



**NY Green Bank**  
A Division of NYSERDA

# NY Green Bank

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Metrics, Reporting & Evaluation  
Quarterly Report No. 35  
(Through March 31, 2023)

Case 13-M-0412

5/31/2023

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**Schedule**

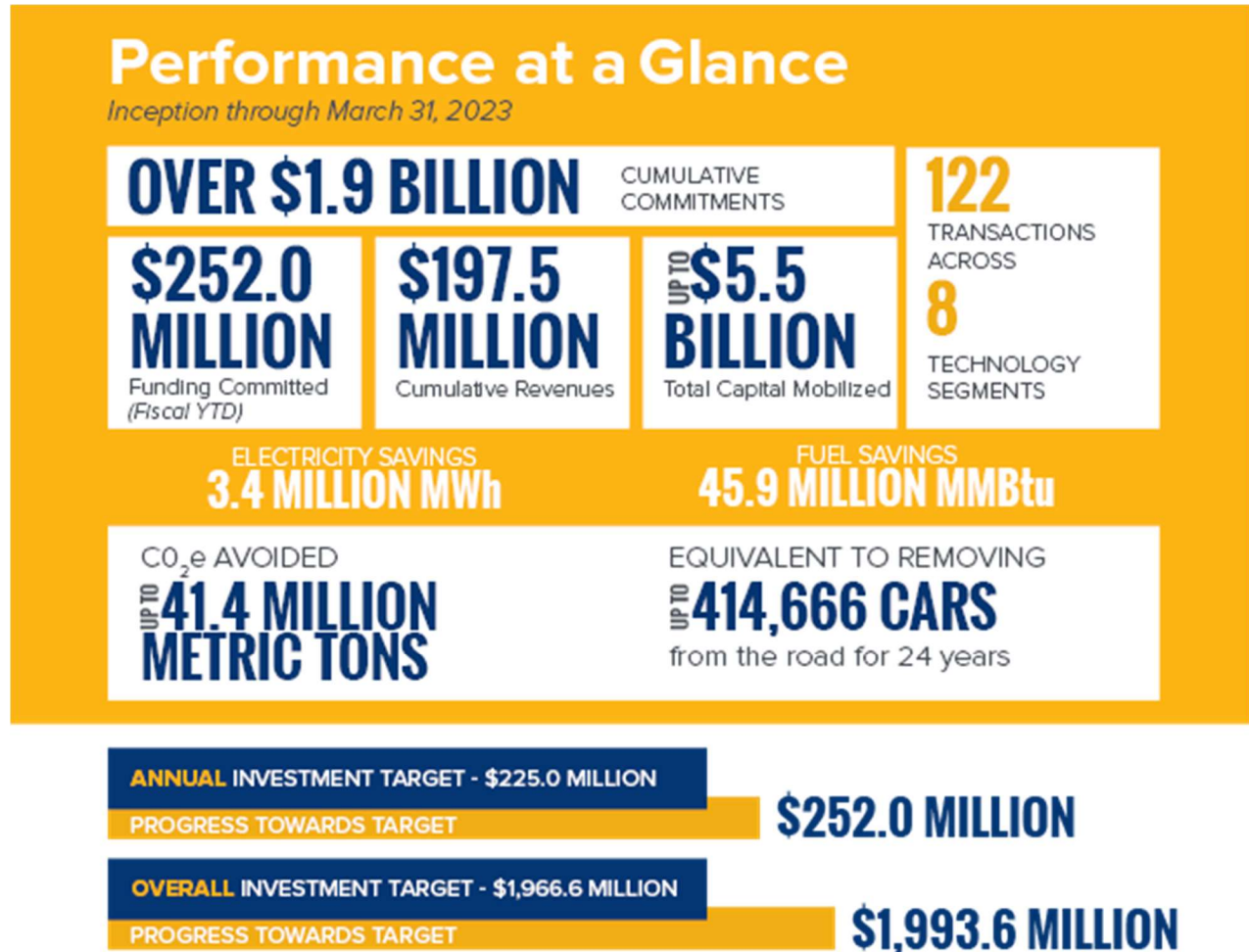
Transaction Profiles:

- Reid & Park Rock (Housing; Energy Efficiency)
- Sealed Upsize (Residential; Energy Efficiency)

## 1 Highlights<sup>1</sup>

During the quarter ended March 31, 2023, NY Green Bank (“**NYGB**”) committed \$33.0 million across two investments.<sup>2</sup> Since its inception, NYGB has committed more than \$1.9 billion to clean energy and sustainable infrastructure projects in New York State (“**NYS**” or the “**State**”). During the quarter, NYGB generated \$16.8 million in revenue, bringing its cumulative total since inception to \$197.5 million. NYGB’s investments continue to mobilize capital in NYS; at quarter end its portfolio was expected to support up to \$5.5 billion in project costs for clean energy and sustainable infrastructure projects.

Figure 1: Performance at a Glance<sup>3</sup>



<sup>1</sup> This Quarterly Report (“**Report**”) is filed by NYGB with the NYS Public Service Commission (the “**Commission**” or the “**PSC**”) pursuant to the Metrics, Reporting & Evaluation Plan developed in consultation with the Department of Public Service (“**DPS**”) and filed with the Commission (the “**Metrics Plan**”). Defined terms used in the text of this Report but not separately described have the meanings respectively given to them in the Metrics Plan.

<sup>2</sup> The period April 1, 2022 to March 31, 2023 is referred to as the Plan Year or Fiscal Year (“**FY**”) throughout this Report.

<sup>3</sup> Energy and emission values in *Figure 1* are presented as the sum of the lifetime benefits expected to be realized during the operating lives of all the projects supported by NYGB investments.

## 2 Business Update

NYGB’s investment activities fall into two broad categories, which include:

- (a) Transactions that have closed, which collectively comprise NYGB’s Investment Portfolio, discussed in [Section 2.1](#); and
- (b) Transactions that are in process but not yet closed, which collectively comprise NYGB’s Active Pipeline, discussed in [Section 2.2](#).

### 2.1 Investment Portfolio Activity<sup>4</sup>

NYGB’s Investment Portfolio was \$857.5 million at quarter end. NYGB continued to provide flexible capital to active project developers, owners, service providers and manufacturers of NYS clean energy and sustainable infrastructure projects. [Table 1](#) summarizes investment activity during the quarter ended March 31, 2023. Transaction Profiles for the investments described in this [Section 2.1](#) are also included in the Schedule – Transaction Profiles to this Report. Additionally, NYGB’s Transaction Profiles are publicly available at [www.greenbank.ny.gov/Investments/Portfolio](http://www.greenbank.ny.gov/Investments/Portfolio).

*Table 1: New Investments*

New Transactions	Description	NYGB Commitment	Closing Date
Reid & Park Rock	NYGB committed \$23MM to finance predevelopment expenses to support the rehabilitation of approximately 1,700 affordable housing units in Brooklyn as part of the New York City Housing Authority’s Permanent Affordability Commitment Together program.	\$23.0 million	1/27/2023
Sealed Upsize	NYGB increased its existing senior-secured revolving credit facility with Sealed Inc, an energy service provider, by \$10MM. This transaction will enable Sealed to expand its current operations and complete additional energy-saving improvements in homes in NYS.	\$10.0 million	2/9/2023
<b>Total</b>		<b>\$33.0 million</b>	

### 2.2 Pipeline Activity

Each proposed NYGB investment is categorized by the stage it has reached in NYGB’s internal credit underwriting and transaction execution processes. [Figure 2](#) summarizes NYGB’s overall transaction status and Active Pipeline from inception through March 31, 2023.<sup>5</sup> At quarter end NYGB was managing an Active Pipeline of \$405.3 million.

