

## **NYSERDA 257<sup>TH</sup> BOARD MEETING**

**June 28, 2022**

Clean Copy of Transcript

**The Chair:**

I'd like to call this meeting to order. This is the 257<sup>th</sup> meeting of the New York State Energy Research and Development Authority. Notice of the meeting was mailed to the Members and to the press on June 17, 2022. I direct that a copy of the notice agenda and revised agenda be annexed to the minutes of this meeting. Welcome to the meeting. This meeting is being conducted in person and by video conference, the Authority will post a video and a transcript of this meeting on the web Richard Kaufman Chair of the Authority and the first item on the discussion. So to confirm that we have a quorum, I'd like to ask each of the Members to introduce themselves, I've already introduced myself.

**Vice Chair Bell:**

Charles Bell Member of Board.

**Arturo Garcia-Costas:**

Arturo Garcia-Costas, Member of the Board.

**Frances Resheske:**

Frances Resheske, Member of the Board.

**The Chair:**

And in Albany.

**Sadie McKeown:**

Sadie McKeown, Member of the Board.

**The Chair:**

And in Syracuse.

**Sherburne Abbott:**

Shere Abbott, Member of the Board.

**The Chair:**

Thank you. Very good. So we do have a quorum.

**Peter Costello:**

We do have quorum.

**The Chair:**

Thank you. First time on the Discussion Agenda is a report from the Authority's, President and CEO, Doreen Harris on the Authority's recent activities.

**Doreen Harris:**

Thank you very much and good afternoon, everyone and great to see people here in person today. And certainly been another busy quarter and I'm happy to report on a few milestones and some which are quite responsive to prior feedback of the members. So if we turn to the next slide I'd start like to start with a major announcement that occurred during this quarter with the results of our most recent large scale renewable procurement which was the fifth consecutive annual procurement of land-based renewable projects under our clean energy standard. And this is an annual cadence of solicitations, but it is certainly one that I think is quite notable in that we've advanced contracts for 22 large scale renewable solar projects, including six, that will develop large scale energy storage facilities in concert with their projects themselves and notably.

This was the largest land based renewables procurement to date which will support about \$3 billion of investment in these new projects and adds to what is a significant and growing pipeline of projects toward the clean energy standard objectives. I think it is notable that this has been occurring over a series of years. And when one looks at it collectively I'll, I'll show you some of the numbers it's really quite impressive as to what we've collectively achieved, but I do have to say that this would not have been possible without the amazing NYSERDA team, of course, who have implemented this program for years, but in addition it would not have been possible without the help of our partners, including the Department of Public Service. The staff certainly have been integral to the implementation of this program, the Department of Environmental Conservation the Agriculture and Markets Department in New York State and certainly the New York Independent System Operator and the utilities themselves who are critical in the evaluation of the bids.

So certainly a reason to celebrate. And when we look at the next slide this really sense, a high level view of where we are toward the clean energy standard, 70 by 30 objectives, which is really very impressive. On the left, you see the map of over 120 projects that are now under contract and moving forward by the State including land based and offshore renewables, and even renewables delivered via new transmission here into the city. As we speak, we are powered by about 27% renewables, but when these projects are constructed, we will have about 66% of our State's electricity served by renewable resources by 2030. So we have plenty of work to do to get these projects permitted, interconnected, and constructed. But I would say this scale and this commitment is indicative really of, of the work we need and are going to be doing across many sectors of our economy and really building that renewable grid necessary to serve that economy as well. So a huge milestone and one that we intend to continue with the issuance of additional large scale, renewable solicitations this year. Next slide please.

We thought with the recent closure of the legislative session for this year to highlight a few very significant proposals that are relevant to NYSERDA and it is true first that this was a record setting legislative session with over 1000 new bills, passing both houses of the legislature and are now going to be delivered to the Governor to consider signing over the coming weeks and months. And as you see here, that many were related to NYSERDA's work on clean energy and climate change. One highlight that I'd like to make is the Advanced Building Codes Appliance and Equipment Efficiency Standards Act of 2022. And that is a piece of legislation that we have been working to advance for a number of years. And in this instance what has actually passed

allows us to align the energy code to support the climate act in achieving energy efficiency and greenhouse gas emission reductions.

