

NY Green Bank

Quarterly Metrics Report No.33 (September 30, 2022)

Webinar | December 6, 2022



NEW YORK
STATE OF
OPPORTUNITY.

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 September 30, 2022

\$1.8 BILLION

CUMULATIVE
COMMITMENTS

**\$30.6
MILLION**

Funding Committed
(Fiscal YTD)

**\$163.9
MILLION**

Cumulative Revenues

**UP TO \$4.5
BILLION**

Total Capital Mobilized

111

TRANSACTIONS
ACROSS

8

TECHNOLOGY
SEGMENTS

ELECTRICITY SAVINGS

2.3 MILLION MWh

FUEL SAVINGS

45.5 MILLION MMBtu

CO₂e AVOIDED

**UP TO 30.6 MILLION
METRIC TONS**

EQUIVALENT TO REMOVING

UP TO 320,579 CARS
from the road for 24 years

ANNUAL INVESTMENT TARGET - \$225.0 MILLION

PROGRESS TOWARDS TARGET

\$30.6 MILLION

OVERALL INVESTMENT TARGET - \$1,966.6 MILLION

PROGRESS TOWARDS TARGET

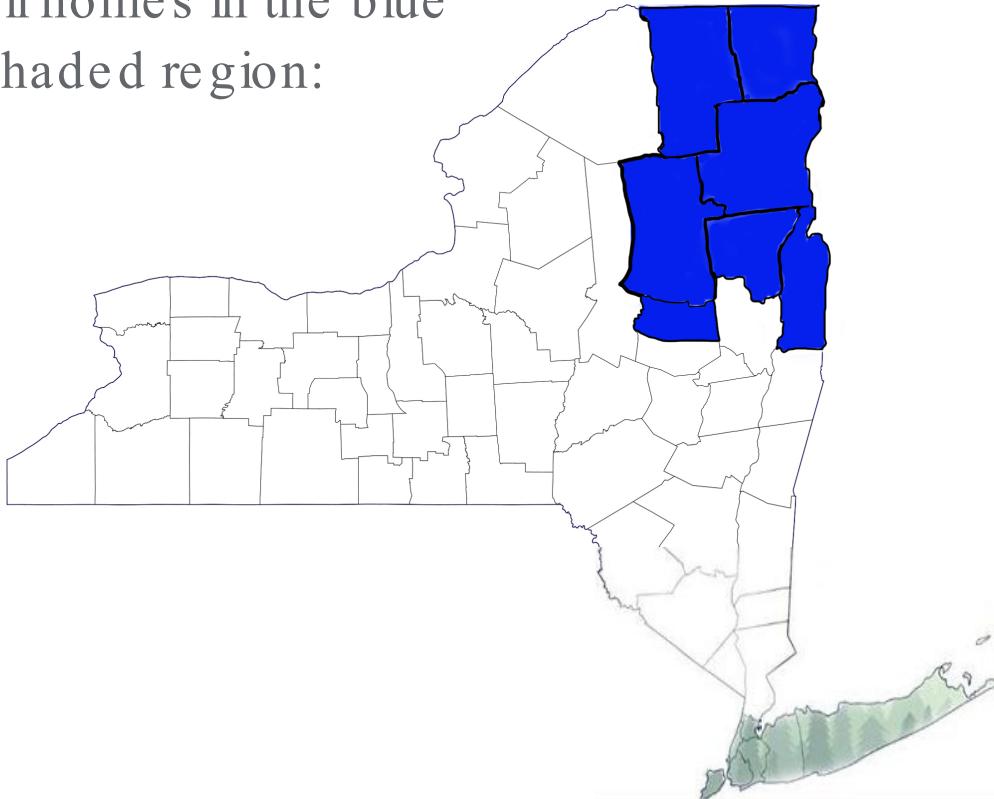
\$1,772.2 MILLION

ANNUAL EMISSIONS REDUCTION EQUIVALENT TO...



186,000

Households' energy use, or all homes in the blue shaded region:



72,900



Garbage trucks of waste recycled instead of landfilled

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

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



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Q3 2022 TRANSACTIONS

ALBANY HYATT

Transaction highlight of the quarter

CGE UPSIZE

NYGB increased its existing construction-to-term facility. NYGB's upsized facility will be used to secure long-term rights to landfill gas at the Chautauqua Landfill and construct improvements to upgrade the gas for transportation and sale as renewable natural gas.

- **Upsize amount:** \$2.6 MM (\$21.0 MM aggregate)
- **Date closed:** August 2022
- **Lifetime metric tons CO₂e reduced:** 539,000
- **Technologies:** Biogas
- **Location:** Upstate
- **End-use segment:** Utility-Scale / Grid Interconnected

RUDARPA UPSIZE

NYGB increased its existing construction-to-term facility. NYGB's upsized facility will support the first LFG-to-RNG project in Rudarpa's portfolio of projects to be built in upstate NY.

- **Upsize amount:** \$3.5 MM (\$33.0 MM aggregate)
- **Date closed:** September 2022
- **Lifetime metric tons CO₂e reduced:** 889,000
- **Technologies:** Biogas
- **Location:** Upstate
- **End-use segment:** Utility-Scale / Grid Interconnected



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TRANSACTION PROFILE

HYATT PLACE ALBANY DOWNTOWN

Construction-to-term loan alongside C-PACE to support the construction of an all-electric hotel at a recovered brownfield site in downtown Albany

- Transaction amount: \$12.0 MM
- Date closed: August 2022
- Lifetime metric tons CO₂e reduced: 2,270
- Technologies: Energy efficiency / building decarbonization



“NY Green Bank is a key component of New York’s nation leading climate and clean energy agenda, and we are thrilled to have closed our first GPACE project with them. We are confident there will be many more projects to come with NY Green Bank as we work to achieve our shared mission of mitigating climate change.”

