

NYSERDA BOARD MEETING

June 26, 2023

Clean Copy of Transcript

Chair Kauffman:

Okay. I call this meeting to order. This is the 262nd meeting of the New York State Energy Research and Development Authority. Notice of the meeting was mailed to the Members on June 12, 2023, and to the press on June 20, 2023. I direct a copy of the notice and agenda and revised agenda to be annexed to the minutes of this meeting. Welcome to the meeting. This meeting's being conducted in person and by video conference, the Authority will post a video and a transcript of this meeting on the web. To confirm that we have a quorum, I'd like to ask each of the Members to introduce themselves. I'm Richard Kauffman, Chair of the Authority.

Sherburne Abbott:

Shere Abbott, Member of the Board.

Charles Bell:

Chuck Bell, Member of the Board. Go ahead. Sorry.

Commissioner Dominguez:

Marie Therese Dominguez, Member of the Board.

Justin Driscoll:

Justin Driscoll, Member of the Board.

Sadie McKeown:

Sadie McKeown, Member of the Board

Commissioner Seggos:

Council Seggos, Member of the Board.

Chair Kauffman:

Thank you. And in New York City,

Frances Resheske:

Frances Resheske, Member of the Board.

Chair Kauffman:

Thank you. The first item on the discussion agenda is report from the Authority's President CEO Doreen Harris on the Authority's recent activities. Doreen,

Doreen Harris:

Good afternoon everyone. Great to see you all here today. I'm here to report on a, a number of milestones we've hit the last quarter, and there is certainly a theme, which is that there are agencies represented in my report that are indicative really of the ways in which we're working very well together to advance our, our missions under collective missions under the climate law

here in the state. But first and foremost first slide please. I, I do have to finally and officially report that the Community Decarbonization Fund has launched. I know we had a bit of a preview during the last meeting, but it was just a few days after our last Board meeting in which this \$250 million fund focusing on providing low cost capital to community based lenders launched focusing on Disadvantaged Communities. And you'll hear more from NY Green Bank President Andrew Kessler in just a bit.

But I also have to say that that was just opposed with the announcement of \$2 billion officially. We were just waiting for it to click over that milestone last meeting, and we now have hit that \$2 billion mark. And concurrently celebrating the 10th year anniversary of the NY Green Bank. So all told NY Green Bank projects are estimated to result in light tank greenhouse gas emission reductions of more than 41 million metric tons. And I just say this because it's a moment to celebrate that progress and the impact, and I would say the transitioning impact NY Green Bank is having, having. So we'll give the Green Bank team an official set of applause later. But I wanted to kick off there. Next slide, please.

So, here's a, another great example from the last quarter in ways in which we are working together as agencies. The Environmental Bond Act I'm sure you know, but back in November, voters across New York State resoundingly approved the Environmental Bond Act. It is a \$4.2 billion fund that ultimately is going to be leveraged in. And as you see on this slide, a number of different ways. I'd say that it is important though to note that the agencies are working together to implement the Bond Act program. And as it pertains to the Authority in particular, we're especially excited to leverage \$500 million for zero emission school buses. We'll be talking more about that in the coming months, as well as \$400 million for green buildings projects, both at State owned buildings, public schools and beyond. We've been working hard with our agency partners to implement this effort, not only with respect to the investments, but the Disadvantaged Community requirements and other provisions contained within the bond deck.

And I'd say if you haven't had a partic been able to participate in one of our listening sessions we have a number of sessions coming up around the States. And certainly you can see us at the first listening session in Buffalo at the bottom of this slide. We really do want to engage with the Public and as we develop our investments and the criteria for the Bond Act utilization. So all questions are set to Commissioner Seggos on the Bond Act. But that's certainly a really exciting piece of work we're advancing together. And in fact, the next slide as those of you who are part of the Program Planning Committee meeting I will not reiterate everything that our team capable share, but our work in implementing the Cap-and-Invest Program is, is definitely underway.

I'd like to highlight quickly a recent set of informational web webinars that we hosted with the Department of Environmental Conservation. Those are available on the Cap-and-Invest website in recorded form, as well as the slides that were provided for at those meetings. And I'd say when we look at this development timeline, we're really just at the beginning of the implementation of Cap-and-Invest. And when we look over the coming year, we will be having a multi-step process in which the Regulat regulations will be developed through a series of engagement analysis, and I would say regulation and draft form to take in public comment on the Cap-and-Invest Program. So this is a multi-step process. We will commit to sharing those updates with the Board. Along

the way, the earliest compliance year for Cap-and-Invest would be 2025. So certainly a lot to do between now and then on that program. Next slide, please.

