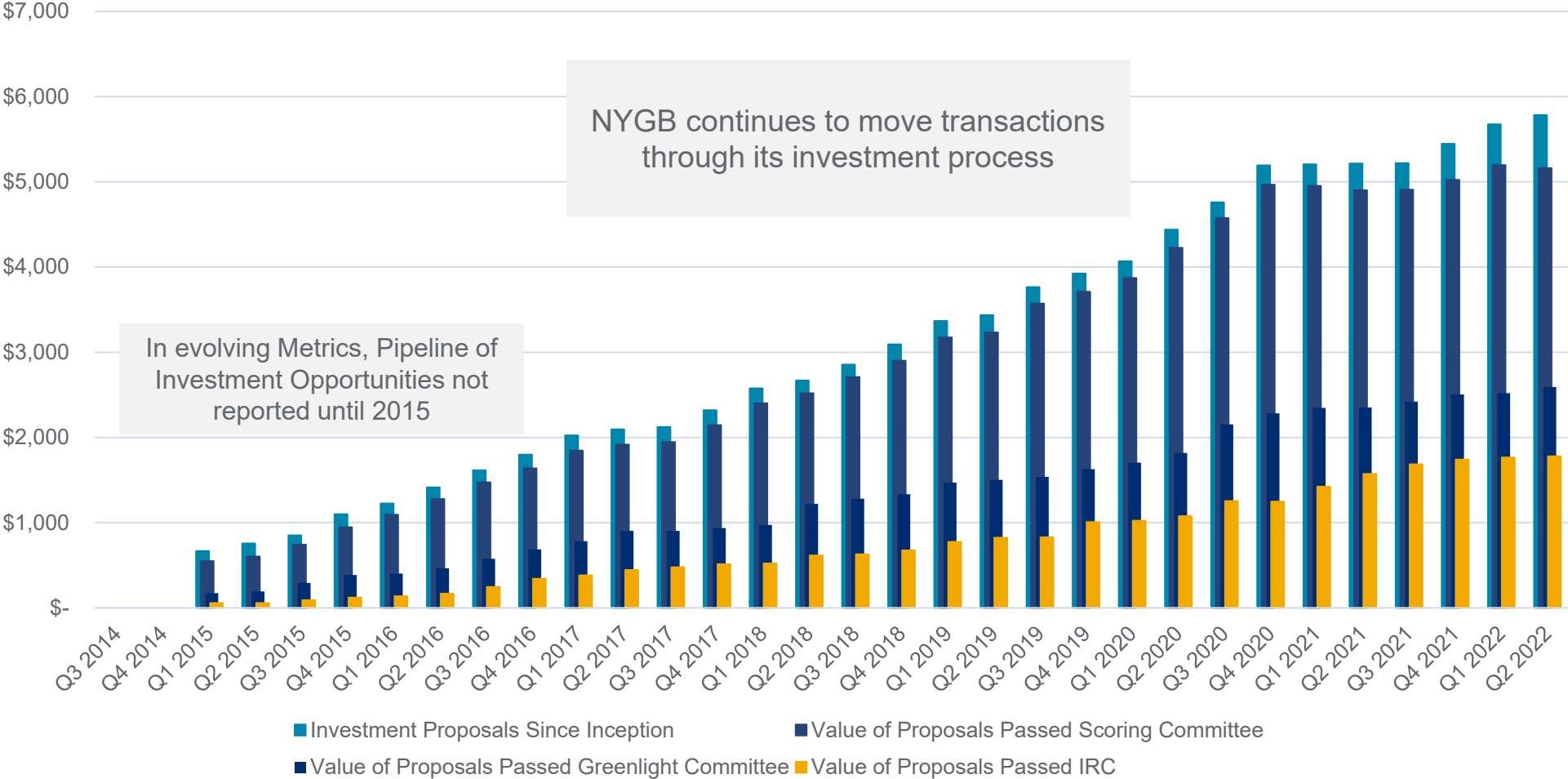
OBJECTIVES, MILESTONES & DELIVERABLES

PROGRESS ON 202223 FY OBJECTIVES

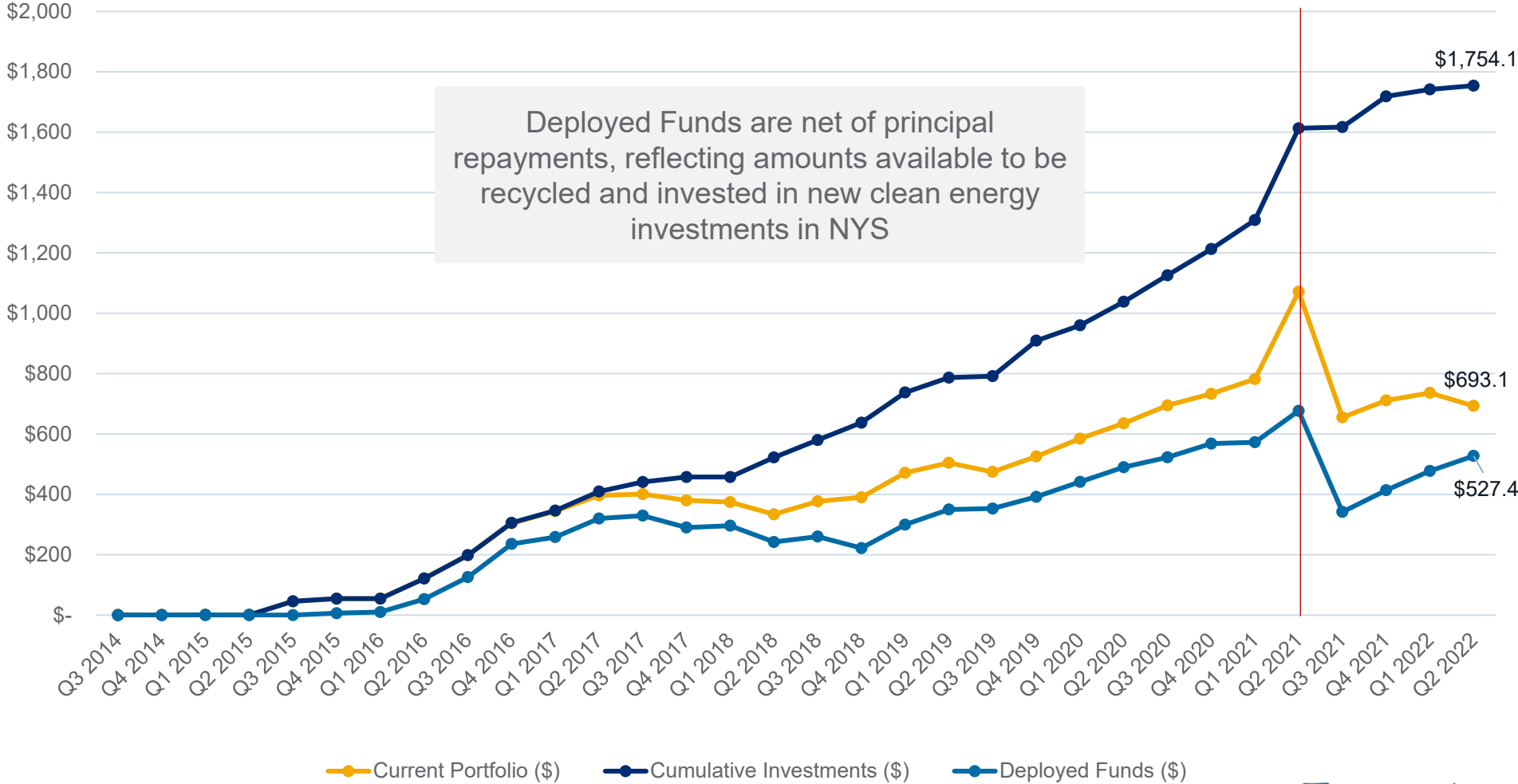
	Objective	Progress
Committed Funds	Deliver at least \$225 MM of incremental commitments	NYGB committed \$12.5MM during the quarter and has a strong Active Pipeline of over \$500MM.
Supporting Disadvantaged Communities	Develop and launch CDF, a concessionary wholesale funding pathway to support financiers in making sustainable infrastructure and decarbonization investments in DACs	Identified third-party service providers qualified to conduct a market assessment to identify financing gaps the CDF can fill and ultimately support the design of the CDF. Working through the service provider selection process.
Portfolio Monetization	Evaluate and recommend pathways for additional portfolio monetization(s) to enhance and optimize liquidity	Launched RFP 21 to qualify a pool of potential eligible purchasers of NYGB loans.
Operational Excellence	Issue RFP for thirdparty fund administration	RFP was issued and a thirdparty fund administrator was selected by a scoring committee.