*Figure 2: Cumulative Pipeline Activity*



<sup>4</sup> Investment Portfolio, means, at any time, collectively, the investment transactions that NYGB has executed with its counterparties that have not yet matured or otherwise expired in accordance with their respective terms.

<sup>5</sup> “IRC” takes the meaning Investment and Risk Committee.

Figure 3: Distribution of Active Pipeline by Investment Stage



Figure 4: End-Use Segment Distribution of Active Pipeline (\$405.3 million)

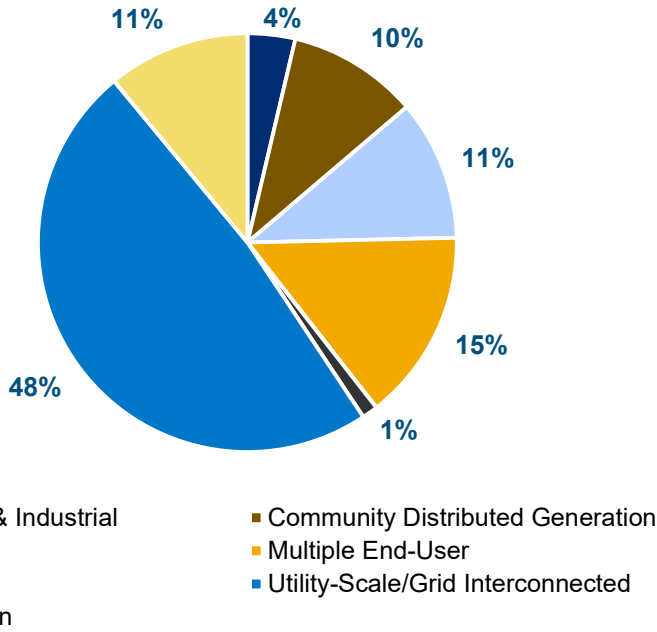


Figure 5: Geographic Distribution of Active Pipeline (\$405.3 million)

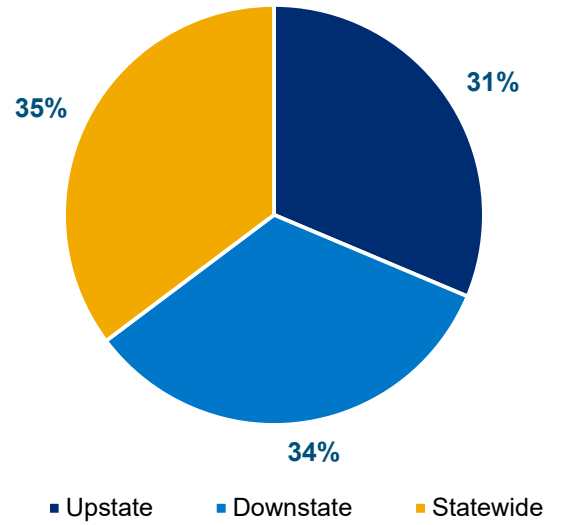
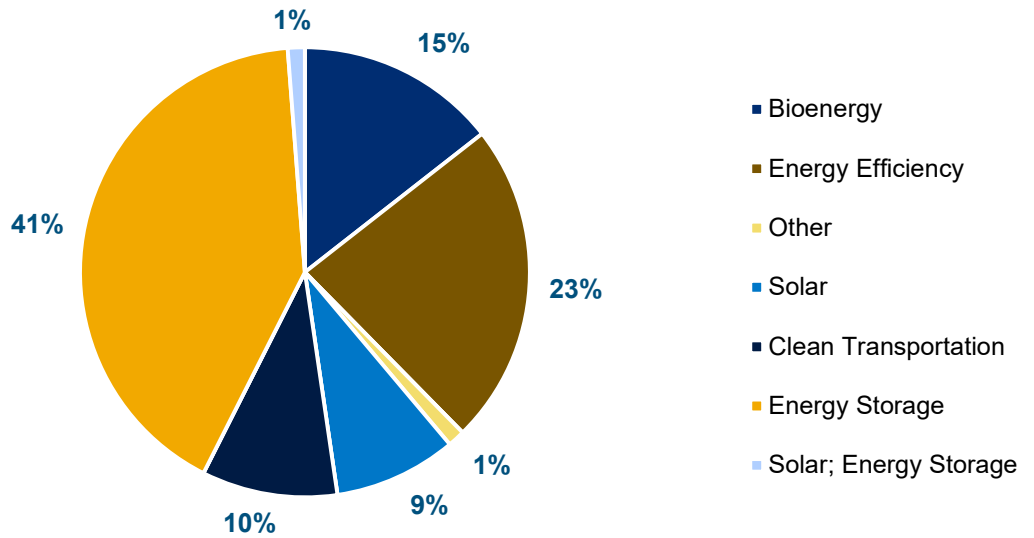


Figure 6: Technology Distribution of Active Pipeline (\$405.3 million)



## 2.3 Additional Achievements and Activities

In the quarter ended March 31, 2023, in addition to those matters referenced elsewhere in this report and ongoing “business as usual” activities (e.g., origination, execution and routine outreach), NYGB’s achievements include:

(a) Continuing Stakeholder Outreach and Communications:

NYGB hosted and participated in a variety of events this quarter, including:

- i. On January 26, 2023, NYGB presented in a webinar about clean energy project funding hosted by the Ulster County Green Economy Network.
- ii. On March 8, 2023, NYGB participated in a panel about affordable housing decarbonization at the NY Build Expo in New York City.
- iii. On March 13, 2023, NYGB attended the EV Battery Recycling & Reuse conference in Detroit, MI.
- iv. On March 20, 2023, NYGB gave a presentation about solar interconnection and tax equity bridge financing at the SEIA Finance, Tax, & Buyers Seminar in New York City.
- v. On March 22, 2023, NYGB spoke at the Companies for Net Zero Decarbonization Summit 2023 in New York City.
- vi. On March 27, 2023, NYGB presented about green community lending at a NYS CDFI Coalition summit in Albany, NY.
- vii. On March 28, 2023, NYGB attended the International Partnering Forum hosted by the Business Network for Offshore Wind in Baltimore, MD.

(b) Public Reporting and Metrics:

All NYGB Reporting and metrics are available at [www.greenbank.ny.gov/Resources/Public-Filings](http://www.greenbank.ny.gov/Resources/Public-Filings).

- i. Q4 Quarterly Report: On February 28, 2023, NYGB filed its Quarterly Report for the period ended December 31, 2022.
- ii. Q1 Quarterly Webinar: NYGB will host its regular Quarterly Review Webinar for this Report in June 2023, including discussion of activities during the quarter ended March 31, 2023.

## 3 Regulatory Framework

### 3.1 Purpose

As a steward of considerable public capital, NYGB periodically reports its progress and performance to allow all stakeholders, including the Commission and the public, to assess NYGB’s achievement of its overall mission.

### 3.2 NYGB Mission and Operating Principles

NYGB’s mission is to work in collaboration with the private sector to transform financing markets in ways that accelerate clean energy investments to combat climate change and deliver benefits equitably to all.

The key elements of NYGB’s mission are to collaborate with private participants and implement solutions that overcome market barriers with the goal to attract private sector investment in clean energy by enabling greater scale, new and expanded asset classes, and increased liquidity.

NYGB follows certain important operating principles to increase private sector market participation:

- (a) Focusing on wholesale capital markets (that is, providing structured financial products to developers and specific projects that result in clean energy benefits for all New Yorkers at scale – rather than funding consumers/homeowners directly);
- (b) Structuring financial products to foster replicable and scalable sustainable infrastructure investments;
- (c) Pricing financial products consistently with commercial approaches to credit quality and risk;
- (d) Collaborating with, rather than competing against, market participants that can engage, or are already engaging, the financial markets, but where that engagement or progress is constrained by a lack of available financing; and
- (e) Recycling its capital into new sustainable infrastructure investments, thereby maximizing the impact of its capital through multiple deployments.

