



NY Green Bank
A Division of NYSERDA

NY Green Bank

Caroline Dunn and Varshini Parthasarathy | October 23, 2019

New York, NY

NY Green Bank Accelerates Clean Energy Deployment in NYS

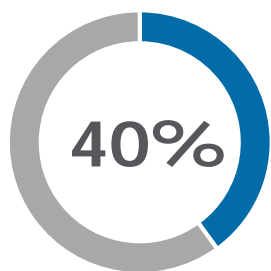
Mission:

To accelerate clean energy deployment in New York by working in collaboration with the private sector to transform financing markets

- **What:** A \$1 Billion State-sponsored investment fund that is a division of NYSERDA
- **Why:** To alleviate financing gaps in New York's clean energy markets and create a cleaner, more resilient and affordable energy system
- **How:** By mobilizing greater private sector activity to increase the availability of capital for clean energy projects

Advancing NYS Clean Energy Goals

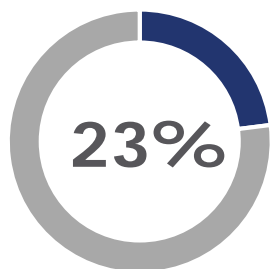
Reforming the Energy Vision (REV): Governor Andrew M. Cuomo's strategy to build a clean, resilient, and affordable energy system for all New Yorkers



Reduction in greenhouse gas emissions from 1990 levels by 2030



New York State's electricity must come from renewable energy sources by 2030



Decrease in energy consumption of buildings from 2012 levels by 2030



2018 State of the State Address: 1,500 MW energy storage target for NYS by 2025



Earth Day 2018 Announcement: Reduce energy consumption by 185 trillion BTUs below forecasted energy use by 2025

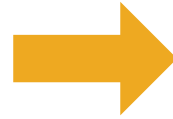
Role in Overcoming Financing Barriers

Financing Barrier

Minimal Standardization



Perceived Uncertainty of Revenue Streams



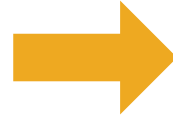
Limited Number of Financing Partners



Unfamiliarity with Asset Class



Small Transaction Size



NY Green Bank Solution

Be solution oriented in finding credit worthy approaches to financing clean energy projects with limited transactional precedent

Consider all types of revenue contracts, merchant markets, and incentive payments

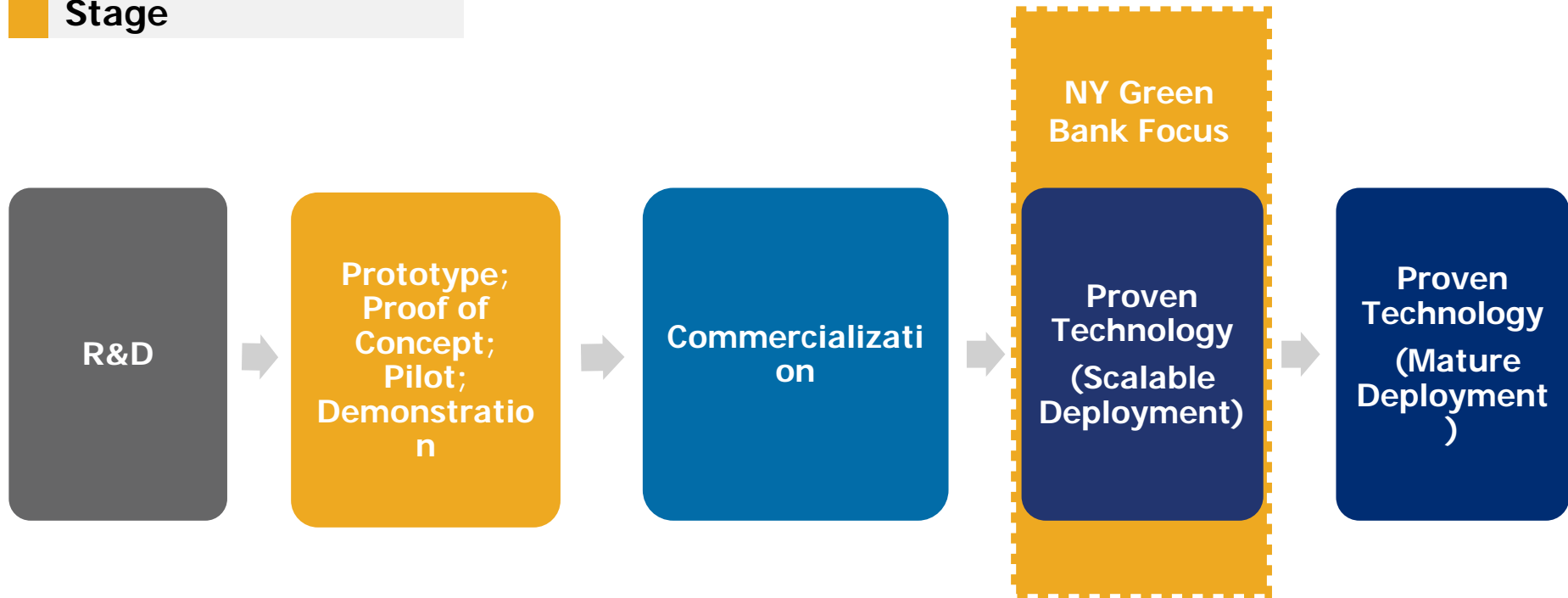
Be a first-mover to build market scale and standardization attracting private capital to the sector