TRENDS

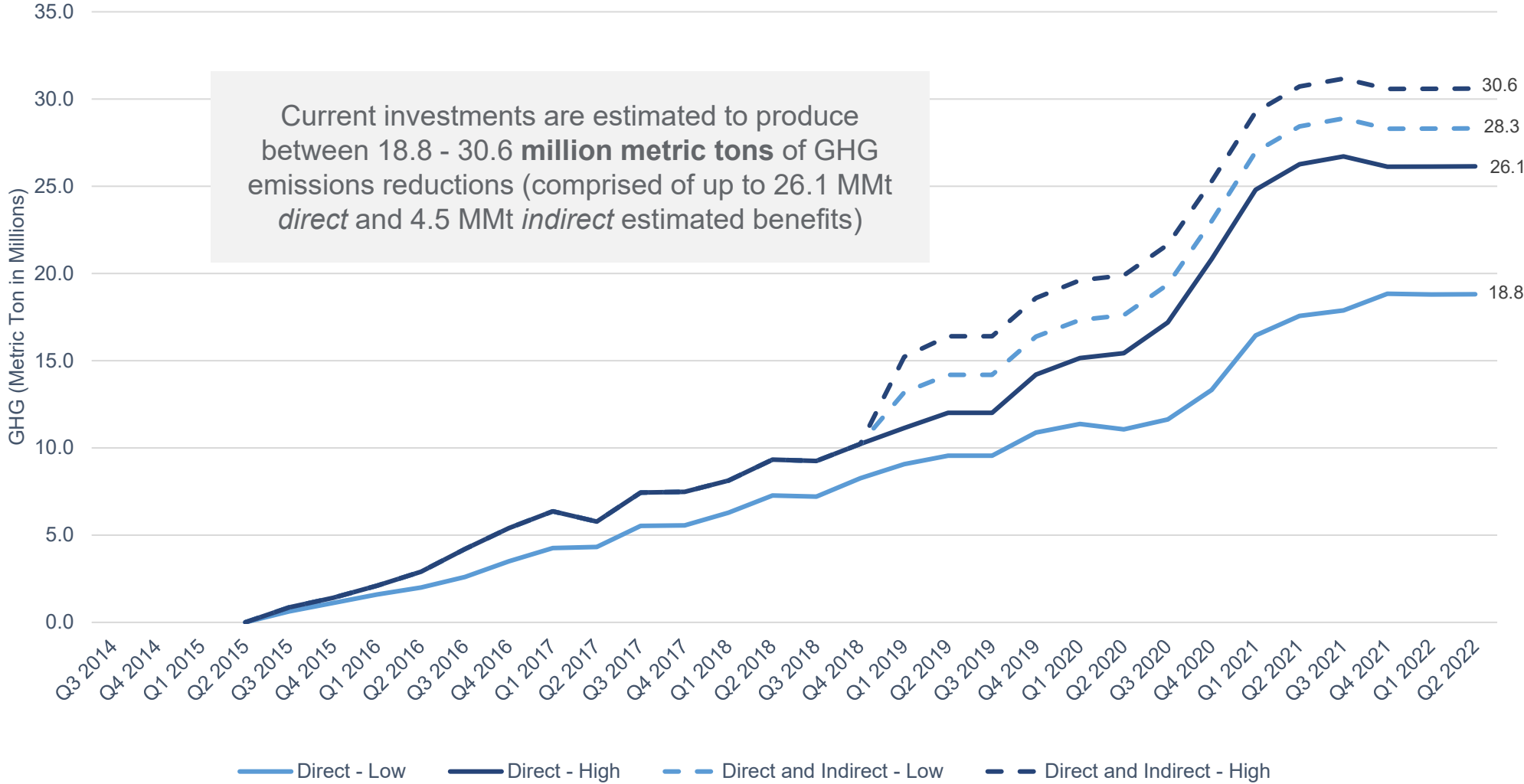
NYGB PIPELINE OF PROPOSALS & APPROVALS



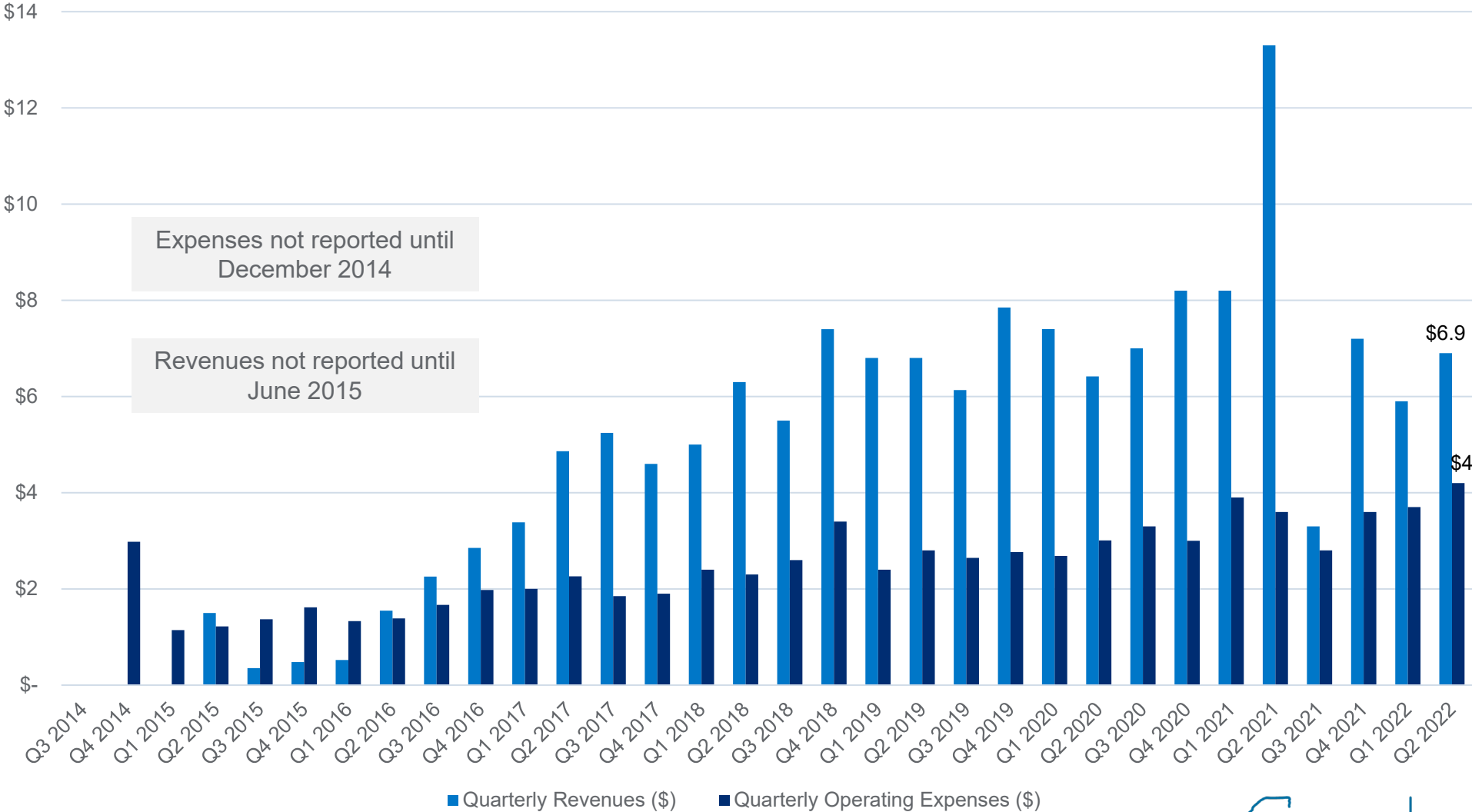
CUMULATIVE INVESTMENTS, CURRENT PORTFOLIO & CURRENT DEPLOYED FUNDS



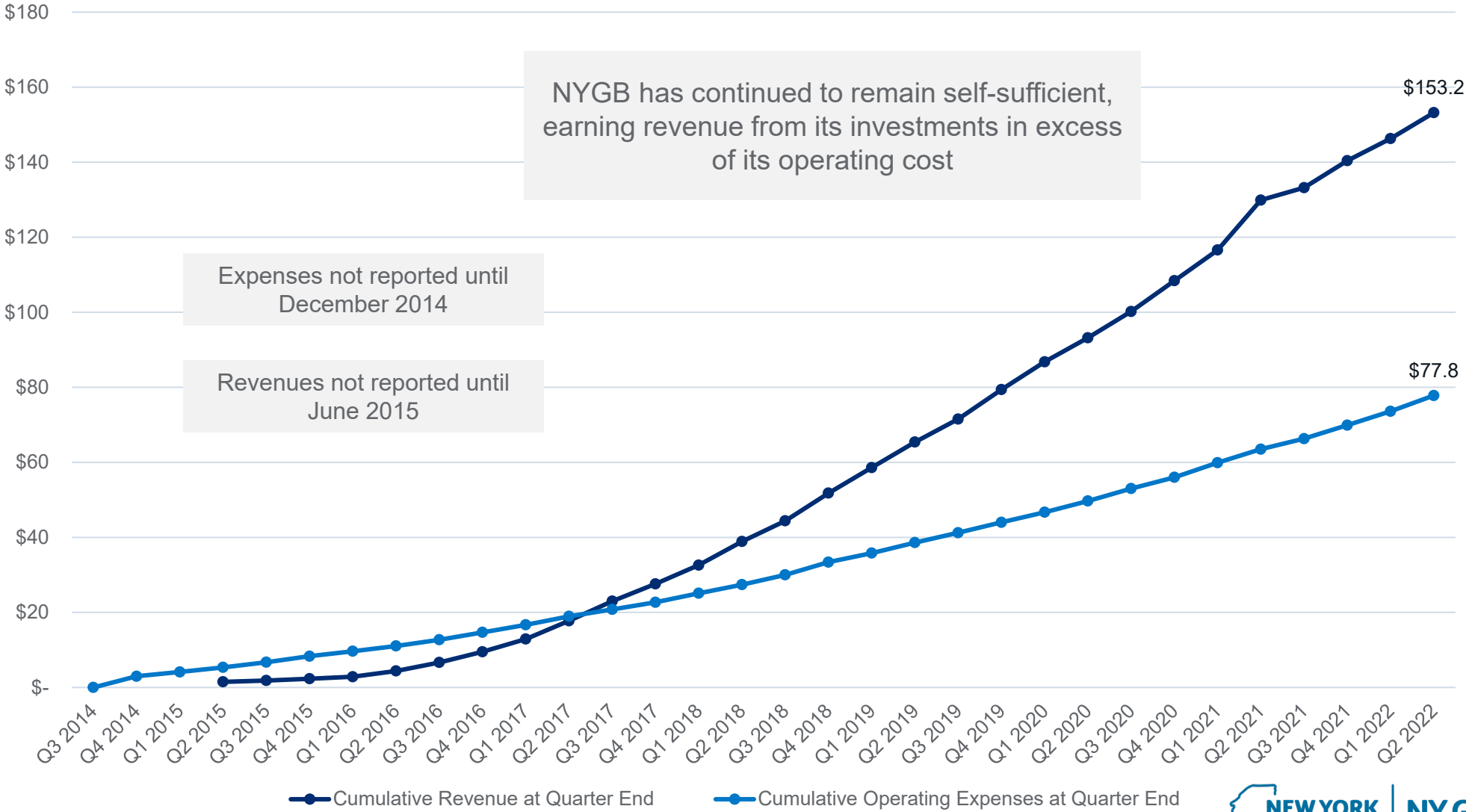
ESTIMATED GROSS LIFETIME GHG EMISSION REDUCTIONS