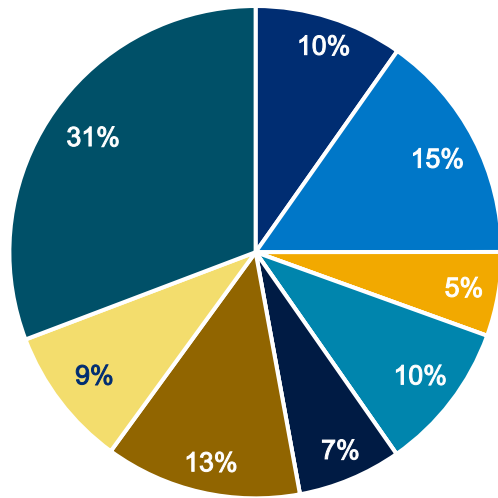
- Jessica Bailey, President and CEO, Nuveen Green Capital (parent organization of C-PACE lender Greenworks)



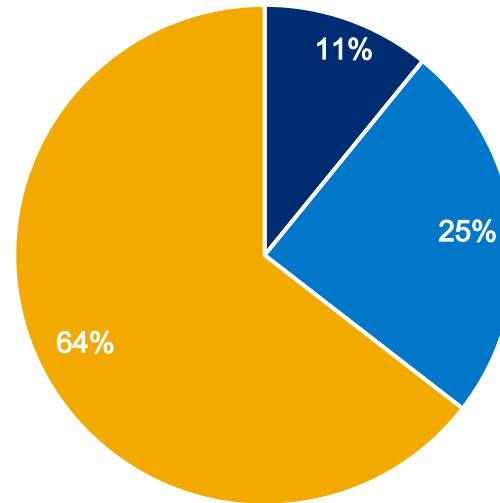
DISTRIBUTION OF ACTIVE Q3 2022 PIPELINE

Total: \$543 million

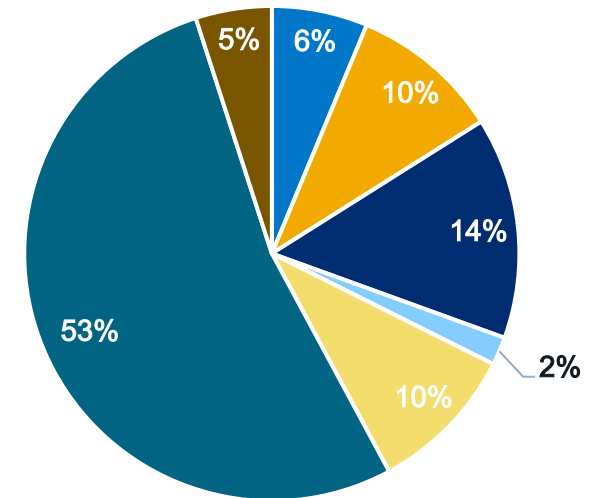
Technology



Geography



End-Use Customer Segment



- Bioenergy
- Energy Efficiency
- Multiple Technologies
- Solar
- Clean Transportation
- Energy Storage
- Solar; Energy Storage
- Port Infrastructure