And I had hoped that we could celebrate some major Public Service Commission milestones here with Chair Christian, but he is not here today. I do want to highlight two items of relevance from the June, 2023 Public Service Commission session, which took place last Thursday. The first relates to public policy transmission planning and a Public Service Commission Order was issued defining a public policy transmission need for the New York Independent system operator to support the integration essentially, of the balance of our offshore wind portfolio goal through a new public policy transmission need. So this will kick off what will likely be a multi-year process for the New York Independent System operator to take in the need and evaluate those needs. I say this is critical because we do need to be advancing our offshore wind goal in a variety of different ways, including through ongoing solicitations, through the planning in the near term for the integration of those resources.

And this new process will really support the broader needs associated with that nine gigawatt goal. And I'd also say last week was a big week for transmission planning, because earlier in the week, the <inaudible> also announced the selection of a project under the Long Island Public Policy Transmission planning process, which actually launched in 2021, following our power grid study that we've talked about before. And that project will deliver a minimum of 3000 megawatts of offshore wind projects to Long Island. So that's a, a big milestone in the selection of the project. I, I think our, our, our partner here President Driscoll, will have more to say about that project, given that's involvement in it. I'm very excited, very excited, all underground, too. Fantastic. Big milestone. Congratulations. Thank you. On the other side of the meter we did see a commission order on our NY-Sun midpoint review, and it really is looking at the ways in which our NY-Sun program is advancing toward the 10 gigawatt expanded objective of NY-Sun with some, I'd say rational modifications within that program approved by the commission.

But I think also one element of the order that I'd like to highlight in particular is that NYSERDA is actually directed to file a report within 60 days on the amount of distributed solar capacity that could be achieved within the budget that had been approved for the 10 gigawatt goal. So we are actually ahead of schedule to achieve that 10 gigawatt goal. And that report will really be looking at the amount of money that would be available, and if that money were put to use toward an expanded goal of, of the commission, what that number might look like. So that relates to my next slide, actually, where I've included some detail on the impressive work happening across our distributed energy portfolio. So, so this is really two slides and I, and it presents actually a very different picture in our renewable portfolio.

So I'm, I'm wanting to highlight this for the Members here today. So, so first of all, on distributed energy resources, as indicated by the results of the NY-Sun Big Point review, the NY-Sun program is on target to meet its Climate Act goals early, it's on track for its Disadvantaged Community goals also, which is an impressive feat. And in fact, as you've heard, solar as a general matter is doing quite well across New York State. We are ranked second in the nation for installed distributed solar and first in the nation for installed community solar. And I think this chart on the top right is one that we are going to be monitoring on a regular basis. Our energy and environmental analysis team has sent us a chart from May 18th, 2023 looking at actually a,

a, I'd say a record for solar that during the noon hour that day, 20% of the state's electricity was powered by solar that day.

But also what we can see here is a visualization of what is known in the industry as the duck curve, which shows the timing imbalance between electricity demand and solar power generation. With certainly in this chart, the difference between the, the dates that you can see in 2013 in blue and 2023 in red, really showing the ways in which that solar generation is producing something particularly pronounced. We're gonna monitor this over the summer. And this is certainly something to plan around. This is where flexibility is going to be most critical in that highly decarbonized grid of the future. So I'd say this is, this is expected, but certainly a reality that we are working with our colleagues to plan around. And relatedly, I'd say on energy storage our portfolio has been doing well with current deployment around three megawatts procured storage over 1100 megawatts, and ultimately a commission filing of our six gigawatt solar or storage roadmap filed last December.

And it's laying out a path toward achieving the Governor's 2030 storage goal of six gigawatts. Now, I'd say this is, this is certainly where the story does start to change. This is despite really economic factors that have substantially increased storage costs across our State and beyond. And I, I'd really like to pause on the point of costs as it relates to my next slide on updates to the offshore wind portfolio. So you can see here that our, our distributed solar portfolio is doing quite well despite substantial market and policy changes over the last two years. But those impacts have impacted distributed solar and utility scale solar projects differently. And I'd say that distributed solar has, has really benefited from favorable tax credit treatment from the Inflation Reduction Act. They benefit also from the ways in which the NY-Sun program is designed so that they get the upside of higher electricity prices in the market, and also that they are more able to move quickly through development and construction, which means these projects are doing quite well.