It allows the building code council to consider life cycle costs, benefits, and emissions impacts of the code. And it authorized NYSERDA in consultation with the Department of State to set New York State appliance efficiency standards as well. And to allow the Governor to designate the President of NYSERDA and the Commissioner of the Department of Environmental Conservation, as Members of the State Fire Prevention and Building Code Council, which will allow us to align the work of the Climate Action Council with the code council central to the work we really need to be doing in the building sector. I think additionally, I wanted to highlight the utility thermal bill. As you see here, the utility thermal energy network and jobs act, which directs the Public service commission to initiate a proceeding and develop a regulatory structure for utility thermal energy networks. And this is going to change the definition of a gas in the electric utility.

So they may own operate and manage thermal energy networks as well as acquire and supply thermal energy with Public service commission oversight. It also requires a utility thermal pilot project in each utility zone in the State. And I think notably this was advanced with strong support from organized labor, with the provision of workforce development requirements, prevailing wage and apprenticeship agreements as well. I will touch very lightly on the topic of clean transportation, but there were a number of bills that were advanced focusing on accelerating the adoption of electric vehicles, whether it be by preventing homeowners associations from banning or imposing unreasonable limitations on the installation or use of electric vehicles, the construction projects for parking facilities that receive State capital funding to be capable of supporting electric vehicle charging stations as well, and State procurement plans for zero emission vehicles as well. It is also notable that there is a prevailing wage bill for solar project that would extend prevailing wage requirements for renewable energy projects greater than one megawatt that procure. The existing Law requires that for projects five megawatts or greater.

And in addition, there's a number of studies that will be advanced microgrids on advancing a renewable energy laboratory in our State on voltaic best practices, et cetera across our State and led in part by NYSERDA. In addition, there are a number of changes to our build ready program that we've previously discussed that were advanced. So all told a very active legislative session and certainly advancing bill signing since we speak across multiple sectors of our economy, but including on these, these exciting items as well. I know at a prior meeting, if we turn to the next slide we had wanted to just touch briefly on the impact of federal policy and federal infrastructure and climate investments as well. So just a reminder of the priorities that were part of our strategic outlook for 2022 to 2025, focusing on electric vehicle charging.

Notably we are expected to receive \$175 million over five years for EV charging network development offshore wind port infrastructure, weatherization, energy efficiency, affordable housing programs, as well as transmission and grid resiliency investments as well. And you'll hear notably about workforce development throughout today's discussion. We have actually submitted a proposal to the good jobs challenge to leverage over \$25 million in workforce opportunities. And we're really looking at other opportunities to leverage federal investments in

this respect as well. So certainly we had plans for a number of areas in which we could intersect with the federal government. If we turn to the next slide, I'd like to talk about a couple of areas near term engagement. Recently, first of all we launched a webpage in concert with the New York State department of transportation for the ne program under the infrastructure investment and jobs act, which is this \$175 million for direct current fast charging station deployment near highway corridors.

So we've launched this webpage consistent with the requirements. And in addition, we see huge opportunities to scale up our investments as a result. It is also true that we are planning to submit a response to the green hydrogen investment by the Department of Energy. This is an \$8 billion dollar program by the Department of Energy advancing clean hydrogen hubs across the US. So NYSERDA has advanced is in the process of advancing a proposal that involves the Northeastern States as well as over 50 partners as we speak. We're expecting that forward to be issued this fall. And we are planning and ready to not only respond, but to win with what we believe will be not only a clean and green hydrogen hub, but also one that utilizes this hydrogen in very creative ways that are useful for our Northeast economy.