### 3.3 Relationship to NYS Clean Energy Policy

NYGB contributes to the primary Clean Energy Fund (“**CEF**”) objectives of GHG emissions reductions, customer bill savings, energy efficiency, clean energy generation and mobilization of private sector capital.<sup>6</sup> In turn, the CEF objectives support the State’s clean energy targets, including under the Green New Deal, which mandates a significant increase in the State’s Clean Energy Standard (“**CES**”) with a goal of 70% energy generation from renewable sources by 2030 and 100% carbon-free electricity by 2040.<sup>7</sup> The CEF objectives also support the Climate Leadership and Community Protection Act of 2019 (the “**Climate Act**”),<sup>8</sup> which puts NYS on a road to economy-wide carbon neutrality, through a target of reducing GHG emissions from all anthropogenic sources 85% over 1990 levels by the year 2050, a plan to offset remaining emissions, and an interim mandate of 40% GHG emission reductions by 2030.<sup>9</sup> Additionally, the Climate Act required a Climate Action Council be formed and policy roadmap developed to ensure that at least 35%, with a target of 40%, of clean energy program resources benefit disadvantaged communities and individuals working in conventional energy industries are provided with training and opportunities in the growing clean energy economy.

## 4 Tables

### 4.1 Quarterly Metrics<sup>10</sup>

NYGB monitors its counterparties’ clean energy project installations throughout the duration of each investment through the receipt and review of periodic reports and by applying updated impact benefit calculation factors advised by DPS. Based on information received, NYGB regularly assesses the actual

<sup>6</sup> As set out in the CEF Order (Cases 14-M-0094 etc.) issued and effective on January 21, 2016, page 40.

<sup>7</sup> Announced in the 2019 State of the State.

See [www.governor.ny.gov/sites/governor.ny.gov/files/atoms/files/2019StateoftheStateBook.pdf](http://www.governor.ny.gov/sites/governor.ny.gov/files/atoms/files/2019StateoftheStateBook.pdf).

<sup>8</sup> Senate Bill S6599 was signed into law on July 18, 2019. See [legislation.nysenate.gov/pdf/bills/2019/a8429](http://legislation.nysenate.gov/pdf/bills/2019/a8429).

<sup>9</sup> The Climate Act codified and expanded New York’s Green New Deal and other nation-leading clean energy and climate targets for the State, including: (a) 9,000 MW of offshore wind by 2035; (b) 6,000 MW of distributed solar deployment by 2025; (c) 3,000 MW of energy storage deployment by 2030; (d) more than doubling new large-scale land-based wind and solar resources through the CES; (e) maximizing the contributions and potential of New York’s existing renewable resources; (f) expanding and enhancing the Solar For All Program to increase access to affordable and clean energy for low-income, environmental justice and other underserved communities; and (g) initiatives to achieve carbon neutral building stock statewide, including through the energy efficiency target to reduce energy consumption by 185 trillion Btus below forecasted energy use in 2025. In 2022, Governor Hochul doubled the 2030 energy storage target, increasing the deployment total from 3,000 MW to 6,000 MW. Additionally, Governor Hochul increased the distributed solar target by 4,000 MW, moving the target from 6,000 MW to 10,000 MW, while extending the achievement year from 2025 to 2030.

<sup>10</sup> Regular reporting of energy and environmental benefits are inclusive of all transactions that receive NYGB funding, regardless of whether these transactions also receive support from ratepayer or other programs. In terms of assessing the extent of overlap and common benefits, NYSERDA will modify intake information received on incentive programs to determine whether NYGB capital is involved for incentive program customers. Evaluation sampling of NYGB clients will also seek to identify transactions that involve funding from both within and outside of NYGB, including other ratepayer-funded programs to the extent possible. These two sources of information will allow NYSERDA to estimate a reasonable overlap value for energy and environmental benefits so they are not double-counted when NYGB impacts are included in CEF or other NYS clean energy program results.



and expected energy and environmental impact benefits across its portfolio. As new information becomes available informing NYGB of NYS market uptake of clean energy projects, NYGB may correspondingly adjust (up or down) the overall portfolio’s high and low estimated Total Project Costs and energy and environmental metrics (identified at closing of each investment and reflected in Transaction Profiles). Consistently monitoring and refining expected outcomes improves the accuracy of NYGB’s portfolio-level estimate of impact benefits as it works toward meeting the CEF objectives to support the State’s clean energy goals. Given such periodic adjustments, the aggregate estimated benefits reported in Quarterly Reports are the most up-to-date estimates (and no longer reflect the sum of the low and high estimated benefits specified in the Transaction Profiles at the time of each transaction close).

*Table 2* presents required metrics for the period January 1, 2023 through March 31, 2023 and the previous quarter ended December 31, 2022.

*Table 2: Quarterly Metrics*

Quarterly Metric	Quarter Ended December 31, 2022	Quarter Ended March 31, 2023
<b>Capital Position</b>		
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
<b>Operational Matters</b>		
Cumulative Revenues (\$) <sup>11</sup>	\$180.7 million	\$197.5 million
Cumulative Operating Expenses (\$) <sup>12</sup>	\$85.6 million	\$89.5 million
Direct Operating Expenses (\$)	\$54.0 million	\$56.3 million
Allocated Expenses (\$)	\$31.6 million	\$33.2 million
<b>Investment Portfolio</b>		
Undrawn Committed Funds (\$)	\$188.6 million	\$176.2 million
Deployed Funds (\$) <sup>13</sup>	\$515.8 million	\$681.4 million
Current Portfolio (\$) <sup>14</sup>	\$704.4 million	\$857.5 million
<b>Investment Pipeline</b>		
Active Pipeline (In the Quarter) (\$)	\$368.5 million	\$405.3 million
<b>Investment Process</b>		
<b>Proposals and Approvals</b>		
Proposals Received – Value (Cumulative) (\$)	\$6.1 billion	\$6.4 billion
Approvals - Scoring Committee (Cumulative) (\$)	\$5.5 billion	\$5.7 billion
Approvals - Greenlight Committee (Cumulative) (\$)	\$2.7 billion	\$2.8 billion
Approvals - IRC (Cumulative) (\$)	\$2.0 billion	\$2.1 billion
<b>Investment Characteristics</b>		
Overall Investments to Date (\$)	\$1.9 billion	\$1.9 billion
Total Project Costs (Cumulative) (\$) <sup>15</sup>	In the range of \$4.5 billion to \$5.6 billion	In the range of \$4.4 billion to \$5.5 billion

<sup>11</sup> 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.

<sup>12</sup> Cumulative Operating Expenses currently include \$1,064,444 in evaluation expenses.

<sup>13</sup> Deployed Funds as presented in *Table 2* are net of all capital repaid to the reporting date.

<sup>14</sup> 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.

<sup>15</sup> 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



Quarterly Metric	Quarter Ended December 31, 2022	Quarter Ended March 31, 2023
<b>Mobilization Ratio</b>	Tracking at least 4.5:1 on average across portfolio	Tracking at least 4.4:1 on average across portfolio
<b>Portfolio Concentrations (%)</b> <sup>16</sup>	See Figure 11	See Figure 11
<b>Number &amp; Type of NYGB Investments</b>	See Table 3	See Table 3
<b>Number &amp; General Type of NYGB Counterparties</b> <sup>17</sup>	82 – Financial Services, Industry or Other	83 – Financial Services, Industry or Other
<b>Public Commitments</b>		
<b>Percentage of Commitments Benefitting Disadvantaged Communities (%)</b> <sup>18</sup>	21%	22%
<b>\$200 million toward energy storage-related investments (%)</b>	27%	27%
<b>\$150 million for clean energy improvements in affordable housing properties (%)</b>	24%	39%
<b>\$100 million in financing to help clean transportation businesses locate or expand in New York (%)</b>	10%	10%
<b>Up to \$100 million in support of port infrastructure projects (%)</b>	0%	0%

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.