However when we pivot to the next slide, I do want to note a very significant series of commissions petitions that have been filed with Public Service Commission really over the last couple of weeks. So in early June the large scale renewable energy industry in New York submitted petitions to the Public Service Commission, claiming that the overall economic viability of their projects under contract with NYSERDA are at risk due to unprecedented inflation and commodity price increases interest rates, hikes and supply chain shortages. And, and really, these petitions took the form of four separate filings, the first by joint venture horse spend and ever sourced developing the Sunrise Wind Project offshore wind project under contract with NYSERDA The second is Equinor and BP for three different offshore wind projects that are under contract with NYSERDA ACE NY filed on behalf of the onshore wind in wind and solar industry on behalf of 86 under development onshore renewable energy projects totalling 7,536 megawatts of capacity.

And last but not least, Clean Path, New York, a renewable energy transmission and storage project being developed by an energy, energyRe and the New York Power Authority filed a petition as well. So this for those who participated in the PPC meeting, these are the vast majority of the projects that will help us really bridge the gap from our current 27 ish percent renewable generation to the 66% that you saw quoted by our evaluation team. And, and so I,

accordingly, it is a very big deal in the State one that there will be, you know, a necessary process that will be followed by the Public Service Commission and that we at NYSERDA will, will be reviewing these petitions carefully and determining, you know, the next steps that we would be taking in, in potentially participating in any proceeding launched by the commission.

So, so I'd say this has the potential to impact progress towards 70 by 30 for certain. In addition, we at NYSERDA are in the midst of annual solicitation for land-based renewables. We've taken in bids for that tier one RFP as well as our offshore wind solicitation. So these market factors, I'd say, are a particular challenge in the near term and it is one that is, is, is demanding a lot of attention and rigor on the part of the State for sure. So it really is not a tale of two grids. It's a tale of, of, of two, two different factors that we're dealing with in the renewable space. And given our reliance really on that grid to achieve the level of decarbonization necessary and buildings and transportation in particular, it, it remains a, a matter of serious importance for, for us and for the State at large. So, unfortunately, on that note that ends my report and my thanks to the chair.

Chair Kauffman:

Thank you. The only comment I would make on that duck curve is it's a different duck curve in California. This is a good duck curve as it were because the duck curve in California has you know, has a lot of power being generated at a time when it's not needed. And then the challenge is that is people coming back and then using power when solar's not produced. Here, here we have a duck curve where it really is reducing peak power demand. And so that is actually one bright part about saving customers money. Alright. Right. Anybody else have any comments or questions?

Sadie McKeown:

I just have one comment about this slide. So I totally understand inflation and supply chain issues, but is there also a lack of competition in this space? There's a very small number of potential companies that do this work to, I mean, looking at this, it's like they all got on the phone and said, it's all going for. Maybe I'm crazy, but it just feels like there's, you're, we're fighting against the tide here mm-hmm. <Affirmative> and I imagine this, going back to Jay's comment, the last Board meeting where he said, aren't we better off putting all of our resources into the things that we know will move the needle? And if we, is this gonna divert some of the resources from NYSERDA here so that we can hold onto this? And then what impact is that gonna have elsewhere?

Doreen Harris:

So, so first of all, you know, the issues that we are seeing with respect to these four petitions, we are inactive in. These are our counterparties, right? So it came, we are well aware of the issues that the industry is facing over this course of what has been on ongoing for actually well over a year in some instances. And we've seen other states grappling with the same issue actually ahead of us, notably the New England states and New Jersey is Publicly known that they're seeing project cancellations or similar requests being made, and each of them are, is approaching this differently. I wouldn't say there's a cohesive approach because fundamentally each project is actually quite different with respect to its timing and, and, and relative economics, you know, so in the first instance, the industry aligning around this is really did not come as a surprise.

However, I'd say with respect to competition, when we think about the solicitations that we run as I said, we're in the midst of, of two right now. The competition for our contracts is fierce, despite the fact that in the offshore wind industry, there's a relatively small number of players due to their being a relatively small number of lease areas. Those players are very much there to obtain that much needed contract to develop and advance their projects. So, so if we ever saw a situation in which we had, for instance, a single bidder or two bidders, I would completely agree. In fact, Rhode Island just ran an RFP and only had one bid. That's, that's certainly not the uptake that we're seeing. With respect to the competitive pressures that would be designed to drive prices down, really what we're, at least what is being the subject of these petition would be unforeseen circumstances that followed the bid that really changed these projects economics in very substantial ways.