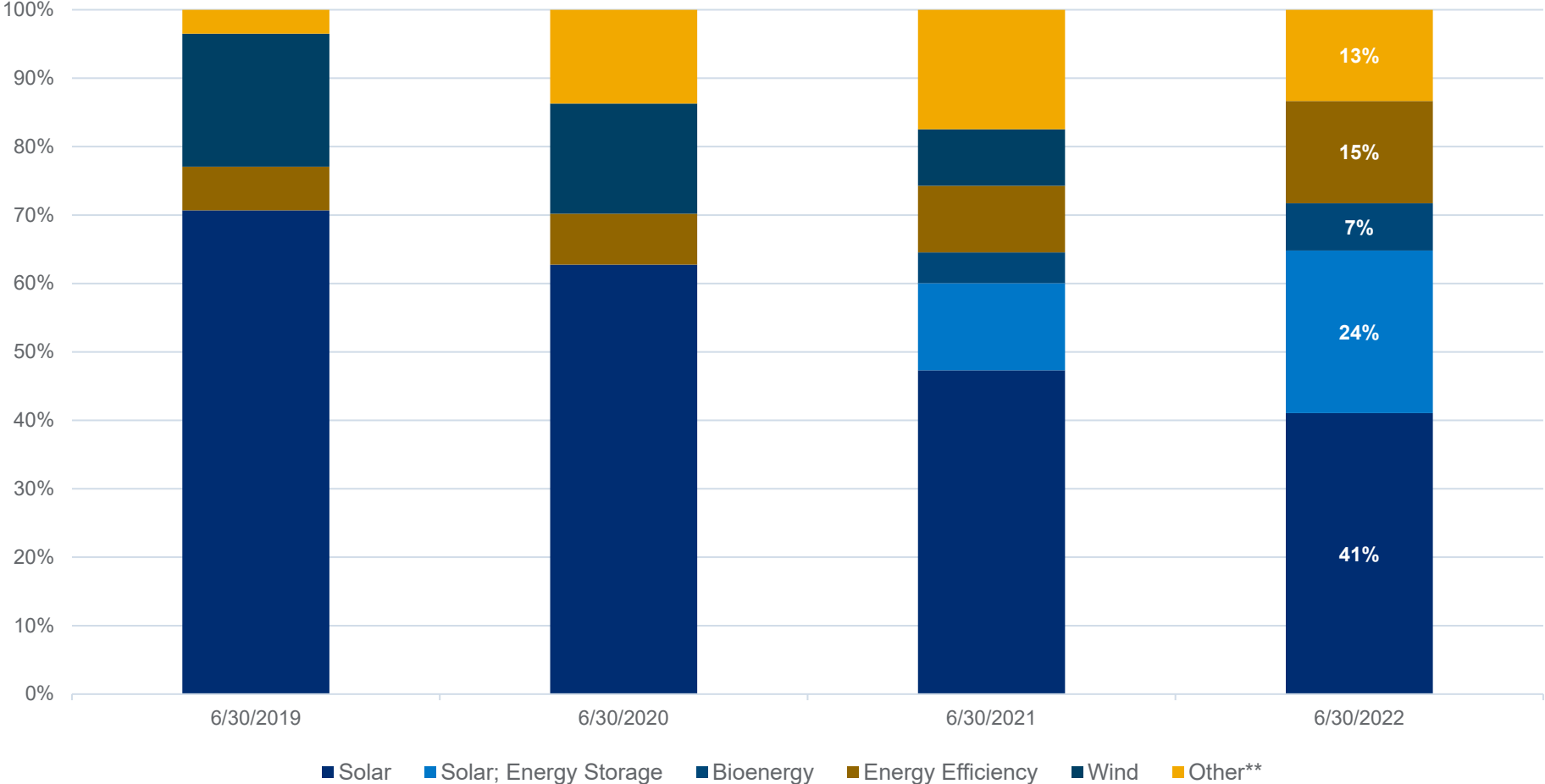
QUARTERLY REVENUES VS. EXPENSES



CUMULATIVE REVENUES VS. EXPENSES



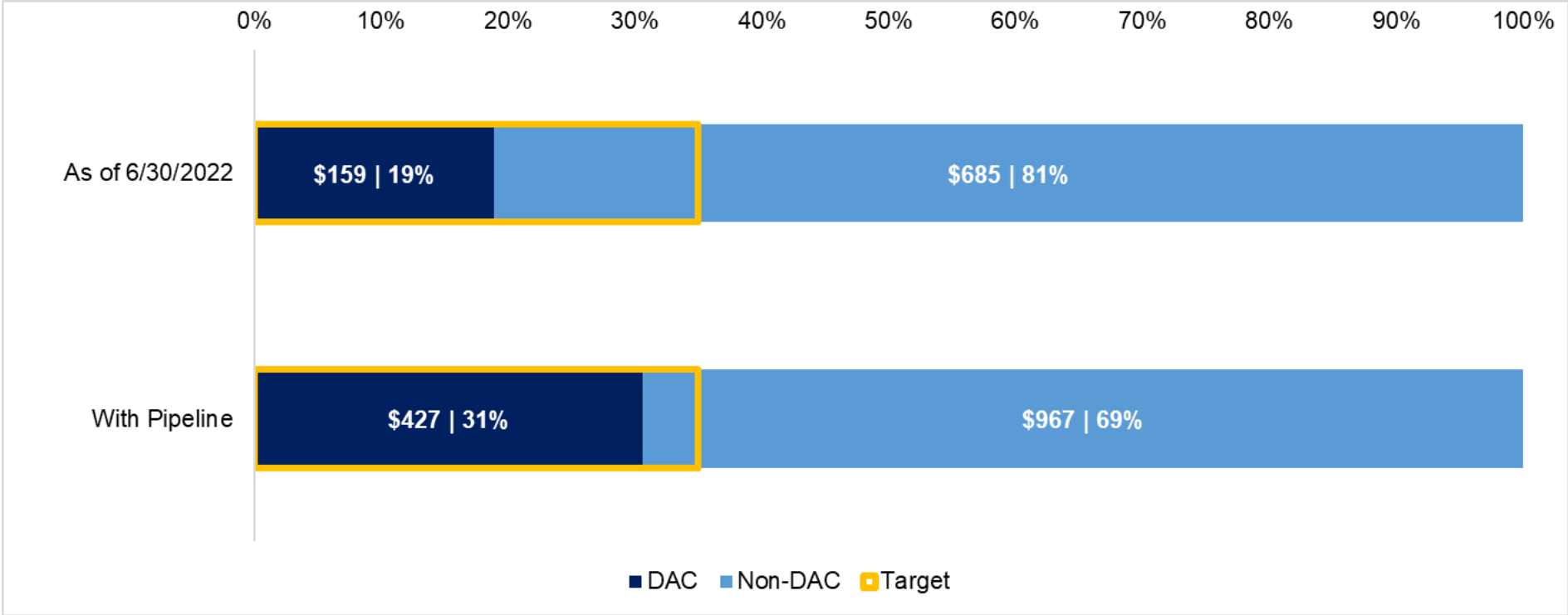
PORTFOLIO CONCENTRATIONS OVER TIME



**Other includes Fuel Cell and Sustainable Agriculture.



PROGRESS TOWARD 35% DISADVANTAGED COMMUNITY COMMITMENT TARGET



WHAT'S COMING NEXT?

WHAT'S COMING NEXT?

BUILDING ENERGYNYC

September 15

- NYGB is leading a panel on financing options for decarbonizing affordable housing

NEW YORK CLIMATE WEEK

September 20-23

- NYGB is participating in events and workshops around NYC with counterparties, green banks, and climate action leaders

GLOBAL CLEAN ENERGY ACTION FORUM (GCEAF) PITTSBURGH, PA

September 23

- NYGB is speaking on an offshore wind forum hosted by the DOE Loan Programs Office