<sup>16</sup> 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.

<sup>17</sup> 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).

<sup>18</sup> 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.

## 4.2 Key Figures and Tables - Metrics, Reporting & Evaluation Quarterly Report No. 35 (Through March 31, 2023)

Figure 7: Cumulative Investments, Current Portfolio & Current Deployed Funds (\$MM)

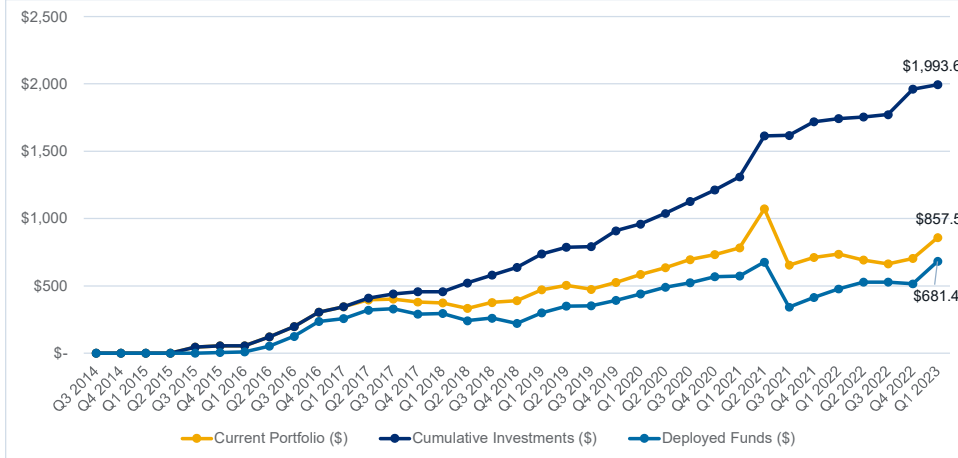


Figure 8: NYGB Pipeline of Proposals & Approvals (\$MM)

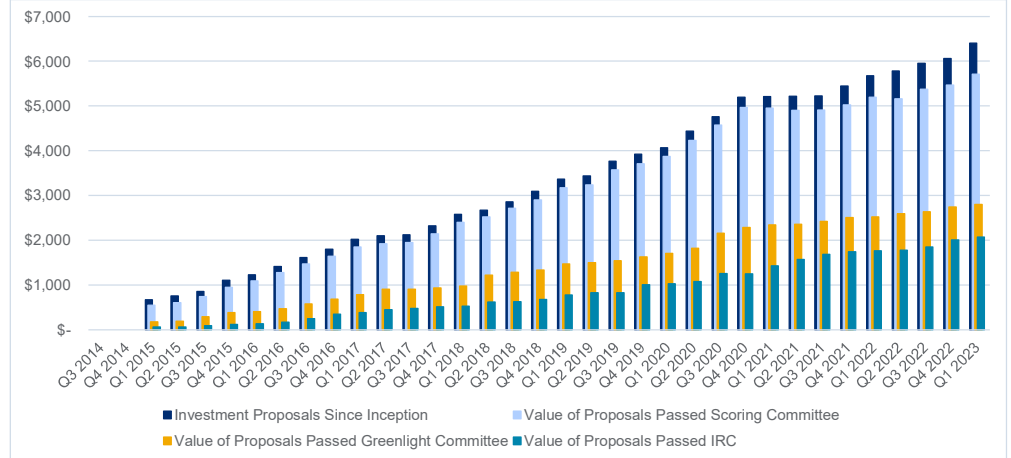


Figure 9: Cumulative Revenues vs. Expenses (\$MM)

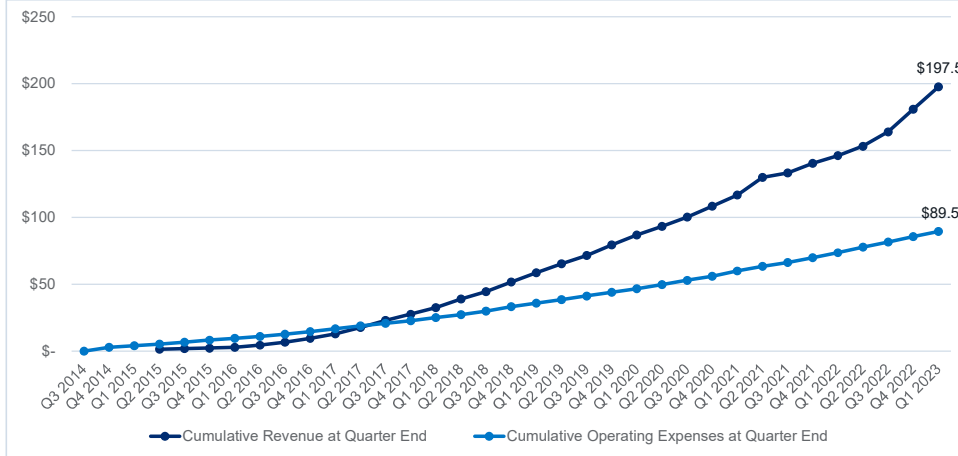


Figure 10: Quarterly Revenues vs. Expenses (\$MM)

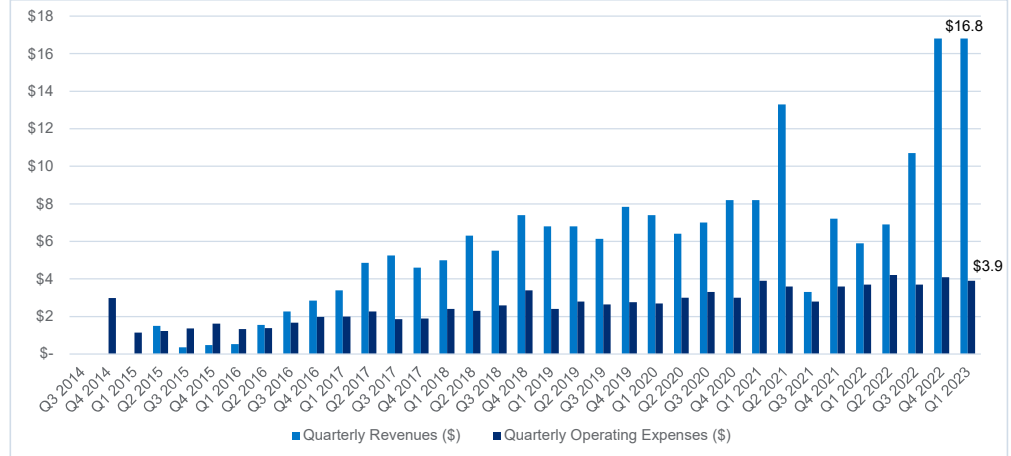


Figure 11: Portfolio Concentrations over Time (Committed Funds)