Sadie McKeown:

Okay, thank you.

Chair Kauffman:

Okay, very good. Doreen. So the next item on the agenda is a report from the Governance Committee. The Committee's Chair, Arturo Garcia-Costas was not able to attend the meeting, therefore, I led the meeting and will provide the report. The Committee met earlier today and a quorum was present throughout the meeting. The Committee completed its annual review of the Committee's Charter. The recommendations were made, and the Committee unanimously recommends approval of the Committee's Charter. We're gonna talk about a bunch of these Charters and we're gonna approve them in the consent agenda. In addition, the Committee received a presentation from the Authority's Chief Financial Officer, Pam Poisson, on the Authority's Annual Report, pursuant to Section 2800 of the Public Authority's Law. As part of its Annual Report submitted to the Authority's Budget Office, through the Public Authority's reporting information system, the Authority's required to submit a compensation schedule that lists employees in decision making or management positions whose salaries exceed a hundred thousand dollars.

In addition, Section 2800 requires Authority to submit biographical information for each employee included on the list. So the Committee unanim unanimously recommends that the Board approve of the compensation schedule and the submission of the vitae. Yeah. and we'll consider all these resolutions as part of the consent agenda. The next agenda item concerns a private session and an executive session. Section 108 of the Public Officer's Law authorizes the Members to convene in private session in order to review a matter made confidential by State Law. Since Section 2800 of the Public Authority's Law states that the Annual Confidential Board Member Performance Evaluation is confidential. It may be discussed by Members in private session. Additionally, Section 108 of the Public Officer's Law authorizes the Members to convene in an executive session or discussed the employment history of a particular person may have a motion for resolution number 1692 to enter into private session for the purpose of reviewing the Annual Confidential Board Member Performance Evaluation of the Authority, and to enter into an executive session to discuss the employment history of a particular person.

Sherburne Abbott:

Second.

Chair Kauffman:

Okay. All in favor?

Members of the Board:

Aye.

Chair Kauffman:

Any opposed? Okay, very good. Members will now enter into a private session and in the executive session during that time, the webcast will remain up. Upon our return, we will reconvene the meeting. Okay. All right. I now reconvene the meeting in open session. No formal action was taken during the private session and the executive session. The next item considered by the Governance Committee was the Annual Confidential Board Member Performance Evaluation report as the Committee's Chair was unable to attend. Today, Shere Abbott will discuss assignment.

Sherburne Abbott:

Thank you, Richard. During the private session, the Members reviewed the Annual Confidential Board Member Performance Evaluation report, which was unanimously recommended for approval by the Governance Committee at its April 26, 2023 meeting.

Chair Kauffman:

Thank you. May I have a motion for resolution number 1693 approving the submission of the Authority's annual confidential Board Member performance evaluation report.

Charles Bell:

So, so moved.

Sherburne Abbott:

Second.

Chair Kauffman:

All in favor?

Members of the Board:

Aye. Aye.

Chair Kauffman:

Okay. The Annual Confidential Board Member Performance Evaluation report has been approved. The next item on the discussion agenda is a report from the Audit and Finance Committee and discussion of the Authority and NY Green Bank's financial statements. The Committee's Chair, Jay Koh, was unable to attend the meeting, therefore, I led the meeting and will provide the report Committee was held earlier today and a quorum was present throughout. Committee reviewed the Annual Investment Report for the fiscal year that ended March 31,

2023, and the proposed 2023 and Investment Guidelines. The details are outlined in the memo in your information package, so I'll highlight only a few of the results.

The report indicates that the Authority's overall investments decreased about \$26.2 million to \$1.319 billion. Investment income increased for the fiscal year ended March 31, 2023 by \$31.2 million. The Authority's, independent auditors, reviewed the investment report and said that nothing came to their attention and indicated that the Authority was out of compliance with the Investment Guidelines. The Members also requested to adopt a resolution of approving the Investment Guidelines annually. No changes recommended at this time. The Committee unanimously recommends approval of the Annual Investment Report and Investment Guidelines. Next, the Committee review the Annual OPEB Trust Investment report for the year ended March 31, 2023, and a proposed 2023 Investment Policy Statement for the NYSERDA OPEB Trust, the market value of the trust assets as of March 31, 2023 was approximately \$66.5 million. A reduction of approximately \$2.9 million from the prior year, primarily as result of a market decline over the last 12 months.