Q3 2022 QUARTERLY METRICS REPORT FILING

November 2022

- With webinar to follow

Q&A

STAY CONNECTED

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APPENDIX

PROGRESS ON FY 2022 DELIVERABLES

OBJECTIVE CATEGORY	DELIVERABLE	PROGRESS AS OF JUNE 30, 2022
IDENTIFY AND CLOSE FUNDING GAPS IN ALIGNMENT WITH STATE POLICIES AND PUBLIC COMMITMENTS		
Financing Solutions to Support Disadvantaged Communities	Develop and launch CDF, a concessionary wholesale funding pathway to support financiers in making sustainable infrastructure and decarbonization investments in DACs	<input checked="" type="checkbox"/> Ongoing and On-track: Identified third-party service providers qualified to conduct a market assessment to identify financing gaps the CDF can fill and ultimately support the design of the CDF. Working through the service provider selection process.
	Simplify existing RFP 18 to reduce the time and cost to affordable housing sponsors seeking NYGB financing	<input checked="" type="checkbox"/> Ongoing and On-track: NYGB is developing a strategy to ensure modifications suggested during NYGB's 2021 stakeholder engagement sessions are appropriately integrated into RFP 18.
	Reduce administrative burden for counterparties from DACs, and those seeking to develop or finance such projects	<input checked="" type="checkbox"/> Ongoing and On-track: NYGB has reviewed the issues identified during its Stakeholder Engagement process, and is developing plans to ensure these specific items are addressed so as to alleviate administrative burdens.
	Engage directly with service providers (e.g., legal, independent engineers, etc.) with market knowledge and experience within DACs	<input checked="" type="checkbox"/> Ongoing and On-track: NYGB's Strategy and Communications has begun evaluating its existing pool of service providers' experience working within DACs.
Targeted Business Development	Update business development outreach strategy and materials to reflect NYGB's latest and most informed approaches to supporting all technology segments, and particularly priority areas of clean transportation, energy storage, building electrification and affordable housing	<input checked="" type="checkbox"/> Ongoing and On-track: NYGB's business development function moved under the investment team to be more integrated with the pipeline and investment decision making. NYGB organized an internal session to identify key events for NYGB to attend to expand outreach to potential counterparties in priority areas.
Enhanced Communications Channels	Implement enhancements to NYGB's web site	<input checked="" type="checkbox"/> Ongoing and On-track: Launched a new landing page on the website to host the Impact Report, making it easier to find and more visible to stakeholders.
	Develop and implement comprehensive marketing and communications plan to stimulate additional awareness and drive transaction volume	<input checked="" type="checkbox"/> Ongoing and On-track: NYGB continues to work with the NYSERDA Communications team to develop an enhanced strategic marketing and communications plan.
	Advance ongoing efforts to engage with, and build on feedback from, key stakeholders to establish trust and identify actionable investment opportunities	<input checked="" type="checkbox"/> Ongoing and On-track: Advanced discussions with multiple stakeholder groups (including other NYS public agencies and NGOs active in NYGB's priority market segments) to better understand where NYGB financing solutions could be additive.
Committed Funds	Deliver at least \$225.0 MM of incremental commitments in the Current Plan Year with a focus on advancing NYGB progress against public commitment goals in clean transportation, energy storage, building electrification and affordable housing	<input checked="" type="checkbox"/> Ongoing and On-track: NYGB committed \$12.5 MM during the quarter and has a strong Active Pipeline of more than \$500 MM.



NEW YORK
STATE OF
OPPORTUNITY.

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PROGRESS ON FY 2022~~22~~3 DELIVERABLES

OBJECTIVE CATEGORY	DELIVERABLE	PROGRESS AS OF JUNE 30, 2022
MOBILIZE CAPITAL: STRENGTHEN NYGB'S CAPITAL POSITION		
Portfolio Monetization	Evaluate and recommend pathways for additional portfolio monetization(s) to enhance and optimize liquidity	<input checked="" type="checkbox"/> Ongoing and On-track: Launched RFP 21 to qualify a pool of potential eligible purchasers for NYGB loans.
Mobilize Capital	Identify opportunities to crowd private sector capital providers into NYGB-led transactions and/or opportunities for NYGB to invest alongside private sector-led transactions in priority market segments	<input checked="" type="checkbox"/> Ongoing and On-track: Regularly engaged with private sector investors to identify opportunities for them to participate alongside NYGB in various financing transactions.
CONTINUOUSLY IMPROVE AND ENHANCE NYGB OPERATIONS AND PORTFOLIO MANAGEMENT		
Risk and Impact Monitoring and Reporting	Enhance NYGB's risk evaluation processes by incorporating expanded ESG and resiliency considerations into NYGB's underwriting and portfolio management processes	<input checked="" type="checkbox"/> Ongoing and On-track: Actively speaking with climate risk and resiliency experts and data providers to understand the scope of this work for NYGB's portfolio and pipeline. Participating in a NYSERDA resiliency focus group.
	Update Metrics Plan to reflect management and disclosure of DAC progress	<input checked="" type="checkbox"/> Ongoing and On-track: NYGB continues to monitor the criteria being developed by the Climate Justice Working Group to ensure NYGB accurately presents the benefits that its investments provide to frontline and otherwise underserved communities.
Operational Excellence	Issue RFP for third-party fund administration	<input checked="" type="checkbox"/> Achieved for the Plan Year: RFP was issued and a third-party fund administrator was selected by a scoring committee.
	Manage smooth transition of Active Pipeline and Current Portfolio from LIBOR to SOFR reference rate	<input checked="" type="checkbox"/> Ongoing and On-track: NYGB hosted an internal teach-in to enhance the team's understanding of the transition to SOFR. Legal is working to ensure all legal documents reflect NYGB's approach to transition from LIBOR to SOFR.
	Identify and implement process improvements to enhanced efficiency and productivity	<input checked="" type="checkbox"/> Ongoing and On-track: Implemented new technology tool to automate aspects of contract management, streamlining process for the finance and investment teams.