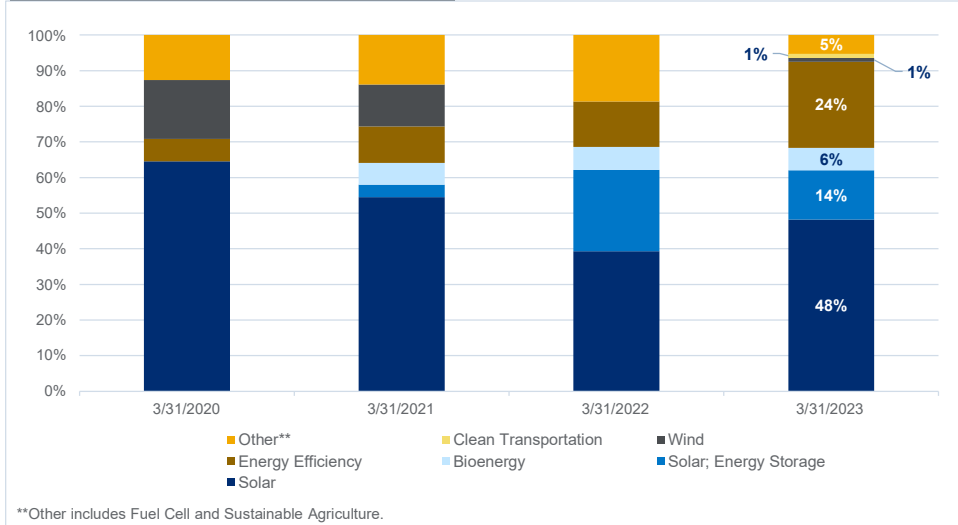


Table 3: Number and Type of NYGB Investments Since Inception

Technology	Count	Percentage
Bioenergy	4	3%
Clean Transportation	3	3%
Energy Efficiency	29	14%
Solar	63	52%
Solar; Energy Storage	4	8%
Wind	5	6%
Other**	14	14%

\*\*Other includes Fuel Cell and Sustainable Agriculture.

### 4.3 Direct and Indirect Metrics Benefits

NYGB's activities have the potential to generate both direct and indirect impact benefits for NYS residents. While the Metrics Plan was designed with an initial focus on direct impact benefits, NYGB differentiates between Direct and Indirect Impact Metrics, tracking both to more comprehensively quantify the estimated impact of each NYGB investment on the NYS clean energy and sustainable infrastructure market. This is consistent with the CEF Order, which specifically recognizes the importance of catalyzing markets and generating indirect benefits as part of CEF initiatives, including over longer time horizons.<sup>19</sup>

The quantification of indirect impact benefits is intended to capture the market transformational effects of NYGB investment activity. Many other CEF initiatives also anticipate accruing indirect benefits related to longer-term effects from follow-on market activity. These indirect impacts are grounded in a theory of change developed for each initiative, and NYSERDA will use market evaluation approaches, consistent with the rest of the CEF, to verify the indirect impacts as they accrue. Estimated indirect benefits are reflected in NYGB progress reporting, in general and toward meeting NYGB's CEF goals. The realization and evaluation of NYGB indirect benefits over time will also be reflected in periodic reporting as appropriate. Both direct and indirect metrics contribute to the reduction of GHGs in the State from NYGB activity.

For NYGB, Direct and Indirect Impact Metrics are further defined as follows:

- (a) *Direct Impact Metrics*: Direct Impact Metrics quantify the estimated impact of a counterparty's project development or business-building activity. The types of Direct Impact Metrics that NYGB tracks are those outlined in the Metrics Plan (and publicly reported quarterly), in aggregate on a path to achieving the impact benefit objectives by the end of the CEF in December 2025. Benefits are tracked on an estimated and actual basis (with actuals reported annually for NYGB's Investment Portfolio in each calendar year). NYGB investments typically involve terms that limit or incentivize the use of NYGB investment proceeds to new or incremental project development in NYS.
- (b) *Indirect Impact Metrics*: Indirect Impact Metrics seek to measure the effect of NYGB investment for projects, pipelines, or other counterparty structures that wholly or in part catalyze other developments in the clean energy and sustainable infrastructure market beyond that in which NYGB directly invests (e.g., providing liquidity in the secondary markets and in relation to large-scale renewables with merchant exposure). While NYGB investments might not fund new project development, material indirect benefits are nevertheless expected to accrue to the State over time as a result of this type of NYGB activity. NYGB tracks such estimated benefits (which can be in MWs, MWhs, MMBtus, or metric tons of GHG reduced/avoided) on a lifetime basis. The realization of indirect impact benefits is expected over time. To confirm the nature and extent of indirect impact benefits that are in fact realized by the State, periodic market assessments will occur as needed to verify that new development activity has in fact happened, validating NYGB's estimated indirect impact benefits.

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<sup>19</sup> See CEF Order (Cases 14-M-0094 et al.) pages 68 – 69: "The approved [CEF eligibility criteria] provide NYSERDA with the needed flexibility to choose initiatives that will create the greatest benefits for the least cost and to support innovative new technologies and approaches. We recognize that initiatives oriented toward market development, while they have the potential to create the greatest benefits for ratepayers in the long run, will have more indirect and less easily calculated clean energy benefits as compared to resource acquisition programs. We require NYSERDA to take a broad view of these indirect benefits when considering whether an initiative is eligible for CEF funding and to also take into account other benefits of the initiative, including its contribution to all of the CEF goals and its economic development benefits. Funding market-based projects with an indirect impact on clean energy is wholly consistent with the Commission's historic approach to clean energy programs. For example, the Commission approved workforce development programs, designed to achieve both indirect clean energy benefits and economic development benefits, as part of both [the energy efficiency performance standard] and [the renewable portfolio standard]. Holistic consideration of these benefits will best support the SEP, the goals described in the New York State Energy Law, and the interests of ratepayers".

*Table 4: Estimated Energy & Environmental Benefits*

Quarterly Metric	Quarter Ended December 31, 2022	Quarter Ended March 31, 2023
<b>Direct Impact Benefits<sup>20</sup></b>		
<b>Lifetime</b>		
<b>Total Energy Savings (MMBtu equivalent)</b>	Up to 33,801,000 MMBtu	Up to 37,196,000 MMBtu
<b>Electricity Savings (MWh)</b>	2,093,000 - 2,296,000 MWh	3,089,000 - 3,363,000 MWh
<b>Natural Gas Fuel Savings (MMBtu)</b>	30.8 - 45.9 million MMBtu	31.0 - 45.9 million MMBtu
<b>Other Fuel Savings (MMBtu)</b>	0 MMBtu	0 MMBtu
<b>Distributed Solar Capacity (Renewable MW)</b>	1,117 - 1,460 MW	1,117 - 1,460 MW
<b>Annual</b>		
<b>Total Energy Savings (MMBtu equivalent)</b>	Up to 1,434,000 MMBtu	Up to 1,791,000 MMBtu
<b>Electricity Savings (MWh)</b>	188,000 - 204,000 MWh	291,000 - 315,000 MWh
<b>Natural Gas Fuel Savings (MMBtu)</b>	1,876,000 - 2,735,000 MMBtu	1,880,000 - 2,726,000 MMBtu
<b>Other Fuel Savings (MMBtu)</b>	0 MMBtu	0 MMBtu
<b>Indirect Impact Benefits<sup>21</sup></b>		
<b>Lifetime</b>		
<b>Total Energy Savings (MMBtu equivalent)</b>	0 MMBtu	0 MMBtu
<b>Electricity Savings (MWh)</b>	0 MWh	0 MWh
<b>Natural Gas Fuel Savings (MMBtu)</b>	0 MMBtu	0 MMBtu
<b>Other Fuel Savings (MMBtu)</b>	0 MMBtu	0 MMBtu
<b>Distributed Solar Capacity (Renewable MW)</b>	9 - 26 MW	9 - 26 MW
<b>Annual</b>		
<b>Total Energy Savings (MMBtu equivalent)</b>	0 MMBtu	0 MMBtu
<b>Electricity Savings (MWh)</b>	0 MWh	0 MWh
<b>Natural Gas Fuel Savings (MMBtu)</b>	0 MMBtu	0 MMBtu
<b>Other Fuel Savings (MMBtu)</b>	0 MMBtu	0 MMBtu
<b>Lifetime Emission Reductions</b>		
<b>Direct (metric tons CO<sub>2e</sub>)</b>	29.6 – 37.0 million metric tons	29.5 – 37.0 million metric tons
<b>Indirect (metric tons CO<sub>2e</sub>)</b>	2.2 - 4.5 million metric tons	2.2 - 4.5 million metric tons

## 5 Progress Against Plan Deliverables

In its Annual Plan 2022 – 2023, filed on July 1, 2022, NYGB identified deliverables (the “**Plan Deliverables**”) that collectively mark its progress toward key initiatives in the period April 1, 2022 through March 31, 2023.