As of the most recent actuarial valuation trust was 101.6% funded compared to its OPEB liability. The total return on the Authority's investments in the OPEB trust was minus 5% for the year, reflecting a decline for the year, but outperformed the benchmark indices by a 10th of percent. The lifetime average return is approximately 5.9%, which is presently below the actuarially estimated long-term expected return of the NYSERDA OPEB Trust. The plan administrators recommending one change to the Investment Policy Statement. Milliman, the trust investment consultant and plan actuary conducted an asset allocation study and provided revised ranges and targeted levels of investment by asset class changes to the portfolio allocations and targets were noted in the investment policy statement included in the meeting package. The Audit and Finance Committee also reviewed the financial statements for the recently completed fiscal year. Peter Mahar summarized significant fluctuations compared to last year's financial statements.

Notable changes in fluctuations are described in detail and the materials provided to the Members after Peter's presentation. We met in executive session with the independent auditors where there was ample and detailed review of the Authority's investment and financial condition. No substantive problems were identified. The independent auditors will issue an unqualified opinion on the financial statements. And at this point, I wanna thank and congratulate the Authority for another year of outstanding work on the audit on time, no issues, nothing in the man management letter from the audits. So really well done and thank you again. Committee, therefore, unanimously recommends approval of the Authority's and the NY Green Bank's financial statements. Next, the Committee reviewed the appointment of KPMG, LLP as the independent auditors of the Authority and NY Green Bank for the fiscal year ending March 31, 2024, and for the independent audit <inaudible>.

And I sort of hope that trust KPMG was competitively selected under an RFP issued in Spring 2021. This will be the third year out of a possible five years. Those fees for fiscal 2023-2024 will not exceed \$132,150. The Committee unanimously recommends their appointment. Next, the Committee reviewed the Annual Bond Sales report includes one new issue, excuse me, one new issue, excuse me. No refunding and no conversions completed during the fiscal year 2022-23. In

addition, the report includes schedule of Authority, bonds that are outstanding as of March 31, 2023, which totals approximately \$1.6 billion. The Committee unanimously recommends approval of the bond sales report. Lastly, the Committee completed its annual review of the Committee's Charter. No recommendations were made and the Committee unanimously recommends approval of the Committee's Charter. This concludes my lengthy audit Committee report. Okay, so there are no questions. May have a motion for resolution number 1694 approving the financial statements for the Authority and NY Green Bank for fiscal year 2022-2023.

Charles Bell:

So moved.

Chair Kauffman:

Thank you.

Sherburne Abbott:

Second. Second.

Chair Kauffman:

All in favor?

Members of the Board:

Aye.

Chair Kauffman:

Any opposed? No. Okay. The financial statements for the Authority and NY Green Bank fiscal year 2022-2023 are approved. And we'll consider the resolutions for the remaining items as part of the consent agenda. So now we're gonna go to the next item on the discussion agendas report from the Waste and Facilities Management Committee. From that Committee's Chair Charles Bell.

Charles Bell:

Thank you very much, Richard. The first item on the Committee's agenda was approval of the Waste and Facilities Committee Charter. The Committee voted to approve the Charter this year with no changes and management had not recommended any. Our second agenda was the nuclear coordination report. Alyse Peterson presented the report noting that physical decommissioning actions continue at Indian Point with demolition of unit two and three steam domes and removal of the Unit two condensate storage tank and several oil tanks no longer needed to support the decommissioning activities.

And that transfer of spent fuel out of the spent fuel pools into dry cast storage was completed in February with Unit three's fuel transfer happening this month. And she reported that all fuel is expected to be out of the pool and into dry cast storage by the end of this year. Reactive vessel segmentation activities also began earlier this year in all low level radio radiological waste generated by the decommissioning activities is being shipped to the Waste Control specialist

facility in Texas. At least reported that the site owner is working with DEC on a study of environmental conditions. And that NYSERDA under its role as the State's nuclear coordinator and federal liaison continues to respond to potential technical financial or regulatory issues as they arise. Alyse also thanked NYSERDA's West Valley staff for hosting the Indian Michigan Oversight Board at a tour of the West Valley sites and providing their expertise and resources.