- Upstate
- Downstate
- Statewide

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



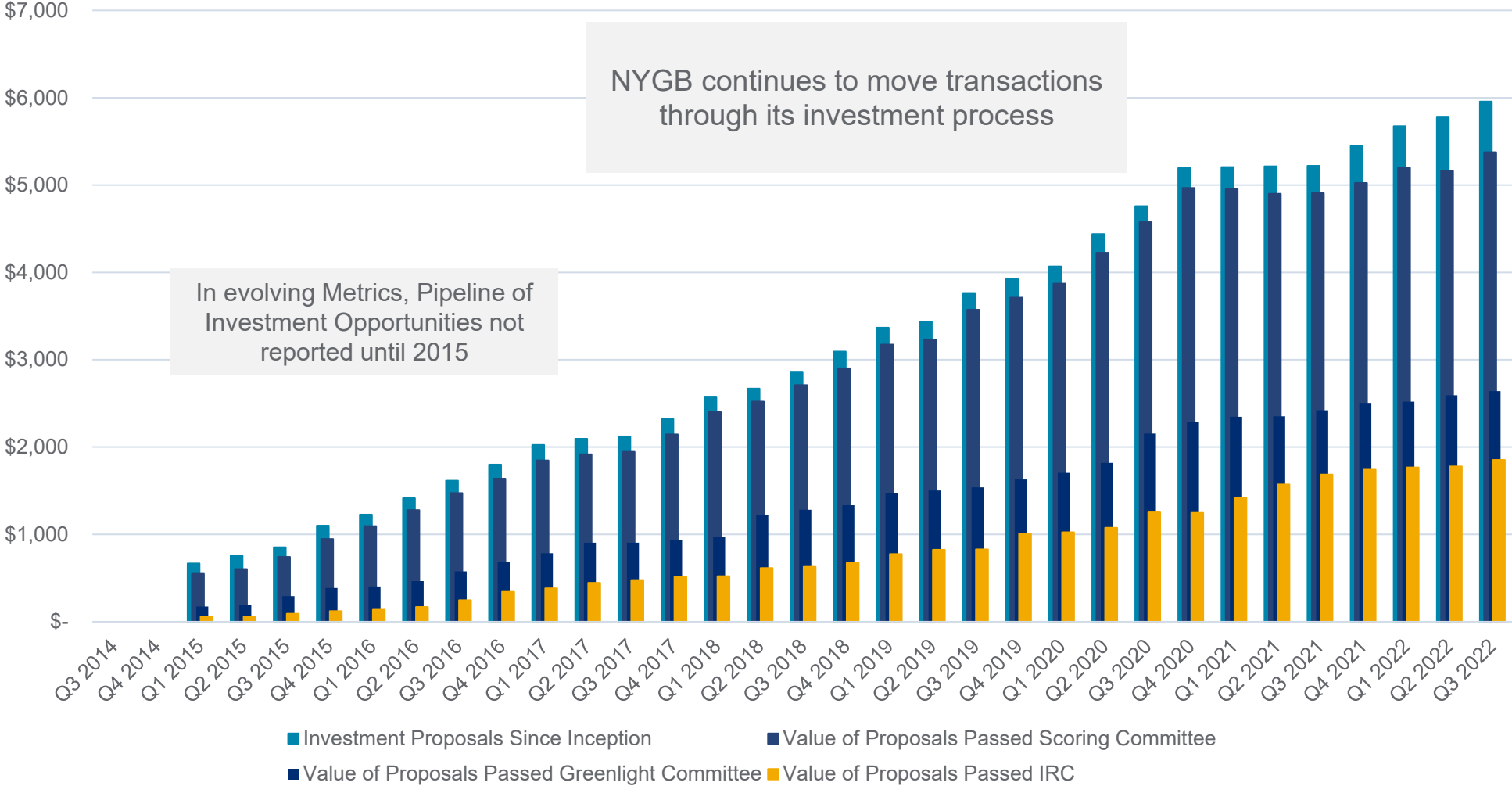
OBJECTIVES, MILESTONES & DELIVERABLES

PROGRESS ON 202223 FY OBJECTIVES

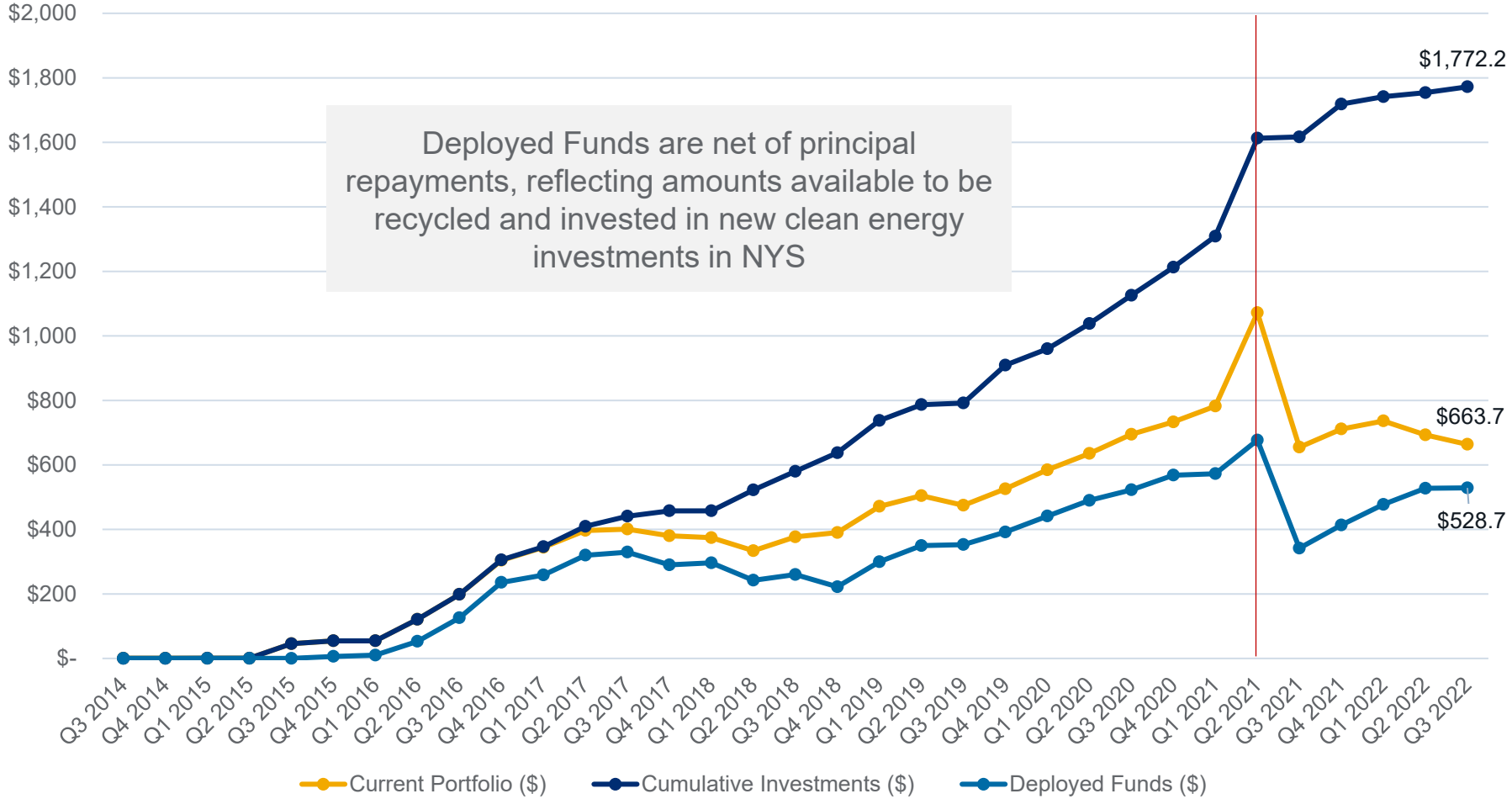
	Objective	Progress
Committed Funds	Deliver at least \$225 MM of incremental commitments	NYGB has committed \$30.6MM since the beginning of the fiscal year and has a strong Active Pipeline of over \$500MM.
Supporting Disadvantaged Communities	Develop and launch CDF, a concessionary wholesale funding pathway to support financiers in making sustainable infrastructure and decarbonization investments in DACs	NYGB onboarded a third-party consultant to conduct a market assessment to identify financing gaps the CDF can fill. This third party will ultimately support the design of the CDF. This engagement began in September 2022.
Portfolio Monetization	Evaluate and recommend pathways for additional portfolio monetization(s) to enhance and optimize liquidity	Under RFP 21, NYGB approved more than ten qualifying parties into the eligible purchaser pool for potential NYGB loan sales.
Operational Excellence	Manage smooth transition of Active Pipeline and Current Portfolio from LIBOR to SOFR reference rate	NYGB managed the transition for its Active Pipeline and several transactions within its Current Portfolio from LIBOR to SOFR. NYGB will continue to manage SOFR transitions for its Current Portfolio as needed