NYGB’s Quarterly Reports are required to address progress against the Plan Deliverables and provide a brief narrative (as appropriate) of status and an explanation of any material variances relative to expectations.

*Table 5* summarizes NYGB’s performance against the Plan Deliverables as of March 31, 2023.

<sup>20</sup> For Committed and Deployed Funds.

<sup>21</sup> 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.

Table 5: Plan Deliverables

OBJECTIVE CATEGORY	DELIVERABLE	PROGRESS
<b>IDENTIFY AND CLOSE FUNDING GAPS IN ALIGNMENT WITH STATE POLICIES AND PUBLIC COMMITMENTS</b>		
<b>Financing Solutions to Support Disadvantaged Communities</b>	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	☑ <b>In Process:</b> While the Community Decarbonization Fund did not officially launch in Fiscal Year 2022-23, the development and design work occurred during Fiscal Year 2022-23. The CDF was officially launched a few weeks into Fiscal Year 2023-24, on April 28, 2023.
	Simplify existing RFP 18 to reduce the time and cost to affordable housing sponsors seeking NYGB financing	☑ <b>Achieved for the Plan Year:</b> NYGB has reviewed RFP 18 and has developed a template response to reduce the time it takes to fill out a proposal. This template will be published on NYGB's website when the new website goes live in FY 2023-24.
	Reduce administrative burden for counterparties from DACs, and those seeking to develop or finance such projects	☑ <b>Achieved for the Plan Year:</b> Website enhancements will help users more easily find relevant information on open solicitations. NYGB decommissioned several RFPs (7, 8, 10, 13, and 19) over the course of the year, based on inactivity. This will help proposers in identifying which solicitation is right for them.
	Engage directly with service providers (e.g., legal, independent engineers, etc.) with market knowledge and experience within DACs	☑ <b>Achieved for the Plan Year:</b> NYGB has identified a) market evidence to support the benefits of having DAC projects work with service providers that have experience in these areas, and b) a list of service providers with this experience. This list can be shared with DAC projects in need of experienced service providers.
<b>Targeted Business Development</b>	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	☑ <b>Achieved for the Plan Year:</b> NYGB has updated business development materials for priority technology segments and has updated its approach to identifying which companies and events to target as business development opportunities. NYGB has dedicated a full-time resource to coordinate business development efforts across the organization.
<b>Enhanced Communications Channels</b>	Implement enhancements to NYGB's web site	☑ <b>Achieved for the Plan Year:</b> Website enhancements have been developed and are in beta testing. Improvements to the website are scheduled to go live in tandem with the combined \$2B milestone / 10-year anniversary campaign kickoff, which is expected in the first quarter of the 2023-24 Fiscal Year.
	Develop and implement comprehensive marketing and communications plan to stimulate additional awareness and drive transaction volume	☑ <b>Achieved for the Plan Year:</b> A comprehensive marketing and communication plan has been developed and in implementation mode, including enhanced approaches to NYGB's marketing, communications, and event strategies. These efforts will be ongoing throughout FY 2023-24.
	Advance ongoing efforts to engage with, and build on feedback from, key stakeholders to establish trust and identify actionable investment opportunities	☑ <b>Achieved for the Plan Year:</b> In Summer 2022, NYGB re-engaged environmental justice and community organizer groups that were part of the DAC stakeholder engagement process in late 2021/early 2022 to share an update on the commitments NYGB has made to investing in financing solutions to support DACs and solicit feedback.
<b>Committed Funds</b>	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	☑ <b>Achieved for the Plan Year:</b> NYGB committed \$252.0MM during Fiscal Year 2022-23, including committing \$85.1MM to projects that benefit underserved communities.

OBJECTIVE CATEGORY	DELIVERABLE	PROGRESS
<b>MOBILIZE CAPITAL: STRENGTHEN NYGB'S CAPITAL POSITION</b>		
<b>Portfolio Monetization</b>	Evaluate and recommend pathways for additional portfolio monetization(s) to enhance and optimize liquidity	☑ <b>Achieved for the Plan Year:</b> Under RFP 21, NYGB approved more than ten qualifying parties into the eligible purchaser pool for potential future NYGB loan sales.
<b>Mobilize Capital</b>	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	☑ <b>Achieved for the Plan Year:</b> NYGB closed into its second transaction alongside PACE, which demonstrates precedent and will help to create the market for private sector capital providers to similarly make these types of loans.
<b>CONTINUOUSLY IMPROVE AND ENHANCE NYGB OPERATIONS AND PORTFOLIO MANAGEMENT</b>		
<b>Risk and Impact Monitoring and Reporting</b>	Enhance NYGB's risk evaluation processes by incorporating expanded ESG and resiliency considerations into NYGB's underwriting and portfolio management processes	☑ <b>Achieved for the Plan Year:</b> NYGB has developed a draft scope of work for a climate risk assessment, which will be launched in Fiscal Year 2023-24. Throughout the year, NYGB coordinated with NYSEERDA on authority-wide resiliency efforts.
	Update Metrics Plan to reflect management and disclosure of DAC progress	☑ <b>Achieved for the Plan Year:</b> NYGB began reporting progress toward its DAC public targets after filing Metric Plan 3.1. The Climate Justice Working Group finalized the definition of disadvantaged communities toward the end of Fiscal Year 2022-23, and NYGB will now work to update the Metrics Plan to reflect this new definition and its impact on how we manage and disclose progress on this topic.
<b>Operational Excellence</b>	Issue RFP for third-party fund administration	☑ <b>Achieved for the Plan Year:</b> This 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	☑ <b>Achieved for the Plan Year:</b> New floating rate transactions have been using SOFR as a reference rate, following guidance from the Alternative Reference Rates Committee. Several portfolio transactions have opportunistically been transitioned to SOFR, and NYGB will continue this transition.
	Identify and implement process improvements to enhanced efficiency and productivity	☑ <b>Achieved for the Plan Year:</b> NYGB conducted a self-assessment of processes and procedures. The team identified three key areas to prioritize (Efficiency, Training, Risk & Return). Working groups have been formed and will provide recommendations during FY 2023-24.

*Schedule – Transaction Profiles*

As required by the Metrics Plan, Transaction Profiles for each of the transactions closed during the quarter to which this Report relates are attached.



**\$23 million predevelopment loan to support the rehabilitation of ~1,700 affordable housing units in Brooklyn as a part of the NYCHA PACT program**

**REID AND PARK ROCK**

*NY Green Bank’s facility will fund predevelopment expenses for services such as architecture, engineering, and Housing Quality Standards (“HQS”) renovations and surveys across 88 buildings in 15 communities, collectively known as the Reid Apartments and Park Rock Consolidated Developments (“Reid and Park Rock”), as part of the New York City Housing Authority’s (“NYCHA”) Permanent Affordability Commitment Together (“PACT”) program.*

**Transaction Description**

The Project Sponsors are BRP, Fairstead, and Urbane. BRP is a New York-based real estate firm that specializes in mixed-use development and the acquisition of multi-family properties. BRP is a certified minority business enterprise (“**MBE**”) and has extensive experience with affordable housing having developed or preserved more than 2,700 units in the NY metro area. Fairstead is a vertically integrated real estate developer with a national footprint of more than \$6 Bn in assets and identified pipeline. Fairstead’s Management and Design and Construction subsidiaries will provide key services during the construction and operations phase of the Project. Urbane, also a certified MBE, specializes in community engagement and business development.