In addition we have investments that we are advancing through the Department of Energy and grid resilience specifically with respect to formula grants to support investments for preventing outages and advancing the resilience of the grid. We are advancing federal and State offshore wind partnerships. In fact, just last week, Governor Hochul participated in a launch event involving multiple States and the Department of Energy and the President himself, which is really exciting to see advanced. We are also helping to support a proposal for new energy, New York battery manufacturing central to our economic development of the future. And that is exciting as well. And last but not least as discussed, we let the development of this proposal \$25 million to train transitioning, energy workers and members of disadvantaged communities under the good jobs challenge, and we're expecting results later this year. So certainly we do as we had planned in our strategic outlook see many opportunities for federal alignment. This is just a few that really haven't merged over the last number of months that I wanted to highlight for each of you today. So with that, I will turn it back to the Chair for any questions.

**The Chair:**

Thank you, Doreen. Questions?

**Arturo Garcia-Costas:**

I have a quick question. The bill that focus on the, the renewable energy laboratory for New York State, is that a national laboratory or is it a partnership between State and existing education student or

**Doreen Harris:**

So essentially it's, it's asking us to look at the feasibility and the cost and the benefits of establishing the laboratory of that nature here in New York State. And I, and I think as I think about it really will need to align closely with our climate goals. But I think it's also critical to align with the federal network of, of laboratories as well, of which we host more than once. So all that to say, when I, when we're advancing an assessment like this, it we'll be in the context of our unique policies, but also the frameworks.

**The Chair:**

Thank you, Doreen.

**The Chair:**

Next out on the agenda is a Resolution dedicating the NY Green Bank Boardroom this room in memory of Alistair Winthrop Conger Clark valued Member of the NY Green Bank team who passed away one year ago. Today. I'm pleased to introduce Alistair's wife, Alexandra, and welcome her to the meeting. Before I read the Resolution, I'd just like to give a couple of personal remarks. You know, it, it it's easy. You know, it seems as though the NY Green Bank's success was pre-ordained, cause it has become very successful, but of course it wasn't pre it took the dedication of an initial small group of people willing to take the chance on this startup to build the strategy and the culture of the Green Bank Alistair was one of these pioneers. He took the chance and Alistair was really a mag is the best word I can think of because internally he cohered the group. He created a culture that made the NY Green Bank, a collaborative mission and fun place to work and externally sticking with the theme. He attracted new people to join the Green Bank and companies to partner with it's energy really lit the whole form.

So now the Resolution, whereas Alistair W.C. Clark served with distinction as a founding Member of NY Green Bank, the division of NYSEERDA during its earliest years. And whereas Mr. Clark's tenure was marked by a passion for implementing practical market based solutions to addressing climate threats, facing New York's infrastructure and a steady, consistent dedication to furthering the mission of the NY Green Bank as a newly established fund within the Authority, including developing processes and practices that will continue to maximize environmental energy and economic benefits to the people of the State of New York. And whereas Mr. Clark's efforts were instrumental in establishing and securing NY Green Bank's reputation as a market leading innovative and respected financing entity, widely recognized as exceptional among its peers. And whereas the Members of the Authority assembled on this 28th day of June, 2022 have unanimously voted to commend Mr. Clark for his distinguished service to the people of the State of New York and his contribution to the Authority and to memorialize that commendation. Now, therefore the Members of the New York State energy research and development Authority, commend Alistair W.C. Clark, and express their deepest deprecation and respect for his faithful and distinguish service on behalf of the Authority. And furthermore, the Members hereby dedicate the NY Green Bank Boardroom to be named in honor.

**The Chair:**

May have a motion for Resolution number 1656, commending Alistair Clark and dedicating this Boardroom and his honor.

**Vice Chair Bell:**

So moved.

**Arturo Garcia-Costas:**

Second.

**The Chair:**

Thank you all in favor?

**Members of the Board:**

Aye.

**Alexandra Clark:**

Okay. He'd be so honored. Can I say something?

**The Chair:**

Of course.