TRENDS

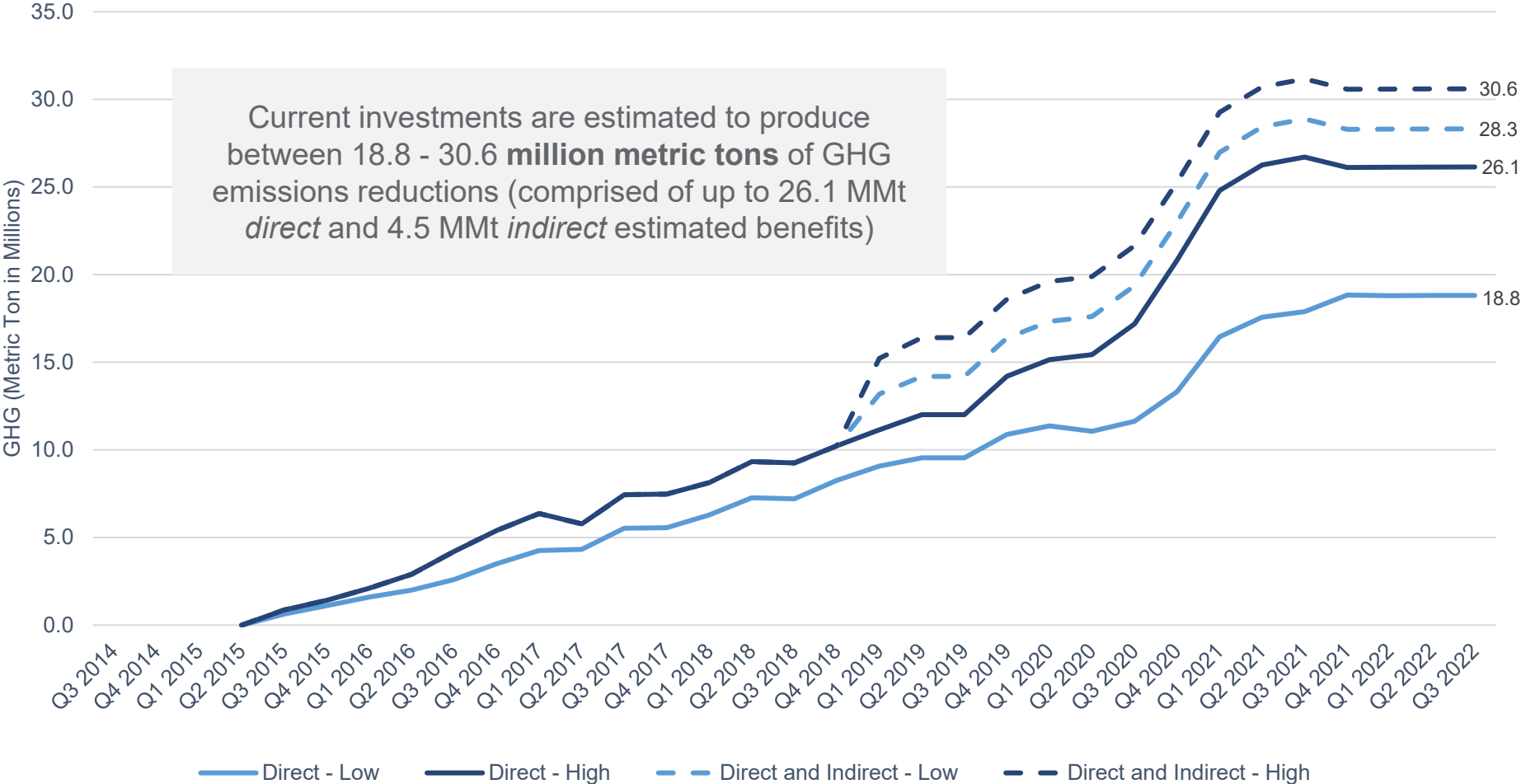
NYGB PIPELINE OF PROPOSALS & APPROVALS



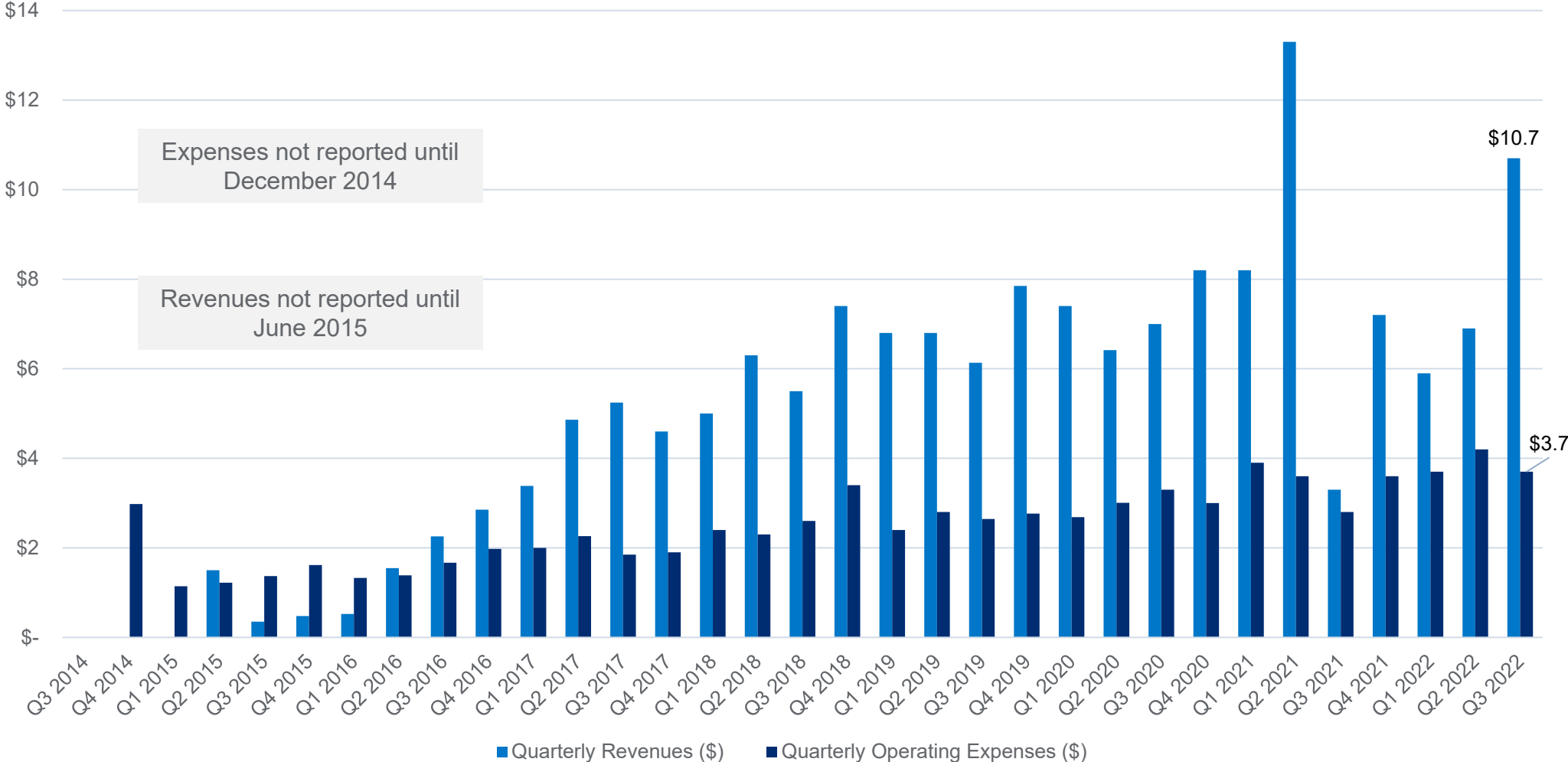