With this investment, NYGB continues to support the decarbonization of New York State’s building sector. Public Housing Authorities (“**PHA**”), like NYCHA, rely on federal assistance and private partnerships to support building rehabilitation strategies. This transaction demonstrates a financing structure that can be replicated by other developers pursuing PHA rehabilitation partnerships. Further, NYGB’s loan will support a property that provides NYCHA residents with more modern and resilient homes.

This Transaction Profile is provided pursuant to the updated NY Green Bank – Metrics, Reporting & Evaluation Plan, Version 3.1 (the “**Metrics Plan**”) developed in collaboration with the NYS Department of Public Service and filed with the NYS Public Service Commission (the “**Commission**”) on May 2, 2022.<sup>1</sup> This Transaction Profile contains specific information in connection with the Hecate Energy, LLC transaction entered into in December 2022, as required by the Metrics Plan.<sup>2</sup>

**Form of NYGB Investment**

NYGB Product	Product Sub-Type	Committed Capital
Asset Loan & Investment	Predevelopment Loan	\$23.0 million

**Location(s) of Underlying Project(s)**

New York City. Projects will be located in Brooklyn, New York City.

<sup>1</sup> Case 13-M-0412.

<sup>2</sup> See Section 4.0 at page 8 - 9 and Schedule 3.

## Types of Organizations that are Transaction Participants

	Name	Participant Type
Counterparty	BRP, Fairstead, and Urbane	Project Sponsor
	NYC PACT Preservation MM LLC	Project Borrower

## Summary of Financing Market Objectives & Barriers Addressed

Beneficiary	Market Barrier	Financing Solution
<b>NYCHA</b>	<b>NYCHA</b> is now working with private partnerships and community-based organizations to bring comprehensive upgrades to public housing, including decarbonization, electrification, and resiliency plans producing modernized and healthier buildings. NYCHA PACT designees require upfront capital to develop plans and complete milestones required to obtain construction financing. These milestones often include performing preliminary renovations to bring the units up to NYC HQS standards. There is a gap in this process because the predevelopment dollars are not available through NYCHA and must be funded by the sponsors before public funding is available. Without this funding, the partnerships would be challenged to engage in the program.	As part of the PACT program, developments will be included in the federal Rental Assistance Demonstration (RAD) and convert to a more stable, federally funded program called Project-Based Section 8. This transaction demonstrates a financing structure that supports future lending to clean energy and energy efficiency projects benefitting disadvantaged communities.
<b>Low-income earning New Yorkers</b>	<b>Low-income earning New Yorkers</b> face a shortage of housing choices, and scarce capital in this segment makes it difficult to prioritize high-performance building development.	By lending at the predevelopment phase, NY Green Bank provides experienced experts with the capital needed to plan an innovative, high-performance project. This transaction also supports future lending to projects that benefit underserved frontline communities, which can lack access to financing for such sustainable infrastructure.

## Technologies Involved

Technology	Measures
<b>Energy Efficiency</b>	Building Envelope, Appliances & Hot Water, HVAC, Lighting, etc.

## Metrics & Evaluation Plan

### Planned Energy & Environmental Metrics

NYGB’s minimum investment criteria require that “transactions will have the potential for energy savings and/or clean energy generation that will contribute to greenhouse gas (“GHG”) emission reductions in support of New York’s energy policies”.<sup>3</sup> In addition, the Metrics Plan requires that the following energy and environmental measures applicable to this transaction be reported:<sup>4</sup>

<sup>3</sup> Case 13-M-0412, “Order Establishing New York Green Bank and Providing Initial Capitalization” issued and effective December 19, 2013 of the Commission, Ordering Clause 6 at pages 24 – 25.

<sup>4</sup> See Metrics Plan, Section 2.0 at pages 2 - 6.

- Estimated lifetime and annual total energy savings (MMBtu equivalent)
- Estimated lifetime and annual natural gas fuel savings (MMBtu equivalent)

The estimated gross lifetime and annual energy and environmental impacts of the investment are as follows:

Energy/Environmental Impact	Lifetime Low Estimate	Lifetime High Estimate	Annual Low Estimate	Annual High Estimate
Estimated total energy savings (MMBtu equivalent)	197,606	296,410	4,391	6,587
Estimated natural gas fuel savings (MMBtu)	Same as above			
Estimated GHG emission reductions (metric tons)	10,487	15,731	233	350

## Planned Market Characterization Baseline & Market Transformation Potential

The Metrics Plan requires that market evaluation occur when a critical mass of NYGB financing and investment arrangements are in place. Market evaluation activities commenced in 2018 on sectors that NYGB has supported since inception, consistent with the requirement for such assessments approximately three to five years following initial NYGB capital deployments.<sup>5</sup> NYSERDA collected baseline data for the NYGB portfolio in 2019 and will update the data to include indicators specific to this transaction. NYSERDA will use baseline data collected for indicators as a comparison point against which to assess market progress in later studies. Progress indicators are defined below for the short, medium and long terms.

NYGB expects that program and/or future market evaluation will demonstrate progress across short-term indicators, including:

- Size and location of projects financed by the investment;
- Aggregate expected energy savings for projects financed by the investment.

NYGB expects that program tracking and/or future market evaluation will demonstrate progress across medium- and long-term indicators, including:

- Increase in market volume of energy efficient properties;
- Increase in general understanding of energy efficient properties by the financial community;
- Increased awareness and use of energy efficiency investment performance data by financing entities;
- Demonstration of competitive risk-return profiles for energy efficient properties;
- Decreased operating costs of energy efficient properties; and
- Increased number of new lending participants.

## Proposed Method of Outcome/Impact Evaluation (by NYSERDA) & Timeframe

NYSERDA will evaluate the impact this transaction has had on the clean energy finance markets and the energy/environmental benefits it delivers.

**Market evaluation** will assess the short, medium and long-term indicators identified above. Methods will include analysis of program data along with interviews and surveys of market participants (e.g., financial community) to track information including but not limited to: project scale information and influence of NYGB's participation on financial markets. As noted, NYSERDA collected baseline data on key indicators in its first phase evaluation during 2018 – 19. Later follow-up studies will assess progress against baseline levels for other market segments as those evolve. The specific timing of these efforts may be revised based on experience or other factors as NYGB's investment portfolio further develops and evolves.

<sup>5</sup> See Metrics Plan, Section 3.3 at page 7 - 8.

**Impact evaluation** will assess which of the projects funded under the investment raised construction financing and were completed, commissioned, and placed in service.

In accordance with the Metrics Plan, NYGB will track BRP / Fairstead / Urbane projects that receive incentives or funding from other entities (e.g., utility, other NYSERDA programs) to minimize any double-counting activity on a consolidated basis. As set out in the Metrics Plan, evaluation sampling approaches will also be used as a mechanism to estimate overlap and minimize double counting. NYSERDA and NYGB will attempt to coordinate market and impact evaluation activities for projects that receive support from multiple sources in order to maximize the efficiency of data collection and avoid participant survey fatigue.

## Providing Energy-Saving Home Improvements for New York State Residents

### SEALED, INC.

*In February 2023, NY Green Bank (“NYGB”) provided a \$10.0 million upside to its revolving credit facility to Sealed. An upside to NYGB’s existing loan will increase Sealed’s ability to offer an innovative financing option to cover the costs of home energy efficiency measures. This will enable Sealed to expand its current operations and complete additional energy-saving improvements in homes in New York State (“NYS”).*

### Transaction Description

Sealed is a NYS-based energy software company that provides home efficiency upgrades – from new insulation, to sealing air leaks, to installing new boilers and furnaces – utilizing a first-of-kind, user friendly financing solution. On May 6, 2016, NYGB closed a \$5.0 million revolving credit facility that enabled Sealed to introduce a new financial product for homeowners interested in making their residences more comfortable as well as more energy efficient. On March 11, 2021, NYGB expanded the Facility size to \$7.5 million to further support Sealed’s continued growth. The Facility size was further expanded to \$17.50 million on December 21, 2021, \$25.0 million on June 29, 2022, and \$35.0 million on February 9, 2023.