Our third agenda item was the West Valley Report. Brad Frank presented the Committee with an update on the West Valley Site Management program with focus on the US Department of Energy's work to demolish the main plan processing building. Brad described the meticulous work is being conducted to safely dismantle the thick reinforced concrete walls of the rooms and hot cells that make up that building. Brad showed photographs of the equipment used to conduct the work, including three industrial scale water misting systems for controlling generation and dispersal of dust from the demolition work. Brad reported that doe's air sampling data for the fourth quarter of 2022. The first full quarter of demolition activities showed concentrations of key radionuclides at below detection limit for 15 of the 16 site perimeter monitoring station at the 16th station. There were very low detections of two radionuclides of <inaudible> and plutonium and just above the detection limit the concentrations detected equate to a radiation dose that is lower than the level predicted for the quarter and is far below the EPA's dose limit. Brad noted that these results were presented at a quarterly public meeting last month in terms of transportation and disposal of the main plant process building demolition debris. Brad reported that almost 6,300 tons of waste have been transported by rail and truck to out-of-state, low level redirect waste disposal facilities. Brad is standing by and available to answer any questions from the Board. This concludes my report.

Chair Kauffman:

Thank you, Chuck. The last item on the discussion agenda is a report from the Program Planning Committee for the Committee's Chair Shere Abbott.

Sherburne Abbott:

Thank you, Richard. Earlier today, the Program Planning Committee met and discussed the following items. First, the Committee Charter Committee reviewed the Program Planning Committee Charter and recommended no changes be made to the Charter. The Committee unanimously recommended approval of the Program Planning Committee Charter, a second, Cap-and-Invest Next, Vlad Gutman-Britten, assistant Director for En Environ Energy Environment and Analysis and Senior Advisor Erich Sherer provided the Committee whether an overview of the Authority's Cap-and-Invest program. The Committee was able to ask questions and was pleased with the discussion. Third, programmatic progress and plans. The Committee received an update from Jennifer Meissner, director of Performance Management on the Authority's programmatic progress and plans. The Committee was able to ask questions and was pleased with the discussion. Completes my report on the program.

Chair Kauffman:

Thank you, Shere. In the interest of time, we now turn to the consent agenda. There are 12 resolutions to be considered. Information on each of these items was included in reviewing materials. Resolutions number 1695 through 1699 were recommended for approval by the Committees resolution number 1700 would approve the Charters for each of the Authority's.

Committees resolution number 1701 would approve the Operations and Accomplishments and Mission Statement and Measurements Annual report resolution number 1702 would approve the Annual Report on Acquisition and Disposition of Real and Personal Property, Real Property Acquisition Guidelines, June, 2023, and the Guidelines, Operative Policy and Instructions for the Disposal of Real and Personal Property. Also, June, 2023. Resolutions number 1703 and 1704 would approve the Annual Contracts Report and The Periodic Contracts Report. Council's Office compared the list provided by Members of entities with which each Member is associated, which he or she believes may enter into contracts with NYSEERDA to the list of contracts in the Annual Contracts Report and the Periodic Contracts Report. Council's Office reports just a few potential conflicts. Specifically, the Authority has entered into or anticipates entering into contracts with Columbia University, identified by Rory Christian, New York Power Authority identified by Justin Driscoll, Consolidated Edison Company, identified by Frances Resheske and Columbia University, Alliance for Sustainable Energy LLC, Booz Allen Hamilton and Coalition for Green Capital identified by me. Justin and Francis, can we assume that you wish to obtain from the vote to approve contracts with that specified entity?

Frances Resheske and Justin Driscoll:

Yes. Yes.

Chair Kauffman:

Thank you. Resolution number 1705 would approve the Annual Report on the Implementation. Yep.

Peter Costello:

Can you also confirm your own recusal?

Chair Kauffman:

Yes, I will I confirm mine. Yes. Sorry, I do confirm my own recusal. Sorry. Resolution number 1705 would approve the Annual Report on the Implementation of the Authority's Prompt Payment Policy. And lastly, resolution number 1706 would approve the Amended Notice of Adoption of Part 509 and Title 21 of the Official Compilation of Codes, Rules and Regulations of the State of New York Appliance and Equipment Efficiency Standards. Are there any questions on these items? There may be. There, there being none. May have a Motion Approving resolutions number 1695 through 1706.

Charles Bell:

Second.

Sherburne Abbott:

Second.

Chair Kauffman:

Thank you. All in favor?

Members of the Board:

Aye. Aye.

Chair Kauffman:

Opposed? Resolutions number 1695 through 1706 have been approved. Thank you. Alright, the last item is a report from NY Green Bank President, Andrew Kessler.