CUMULATIVE INVESTMENTS, CURRENT PORTFOLIO & CURRENT DEPLOYED FUNDS



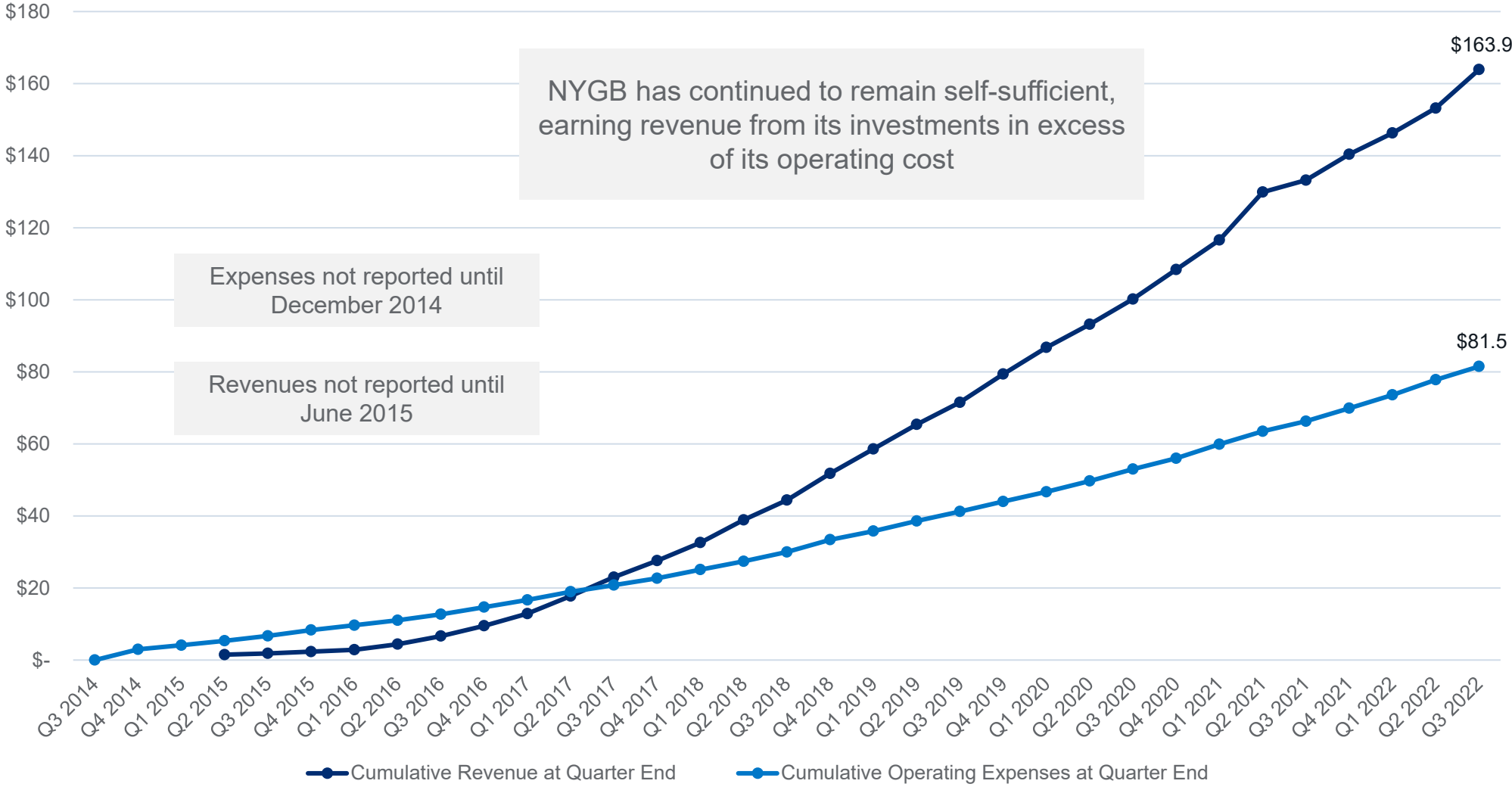
ESTIMATED GROSS LIFETIME GHG EMISSION REDUCTIONS