Build upon experience financing clean energy projects and leverage expertise of NYSERDA colleagues

Participate in portfolios of small to mid-sized transactions

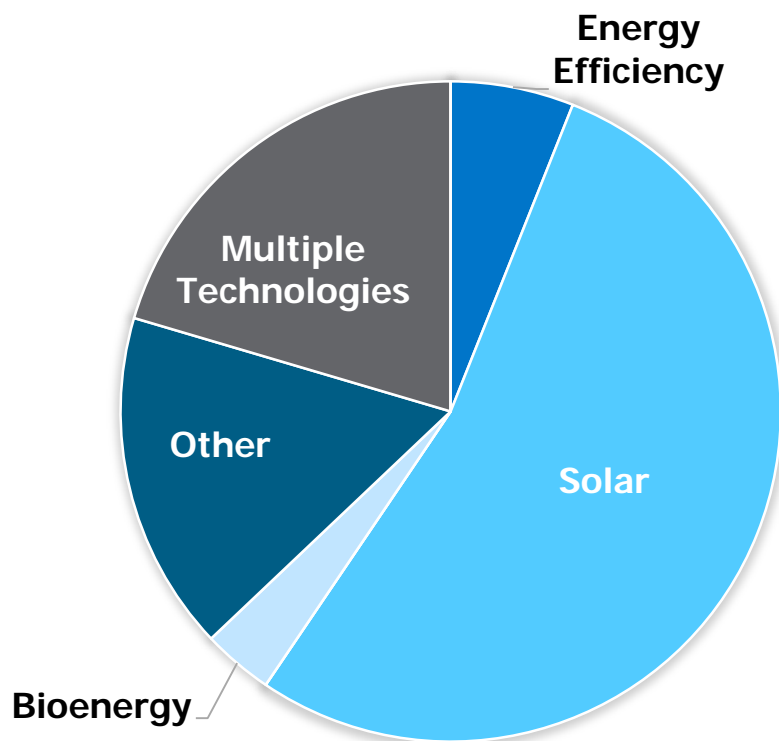
Investment Focus

Asset Financing Stage



Pipeline & Portfolio Highlights (as of June 30, 2019)

Technology Distribution of Active Pipeline (\$546.7 Million)



Portfolio Highlights

- **\$786.7 MM** in overall investments to date
- Investments support clean energy projects with a total project cost of between **\$1.82 and \$2.14 B** in aggregate
- **\$65.4 MM** in revenues has been generated since inception

Investment Strategy & Criteria

Strategy:

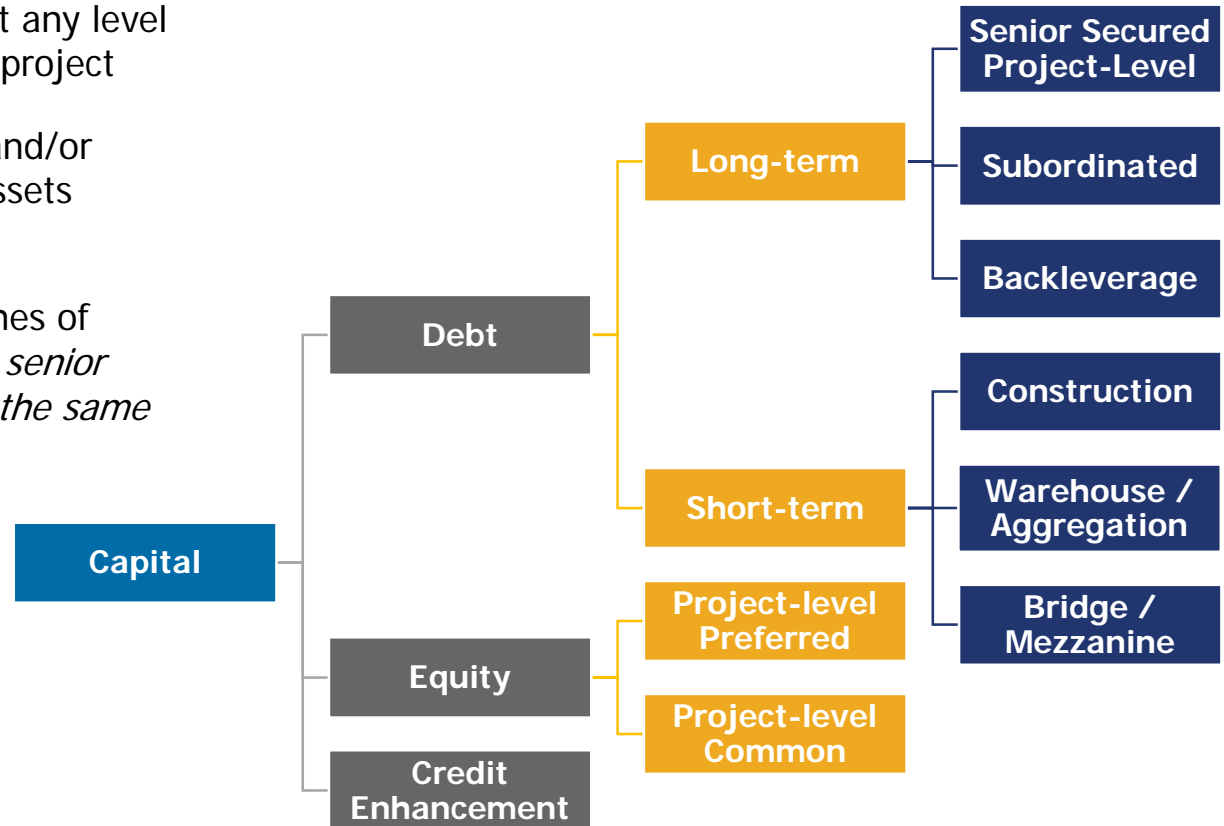
- ✓ Executing structured, project finance transactions
- ✓ Due diligence process similar to a commercial bank
- ✓ Structuring transactions on market terms to attract private capital investment