**Alexandra Clark:**

There's little coincidence to me that today is the day that this meeting was scheduled on the day that Alba died one year ago his work here and this team helped me and Alba moving forward, the team here helped him stay almost protocols. He kept fighting to come back here. He never ever thought that he was succumb to the disease. And part of that was because everyone here treated him like Alba Clark from day one until the last day he walked through these doors or the 1359. And I'm eternally grateful for the role he had here for the like literally the most incredible health insurance our family could have ever received during his treatment process. It was unbelievable. And again, that also kept, it kept him moving forward and I am just, I I'm an awe of the Green Bank for everything that you're accomplishing. It also serves as a huge source of inspiration for like my life as it stands at this exact moment. Cuz we, we are drawing from a lot of your success and hopefully like looking forward for something for the neuro community. And I'm, I'm, I'm eternally grateful. I know Alistair is eternally grateful. This is a very special place. And I, I you know, we're here and Alba's still very much here, so thank you.

**Arturo Garcia-Costas:**

Turn around.

**The Chair:**

Now I'm gonna ask you to report of the meeting of the Governance.

**Arturo Garcia-Costas:**

Okay. thank you, Richard. The Governance Committee met on June 28, 2022, and the quorum was present throughout the meeting. The Committee completed its annual review of the Committee's Charter. A few changes were proposed, including clarifying Committee's role with respect to the annual Board self-evaluation adding responsibility with respect to the Authority's Diversity Equity and Inclusion work, and a number of ministerial changes Committee unanimously, unanimously rather recommends approval of the Committee's Charter.

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 is required to submit a compensation schedule that lists all employees in decision making or management positions, salaries exceed \$100,000. In addition, section 2800 requires Authority to submit biographical information for each employee included on the list. The Committee unanimously recommends that the Board approve the compensation schedule and the submission of the Vitae. Next, the Committee

considered proposed amendments to the Authority's, By-Laws that pertained to the use of video conferencing by the Board as a result of changes to the Open meetings. Law proposed changes are the result of changes to the Open Meetings Law. The Committee unanimously recommends that the Board approve the proposed amendments to Authority's By-Laws.

**The Chair:**

Are there questions for Arturo? Thank you, Arturo for your work, we'll consider the Resolutions for the compensation schedule and the amendments to the By-Laws as part of the Consent Agenda. The next agenda item concerns a private session and an executive session section 108 of the Public Officers' 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 and may be discussed by the Members in private session. Additionally, section 108 of the Public Officers' Law, authorizes the Members to convene an executive session in order to discuss the employment history of a particular person. May I have a motion for Resolution number 1657 to enter into private session. The purpose of reviewing the Annual Confidential Board Member Performance Evaluation of the Authority and to enter into executive session to discuss the employment history of a particular person.

**Arturo Garcia-Costas:**

So moved.

**Vice Chair Bell:**

Second.

**The Chair:**

Thank you all in favor.

**Members of the Board:**

Aye.

**The Chair:**

Any opposed? The Members will now enter into a private session and an executive session. During that time, the webcast will remain up on a return who convene meet and 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 back to you Arturo to discuss this item.

**Arturo Garcia-Costas:**

Thank you Richard. So during the private section Members reviewed the Confidential Annual Board Member Performance Evaluation report was unanimously recommended for approval by the Governance Committee that it's April 26, 2022 meeting.

**The Chair:**

Any further discussion on this. There being none may have a motion for Resolution number 1658, approving the submission of the Authority's Annual Confidential Board Member Performance Evaluation report?

**Rory Christian:**

So moved.

**Vice Chair Bell:**

Second.

**The Chair:**

Good.

**The Chair:**

All in favor.

**Members of the Board:**

Aye. Aye.

**The Chair:**

Any, any opposed? Alright, good, the Annual Confidential Board Member Performance Evaluation report has been approved. Thank you. So the next item on the Discussion Agenda is a report on the compensation of the Authority's Officers back to you Arturo.