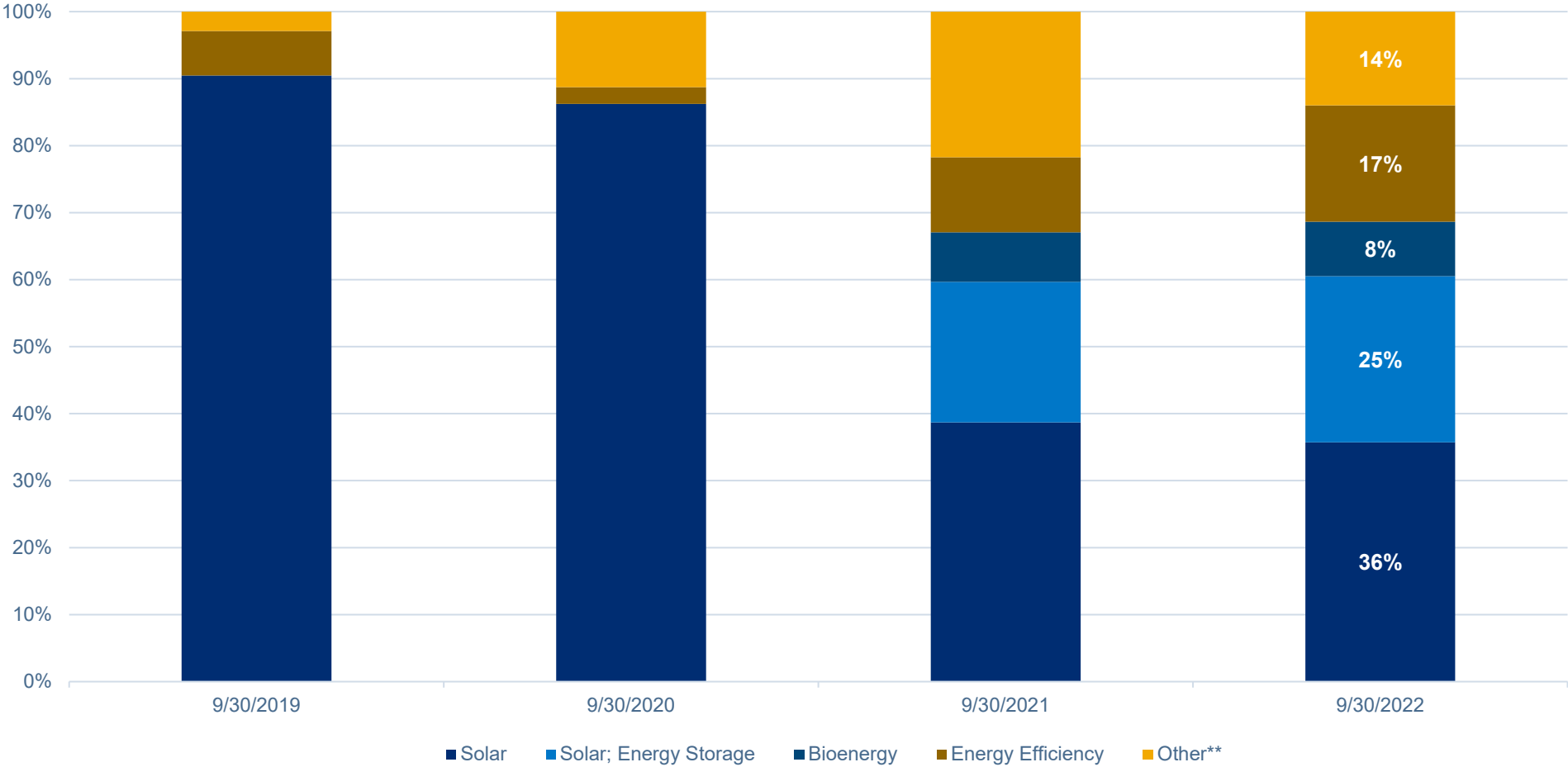
QUARTERLY REVENUES VS. EXPENSES



CUMULATIVE REVENUES VS. EXPENSES



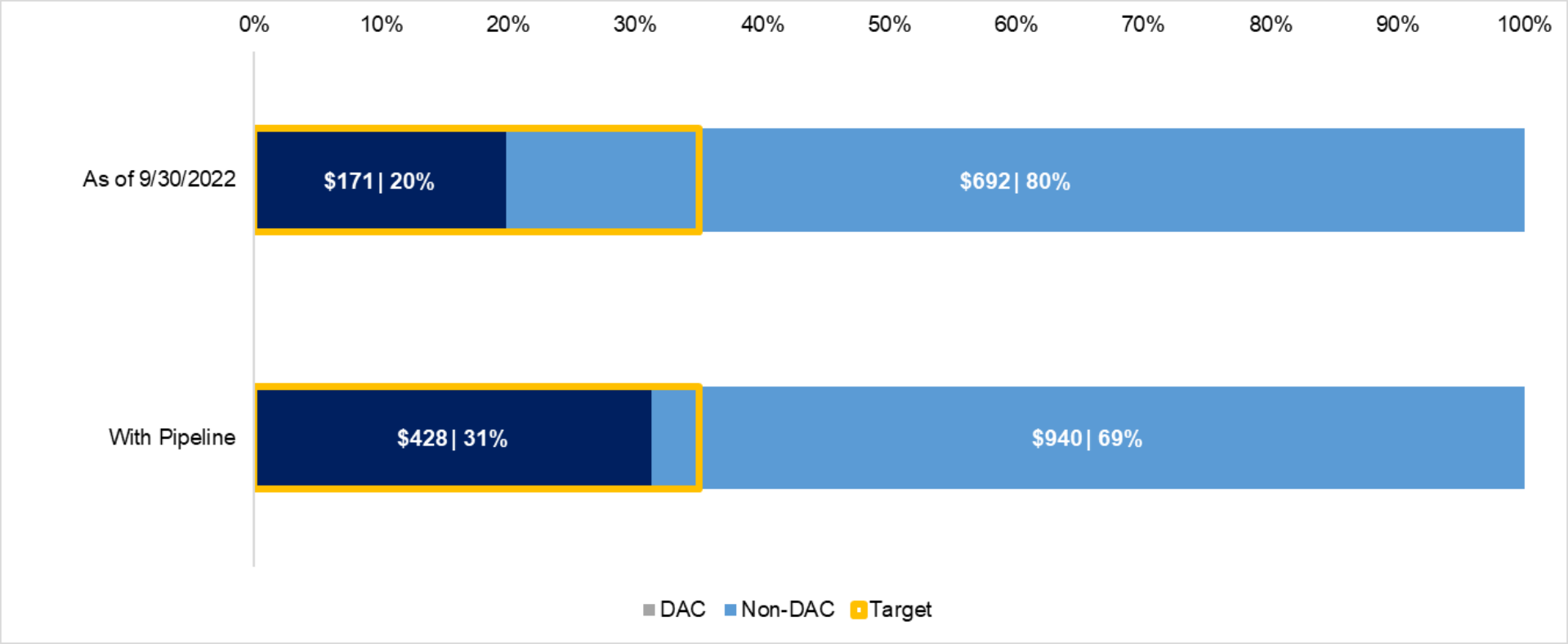
PORTFOLIO CONCENTRATIONS OVER TIME



**Other includes Fuel Cell and Sustainable Agriculture.



PROGRESS TOWARD 35% DISADVANTAGED COMMUNITY COMMITMENT TARGET



WHAT'S COMING NEXT?

WHAT'S COMING NEXT?

REAL ESTATE GLOBAL FORUM

December 7th

- NYGB President Andrew Kessler will be speaking on the panel “Outlook for Real Assets, Energy, and Infrastructure”

NYSEIA NEW YORK SOLAR SUMMIT

December 13th

- Head of investment Greg Randolph will be speaking on a panel about solar financing headwinds and tailwinds