Andrew Kessler:

Great, thank you. Hopefully y'all can hear me

Chair Kauffman:

Just before you start. Before you start, you want to congratulate you on your 10th year anniversary.

Andrew Kessler:

Well, thank you. Thank you very much. And I'll pass along to our team. We, we really couldn't do it without 'em all, all 40 some Members working in unison and of course NYSERDA leadership and DPS and, and the, and the Board continuing to provide us all with the necessary support to achieve these you know, to achieve these outcomes. So, thank you Chair. Okay. let's get started. Next slide please, for a quick update. As, as you've mentioned Chair and Doreen mentioned earlier, it's been an exciting start this year. We started off with the launch of our \$250 million Community Decarbonization Fund, and that was quickly followed by the surpassing of our \$2 billion commitments mark since inception as well as the launch of our 10 year anniversary campaign. I think what I'm seeing is the wrong version of the slides. This is a draft but hopefully that gets rectified as we go through this. So I don't know if someone can look into that.

Sara LeCain:

Yes, we will.

Andrew Kessler:

Thank you. So, so, so, so just to conclude on this slide, so far this quarter, we've closed two transactions totaling \$74 million with a few transactions that are expected to close over the coming weeks. Next slide please.

Great. So these last several weeks, we've been very busy drafting and finalizing our annual plan goals for this current fiscal year. In collaboration with the Department of Public Service and Serta leadership, this table summarizes the deliverables that we are committing to pursuant to that annual plan, which we expect to file with DPS by this Friday, June 30th. We have three overarching goals this year. First, as we've done consistently since inception, and as our core mission, New York remake will continue to identify and close funding gaps in alignment with the CEF, CLCPA and other New York State goals. We're targeting \$225 million in new commitments this year. Our target priority segments include building decarbonization, clean transportation and energy, energy storage. And of course, we remain highly focused on equity and ensuring that our investments benefit Disadvantaged Communities. As you all know, we have a goal of investing at least 35% of our capital into projects benefiting frontline communities by December 31, 2025.

Secondly, New York agreement is pursuing federal funding opportunities. Specifically, we have already applied for a grant under the DOE'S Energy Efficiency Revolving Loan Fund program, and we are planning to apply into all three of the EPAs Greenhouse Gas Reduction Fund competitions. The notice of funding opportunity is expected to land sometime this summer, the potentially even as early as next week. So we're pretty excited to get started on that opportunity. Thirdly our goal is to continue our efforts. Our third goal is to continue our efforts to enhance operations and portfolio management efficiencies through a variety of, of efforts including process enhancement, professional development, risk management, stakeholder engagement, and program coordination with other NYSERDA business units. And we're working on our third annual impact report to highlight our work last year and its impact. And that's going to be released in late July. That's a great report. We're really excited to get that out to the public in, in in late July. Next slide, please.

Thank you. On the top of this slide, you'll see the cumulative impact of our progress since inception. I think you'll all be familiar with this slide. Nearly \$2.1 billion of committed capital, \$2 billion of deployed capital \$1.5 billion successfully repaid, and \$5.5 billion of capital mobilized by our activity, resulting in \$41.4 million metric tons of emissions reduction. That's equivalent to removing approximately 415,000 cars from the road for 24 years. As mentioned, we've closed two transactions this year already, totaling \$74 million with a strong pipeline totalling about \$500 million that we're actively working on at this time. Next slide, please. This year we are setting specific dollar targets for each of our priority sectors. We're aiming to close \$30 million in affordable housing, \$20 million in building decarbonization, \$30 million in clean transportation, and \$50 million in energy storage. During the year. We intend to close three transactions, at least three transactions under our new \$250 million community Decarbonization fund. Which as you all know, is entirely focused on supporting Disadvantaged Communities. And since January 1, 2020, 21% of New York remix investments have supported Disadvantaged Communities, taking into consideration our active pipeline, that percentage would increase the 24%. Next slide, please.

As already mentioned we've launched our \$250 million CDF that happened April. This program is responsive to stakeholder engagement efforts where we heard from the market that low cost capital was needed to help CDFIs and, and other specialty lenders expand their efforts to finance greenhouse gas reduction projects, reducing projects in New York state's underserved communities. I'm gonna walk through this opportunity at a high level today, but a lot more detail and information on the CDF is available on our website that that'll include the RFP some great information as well. About the RFP and how to think about some of the questions we're asking as well as a webinar that's been recorded that you can listen to that we hosted in May. I think that's gonna be very useful. So do please for those listening avail yourselves of those resources. And of course reach out to us and we're happy to answer questions. Next slide, please.