QUARTERLY METRICS

Quarterly Metric	Quarter Ended March 31, 2022	Quarter Ended June 30, 2022
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	\$146.3 million	\$153.2 million
Cumulative Operating Expenses (\$)¹²	\$73.6 million	\$77.8 million
Direct Operating Expenses (\$)	\$46.4 million	\$48.9 million
Allocated Expenses (\$)	\$27.3 million	\$28.9 million
Investment Portfolio		
Undrawn Committed Funds (\$)	\$258.8 million	\$165.6 million
Deployed Funds (\$)¹³	\$477.4 million	\$527.4 million
Current Portfolio (\$)¹⁴	\$736.3 million	\$693.1 million

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 \$793,620 in evaluation expenses.

¹³ Deployed Funds 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.

QUARTERLY METRICS

Quarterly Metric	Quarter Ended March 31, 2022	Quarter Ended June 30, 2022
Investment Pipeline		
Active Pipeline (In the Quarter) (\$)	\$426.3 million	\$525.8 million
Investment Process		
Proposals and Approvals		
Proposals Received – Value (Cumulative) (\$)	\$5.7 billion	\$5.8 billion
Approvals - Scoring Committee (Cumulative) (\$)	\$5.2 billion	\$5.2 billion
Approvals - Greenlight Committee (Cumulative) (\$)	\$2.5 billion	\$2.6 billion
Approvals - IRC (Cumulative) (\$)	\$1.7 billion	\$1.8 billion
Investment Characteristics		
Overall Investments to Date (\$)	\$1.7 billion	\$1.7 billion
Total Project Costs (Cumulative) (\$) ¹⁵	In the range of \$3.5 billion to \$4.5 billion	In the range of \$3.5 billion to \$4.5 billion
Mobilization Ratio	Tracking at least 3.5:1 on average across portfolio	Tracking at least 3.5:1 on average across portfolio
Portfolio Concentrations (%) ¹⁸		See Figure 11
Number & Type of NYGB Investments		See Table 3
Number & General Type of NYGB Counterparties ¹⁷	77 – Financial Services, Industry or Other	77 – Financial Services, Industry or Other
Public Commitments (Cumulative Since January 1, 2020)		
Percentage of Commitments Benefitting Disadvantaged Communities (%) ¹⁸	19%	19%
\$200 million toward energy storage-related investments (%)	24%	24%
\$150 million for clean energy improvements in affordable housing properties (%)	9%	12%
\$100 million in financing to help clean transportation businesses locate or expand in New York (%)	0%	0%
Up to \$100 million in support of port infrastructure projects (%)	0%	0%

See "Portfolio Concentrations Over Time" slide

Technology	Count	Percentage
Bioenergy	2	2%
Energy Efficiency	19	18%
Multiple Technologies	9	8%
Other**	12	11%
Solar	59	55%
Sustainable Transportation	2	2%
Wind	5	5%

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.

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.

QUARTERLY METRICS

Quarterly Metric	Quarter Ended March 31, 2022	Quarter Ended June 30, 2022
Direct Impact Benefits²⁰		
Lifetime		
Total Energy Savings (MMBtu equivalent)	Up to 33,148,000 MMBtu	Up to 33,361,000 MMBtu
Electricity Savings (MWh)	2,093,000 - 2,296,000 MWh	2,093,000 - 2,296,000 MWh
Natural Gas Fuel Savings (MMBtu)	30.2 - 45.2 million MMBtu	30.4 - 45.4 million MMBtu
Other Fuel Savings (MMBtu)	0 MMBtu	0 MMBtu
Distributed Solar Capacity (Renewable MW)	1,063 - 1,399 MW	1,064 - 1,400 MW
Annual		
Total Energy Savings (MMBtu equivalent)	Up to 1,413,000 MMBtu	Up to 1,432,000 MMBtu
Electricity Savings (MWh)	188,000 - 204,000 MWh	188,000 - 204,000 MWh
Natural Gas Fuel Savings (MMBtu)	1,858,000 - 2,715,000 MMBtu	1,878,000 - 2,734,000 MMBtu
Other Fuel Savings (MMBtu)	0 MMBtu	0 MMBtu

²⁰ For Committed and Deployed Funds.



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QUARTERLY METRICS

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})	18.8 - 26.1 million metric tons	18.8 - 26.1 million metric tons
Indirect (metric tons CO _{2e})	2.2 - 4.5 million metric tons	2.2 - 4.5 million metric tons

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.