NYGB SUMMER 2023 INTERNSHIP APPLICATIONS

Open until December 31st

Q4 2022 QUARTERLY METRICS REPORT FILING

February 2023

- With webinar to follow

Q&A

STAY CONNECTED

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APPENDIX

PROGRESS ON FY 2022~~2~~3 DELIVERABLES

OBJECTIVE CATEGORY	DELIVERABLE	PROGRESS
IDENTIFY AND CLOSE FUNDING GAPS IN ALIGNMENT WITH STATE POLICIES AND PUBLIC COMMITMENTS		
Financing Solutions to Support Disadvantaged Communities	Develop and launch the Community Decarbonization Fund ("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: NYGB onboarded a third-party consultant to conduct a market assessment to identify financing gaps the CDF can fill. This third-party will ultimately support the design of the CDF. This engagement began in September 2022.
	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 has reviewed RFP 18 and responses received to date to identify opportunities to streamline. NYGB is working to develop and publish a template response to reduce the time it takes to fill out a proposal.
	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 is working toward addressing specific administrative items identified during its Stakeholder Engagement process.
	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 is working to develop a database of service providers with market knowledge and experience working within disadvantaged communities to understand where costs or administrative tasks may be reduced or streamlined to support a less cumbersome and expensive underwriting process.
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 continues its integration within the investment team. Ongoing outreach efforts across technology segments are resulting in a strong Active Pipeline.
Enhanced Communications Channels	Implement enhancements to NYGB's web site	<input checked="" type="checkbox"/> Ongoing and On-track: NYGB kicked off website redesign and broad scope of work with web team. Routine updates and improvements were made to team page and transaction profiles.
	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 onboarded a third-party marketing agency to develop a comprehensive marketing and communications plan for NYGB. This engagement kicked off in September 2022.
	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: NYGB team led a series of stakeholder engagement discussions with environmental justice groups across New York State to update them on NYGB's activity in lending to disadvantaged communities and gather feedback on NYGB's financing solutions to support disadvantaged communities.
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 \$18.1MM during the quarter, for a total of \$30.6MM year-to-date. Even though commitments during the first half of the fiscal year were low, NYGB is managing a strong active pipeline and expects to reach its \$225MM annual goal.



PROGRESS ON FY 2022~~2~~3 DELIVERABLES

OBJECTIVE CATEGORY	DELIVERABLE	PROGRESS
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"/> Achieved for the Plan Year: Under RFP 21, NYGB approved more than ten qualifying parties into the eligible purchaser pool for potential NYGB loan sales.
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: During the quarter, NYGB closed its second loan alongside PACE financing. Projects receiving PACE financing frequently struggle to secure a mortgage lender to provide the remainder of the capital stack. By being willing to step into this role, NYGB demonstrates to conventional mortgage lenders the viability of the financing structure.
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: NYGB developed a detailed scope of work and RFP development is underway to identify a third-party to assess NYGB's portfolio from a climate risk perspective.
	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"/> Achieved for the Plan Year: NYGB managed the transition for its Active Pipeline and several transactions within its Current Portfolio from LIBOR to SOFR. NYGB will continue to manage SOFR transitions for its Current Portfolio as needed.
	Identify and implement process improvements to enhanced efficiency and productivity	<input checked="" type="checkbox"/> Ongoing and On-track: NYGB reorganized its Strategy, Impact, and Investor Relations ("SIIR") team into three separate groups during the quarter to streamline deliverables and allow for deeper focus on priority areas.



QUARTERLY METRICS

Quarterly Metric	Quarter Ended June 30, 2022	Quarter Ended September 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	\$153.2 million	\$163.9 million
Cumulative Operating Expenses (\$) ¹²	\$77.8 million	\$81.5 million
Direct Operating Expenses (\$)	\$48.9 million	\$51.4 million
Allocated Expenses (\$)	\$28.9 million	\$30.1 million
Investment Portfolio		
Undrawn Committed Funds (\$)	\$165.6 million	\$135.0 million
Deployed Funds (\$) ¹³	\$527.4 million	\$528.7 million
Current Portfolio (\$) ¹⁴	\$693.1 million	\$663.7 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 \$809,294 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 June 30, 2022	Quarter Ended September 30, 2022
Investment Pipeline		
Active Pipeline (In the Quarter) (\$)	\$525.8 million	\$542.7 million
Investment Process		
Proposals and Approvals		
Proposals Received – Value (Cumulative) (\$)	\$5.8 billion	\$5.9 billion
Approvals - Scoring Committee (Cumulative) (\$)	\$5.2 billion	\$5.4 billion
Approvals - Greenlight Committee (Cumulative) (\$)	\$2.6 billion	\$2.6 billion
Approvals - IRC (Cumulative) (\$)	\$1.8 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 (%) 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	77 – Financial Services, Industry or Other	78 – Financial Services, Industry or Other
Public Commitments		
Percentage of Commitments Benefitting Disadvantaged Communities (%) ¹⁸	19%	20%
\$200 million toward energy storage-related investments (%)	24%	24%
\$150 million for clean energy improvements in affordable housing properties (%)	12%	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	4	4%
Energy Efficiency	20	18%
Multiple Technologies	9	8%
Other**	12	11%
Solar	59	53%
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 June 30, 2022	Quarter Ended September 30, 2022
Direct Impact Benefits ²⁰		
Lifetime		
Total Energy Savings (MMBtu equivalent)	Up to 33,361,000 MMBtu	Up to 33,403,000 MMBtu
Electricity Savings (MWh)	2,093,000 - 2,296,000 MWh	2,093,000 - 2,296,000 MWh
Natural Gas Fuel Savings (MMBtu)	30.4 - 45.4 million MMBtu	30.5 - 45.5 million MMBtu
Other Fuel Savings (MMBtu)	0 MMBtu	0 MMBtu
Distributed Solar Capacity (Renewable MW)	1,064 - 1,400 MW	1,064 - 1,400 MW
Annual		
Total Energy Savings (MMBtu equivalent)	Up to 1,432,000 MMBtu	Up to 1,434,000 MMBtu
Electricity Savings (MWh)	188,000 - 204,000 MWh	188,000 - 204,000 MWh
Natural Gas Fuel Savings (MMBtu)	1,878,000 - 2,734,000 MMBtu	1,879,000 - 2,736,000 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.