To date, most energy efficiency financing products have been loans where the homeowner is obligated to make a predetermined payment regardless of actual savings. Sealed’s offering allows homeowners to make payments derived from actual energy savings. Sealed’s signature analytics software enables accurate and reliable calculations of expected energy savings which translates into a user-friendly billing process.

This Transaction Profile is provided pursuant to the updated NY Green Bank – Metrics, Reporting & Evaluation Plan, Version 3.1 (the “**Metrics Plan**”) developed in collaboration with the NYS Department of Public Service and filed with the NYS Public Service Commission (the “**Commission**”) on May 2, 2022.<sup>1</sup> This Transaction Profile contains specific information in connection with the Sealed transaction entered into in May 6, 2016, as required by the Metrics Plan.<sup>2</sup>

### Form of NYGB Investment

NYGB Product	Product Sub-Type	Committed Capital
Warehousing/Aggregation	Revolving Credit	\$10.0 million (\$35.0 million aggregate)

### Location(s) of Underlying Project(s)

Statewide. Projects will be located across NYS.

### Types of Organizations that are Transaction Participants

Counterparty	Name	Participant Type
Sealed		Energy Service Provider

<sup>1</sup> Case 13-M-0412.

<sup>2</sup> See Section 4.0 at page 8 - 9 and Schedule 3.

## Summary of Financing Market Objectives & Barriers Addressed

Beneficiary	Market Barrier	Financing Solution
<b>NYS Homeowners</b>	High upfront costs and limited financing options make home efficiency upgrades seem burdensome for NYS Homeowners.	This transaction provides homeowners with a new performance-based financing mechanism that is accountable to reducing home energy consumption.
<b>Capital Market Participants</b>	Capital Market Participants are hesitant to provide financing for residential energy efficiency financing services due to limited precedent.	This transaction will help establish a track record for this type of performance-based financing and demonstrate the ability of these projects to achieve competitive risk-return profiles.

## Technologies Involved

Technology	Measures
<b>Energy Efficiency / Electrification</b>	Boiler replacement, air sealing, duct sealing, insulation, LED lighting, and smart thermostat, heat pumps, etc.

## Metrics & Evaluation Plan

### Planned Energy & Environmental Metrics

NYGB’s minimum investment criteria require that “transactions will have the potential for energy savings and/or clean energy generation that will contribute to greenhouse gas (“**GHG**”) emission reductions in support of New York’s energy policies”.<sup>3</sup> In addition, the Metrics Plan requires that the following energy and environmental measures applicable to this transaction be reported:<sup>4</sup>

- Estimated lifetime and annual total energy savings (MMBtu equivalent)
- Estimated lifetime and annual natural gas fuel savings (MMBtu equivalent)
- Estimated lifetime and annual electricity savings (MWh)

The estimated gross lifetime and annual energy and environmental impacts of the investment are as follows:

<sup>3</sup> Case 13-M-0412, “Order Establishing New York Green Bank and Providing Initial Capitalization” issued and effective December 19, 2013 of the Commission, Ordering Clause 6 at pages 24 – 25.

<sup>4</sup> See Metrics Plan, Section 2.0 at pages 2 - 6.

Energy/Environmental Impact	Lifetime Low Estimate	Lifetime High Estimate	Annual Low Estimate	Annual High Estimate
Estimated total energy savings (MMBtu equivalent)	404,147	493,876	20,207	24,644
Estimated natural gas fuel savings (MMBtu)	392,000	479,000	19,600	23,900
Estimated electricity savings (MWh)	3,560	4,360	178	218
Estimated GHG emission reductions (metric tons)	28,000	34,200	1,400	1,710

## Planned Market Characterization Baseline & Market Transformation Potential

The Metrics Plan requires that market evaluation occur when a critical mass of NYGB financing and investment arrangements are in place. Market evaluation activities commenced in 2018 on sectors that NYGB has supported since inception, consistent with the requirement for such assessments approximately three to five years following initial NYGB capital deployments.<sup>5</sup> NYSERDA collected baseline data for the NYGB portfolio in 2019 and will update the data to include indicators specific to this transaction. NYSERDA will use baseline data collected for indicators as a comparison point against which to assess market progress in later studies. Progress indicators are defined below for the short, medium and long term.

Short-term progress indicators will identify early activity levels and will be regularly tracked for the duration of the transaction. These include, but are not limited to:

- Number of projects in development and completed;
- Average and aggregate dollar value of projects in development and completed;
- Location of projects;
- Number of small service providers (contractors);
- Consumer payment defaults;
- Number and types of measures installed;
- Market volume of energy efficiency projects increases;
- Favorable financial performance data; and
- Favorable technology performance data.

Mid and long-term indicators will be expected to show progress through program tracking or market evaluation over time. These include, but are not limited to:

- Decreased project cost for Sealed due to increased experience;
- Geographic coverage of Sealed activities extends beyond Long Island;
- General understanding of energy efficiency benefits increases among homeowners and financial institutions;
- Demonstration of competitive risk/return profiles;
- Increased awareness and use of financial performance data by financing entities;
- Increased awareness and use of technology performance data by financing entities;
- Financing entities emerge to assume NYGB's position in transaction;
- Instances of similar financing models emerge;
- Residential homeowner financing costs for energy efficiency improvements decrease;
- Scale of energy efficiency investment by NYS homeowners increases;
- Number of residential energy efficiency refinancings increase;
- Number of banks offering similar warehouse lines of credit increases; and
- Increased energy savings and emissions reductions.

<sup>5</sup> See Metrics Plan, Section 3.3 at page 7 - 8.



## Proposed Method of Outcome/Impact Evaluation (by NYSERDA) & Timeframe

NYSERDA will evaluate the impact this transaction has had on the clean energy finance markets and the energy/environmental benefits it delivers.

**Market evaluation** will address the short, mid and long-term indicators identified above. Methods will include analysis of program data along with interviews and surveys of market participants (e.g., homeowners, financial community) to track information including but not limited to: participation rates, project scale information, interest in residential energy efficiency financing, and influence of NYGB's participation on financial markets. As noted, baseline data will be collected on most key indicators in 2017 and subsequent follow-up studies will assess progress against baseline levels. The specific timing of these efforts may be revised based on experience or other factors as the investment evolves.

**Impact evaluation** is expected to include retail electric and gas utility billing analysis to verify initial consumption estimates and assess impacts related to installation of energy efficient measures. Releases for billing data will be requested of all financing recipients at closing allowing NYSERDA and third party evaluators access to utility data prior to and following measure installation. Billing analysis will be conducted beginning in 2018 and be updated annually to align initial estimates of energy savings with actual savings. On-site verification of measure installations and performance may be conducted as resources allow. This is expected to occur on a less frequent basis to support ongoing billing analyses over time, as greater experience is gained. Billing analysis is a generally accepted and cost-effective method to validate energy savings on projects involving several measures and aggregate savings levels. Should the Project makeup indicate that billing analysis is not a viable method for certain segments of the participants, other methods will be considered. All customer data will be anonymized and/or aggregated prior to being reported or published.

As with all NYGB investments, Sealed Projects that receive an incentive or funding from other entities (e.g., utility or other NYSERDA program) will, in accordance with the Metrics Plan, ideally be tracked in order to minimize any double-counting activity on a consolidated basis. As set out in the Metrics Plan, evaluation sampling approaches will also be used as a mechanism to estimate overlap and minimize double counting. Attempts will also be made to coordinate market and impact evaluation activities for these Projects that receive support from multiple sources in order to maximize the efficiency of data collection and avoid participant survey fatigue.