Primary Investment Criteria:

- ✓ Demonstrate GHG reductions
- ✓ Demonstrate how the transaction contributes to market transformation
 - ✓ Mobilization of private capital
 - ✓ Additionality in proposed investments
- ✓ Be economically and technically feasible, and provide financial returns to NY Green Bank

Potential Roles in Project Finance Transactions

- NY Green Bank can invest at any level of the capital structure of a project
- Directly invests in projects and/or portfolios of clean energy assets rather than companies
- Can invest in multiple tranches of same project (*For example, senior secured and term loan B in the same deal*)



Select Counterparties to Date

BLACKROCK

THE CARLYLE GROUP



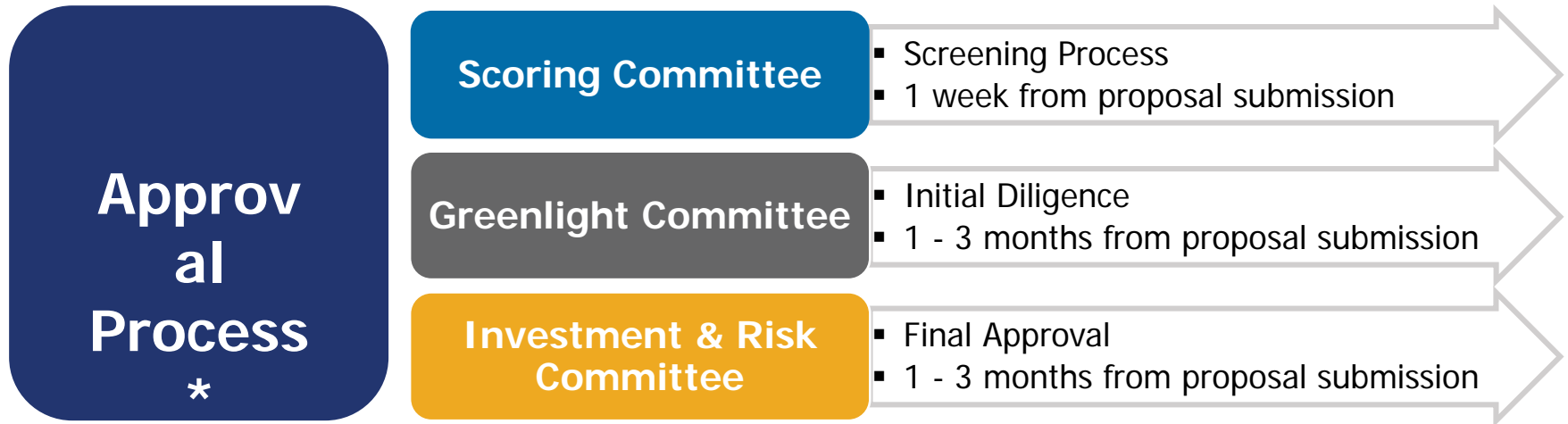
GUGGENHEIM

motivate



Working with NY Green Bank

RFP 1: Clean Energy Financing Arrangements – NY Green Bank invites market participants to propose financial transactions through its open proposal process



*Please note: estimated timing varies on counterparty readiness and project development (including availability of diligence materials)

Contact NY Green Bank

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