The CDF structure, I thought would just be a quick and helpful diagram. You know, as you know, this is a wholesale lending pathway. You know, Green Bank is not making direct loans to projects in this particular Community Decarbonization Fund pathway. Instead, we're making loans to CDFIs and credit unions and other specialty lenders. And they, those borrowers will then use that capital to make direct loans that meet the community decarbonization funding excuse me, fund eligibility criteria. Next slide please. Quick snapshot of the terms. The, the

applicants to the Community Decarbonization Fund must demonstrate that they have a pipeline of eligible projects that support efficiency first building decarbonization energy storage and or clean transportation projects, B contribute to greenhouse gas emissions reductions. C benefit underserved communities and are located in New York state. And lastly, e use an eligible technology as detailed on the right hand side of this slide.

So that's the program, that's the, that's the criteria. The loan size from a funding perspective is meant to be quite flexible based on the needs of the borrower, a minimum of \$2 million and up to \$25 million per borrower with an availability period of 24 months and a term of 12 years, this capital is offered at a fixed 1.5% interest rate. Potential borrowers could reach out to us to learn more. As I've mentioned, we've made every effort to streamline the application PRO process, but if you have any suggestions, please bring them to us. We're planning a significant promotion effort around this program and we're looking forward to engaging with stakeholders. And love I'm really happy to be able to announce that we have received our first application and we've scored it and we've passed it, and we're working on the underwriting process as we speak with this CDFI. Next slide please.

In April, 2023, the, the EPA announced further details about the \$27 billion dollar greenhouse gas reduction fund. That capital is meant to be split into three separate competitions. As detailed on this page, as I mentioned, the notice of Funding Opportunity nofo is meant to be available by the EPA sometime this summer. NY Green Bank and NYSERDA intend to apply for all three competitions. There will be a New York State application for the \$7 billion solar for all competition. We're working with other business units within NYSERDA on that, on that opportunity. In addition, NY Green Bank will at a minimum be applying to receive the \$5.6 million under the \$6 billion clean communities investment AC accelerator competition with the potential to apply for a larger allocation and, and act as a conduit to distribute funds in the New York State.

CDFIs credit unions and other eligible recipients as a compliment to our CDF. And finally, NY Green Bank is in discussions with a variety of parties to excess capital through the \$14 billion National Clean Investment Fund, the NCIF. We are particularly well suited for this competition, which is geared toward Green Bank and other lenders that deploy capital into these markets. Next slide please. Finally, a quick update on our stakeholder engagement efforts. NY Green Bank has implemented paid web and search opportunities and is collecting more data more than we've ever collected on how our messaging is reaching audiences. Setting this baseline is, is gonna help us improve the way we engage with stakeholders in the marketplace. We are also conducting a significant marketing effort around our 10 year anniversary, which will focus on the impact that we've had in key market segments since inception. This will serve as a tool to both show our impact, but also provide lessons learned that can be adopted by other green banks and other and, and the private sector writ large. And finally, we intend to reach audiences in all 10 regions of the, of the State through our Community Decarbonization Fund road show, which is kicking off this year. There will be an opportunity to engage with potential borrowers throughout the State, and we want to see obviously CDF widely benefiting all New Yorkers. So we will be sending representatives across the State over, over the course of the summer to make sure that there are opportunities to meet with us in person on this funding pathway. Next slide, please.

This concludes my prepared remarks, Chair Kauffman. I'm happy to take questions if any

Chair Kauffman:

Very good, questions for Andrew. You, you, you're, you're shocked and honest. That's the excellent report. Okay. Thank you, Andrew. Very much. Well done.

Okay, so the last item on the agenda is other business. We have one item under other business regarding meeting dates of 2024. Staff will be contacting each of you in this regard and will then provide dates to be marked on your calendars. I'll know you do your best to keep these dates reserved so we can obtain the quorums we need to do business and also have the benefit of the participation expertise of as many Members as possible. Does anyone have any other matters they wish to discuss? There being none may I have a motion to adjourn the meeting. Is that eager? Okay. All all in favor?

Members of the Board:

Aye. Aye.

Chair Kauffman:

Opposed? The meetings adjourned. Thank you all for coming. Thank you. Thank.