**Arturo Garcia-Costas:**

Thank you, Richard. So the Committee discussed the compensation of the Officers and received a report from Chief Financial Officer Pam Poisson. The Public Authority Law requires Board to establish policies regarding compensation of Authority Officers. And Article 3, Section 3 of the Authority's By-Laws requires Board approval of the Officers' compensation, Ms. Poisson explained that collaborate and align officer salaries with the rest of NYSERDA staff, the Members adopted the Resolution June, 2021 to authorize a formulate adjustment to the Officers' compensation. As a result, the Officers' salaries are calculated based on the salary cap for the "M7" salary range for State management confidential employee. Ms. Poisson indicated that a review was conducted to confirm that the approved formula still aligns with other New York State entities practices while seller levels at those entities are slightly higher than those of NYSERDA's current structure. The overall relationship relative to staff is nonetheless largely consistent.

Therefore, no adjustments are recommended to the current formulas that NYSERDA will continue to monitor this. In addition, NYSERDA will be constructing a pay equity and job study, which will help to refine the approach to the annual Officer pay structure review as well as overall NYSERDA compensation. Next Chair Kaufman explained that a proposed amendment to the Chief Financial Officers compensation was proposed to perform it to the compensation provided to General Counsel and Secretary and the Vice President for Policy and Regulatory



Affairs. The Committee unanimously recommends that the Members approve the salary increase for the Chief Financial Officer. This concludes my report.

**The Chair:**

Any questions for Arturo on this? There being none may have a motion for Resolution number 1659, approving the increase in salary of the Chief Financial Officer?

**Arturo Garcia-Costas:**

So moved.

**Sherburne Abbott:**

So moved.

**Rory Christian:**

Second.

**The Chair:**

Great. All in favor.

**Members of the Board:**

Aye.

**The Chair:**

Aye. Any opposed salary increase for the Chief Financial Officer has been approved. Thank you. The next item on the Discussion Agenda is report from the Audit and Finance Committee and discussion of the Authority's 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. The meeting, a Committee meeting was held earlier today and a quorum was present throughout the Committee reviewed the Annual Investment report for the fiscal year that ended March 31, 2022. And the proposed 2022 Investment Guidelines details are outlined in the memo in your information package. So I'll only highlight a few of the results Board indicates that the Authority's overall investments increased about \$420.7 million to \$1.345 billion investment income decreased for the fiscal year ended March 31, 2022 from \$1.4 million to \$700,000, primarily due to the inclusion of an unrealized downward adjustment and fair market value at March 31, 2022, the Authority's independent auditors reviewed the Investment Report and said that nothing came to their attention that indicated that the Authority was out of compliance with the Investment Guidelines. Members also are also requested to adopt a Resolution approving the Investment Guidelines Annual no changes are recommended at this time Committee unanimously recommends approval of the Annual Investment Report and Investment Guidelines.

Next Committee reviewed the Annual OPEB Trust Investment Report for the year that ended March 31, 2022 and the proposed 2022 Investment Plan Statement for the NYSERDA OPEB trust market value of the trust assets. As of March 31, 2022 was approximately \$69.5 million dollars. As of the most recent actuarial evaluation. The trust was 114% funded compared to its OPEB liability. Total return on the Authority's investments was negative 0.07% for the year, reflecting a decline in the last quarter of the year, but higher than the benchmark indices of minus

1.7%. The lifetime average annual return is approximately 7.2%, which is presently above the actuarial estimated long-term expected return of theta OPEBB trust. One ministerial change is being recommended to the Investment Policy Statement to replace the title of Treasurer with Chief Financial Officer. 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 and fluctuations are described in detail in the materials provided to the Members after Peter's presentation. We met an executive session with the independent auditors, where there was ample and detailed review of the Authority's investments and financial condition. No substantive problems were identified.

The independent auditors will issue an unqualified opinion on the financial statements. The Committee unanimously recommends approval of the Authority's and NY Green Banks, financial Statements. And I think the Committee would again want to commend management for yet another clean audit with a process that went extremely well. So really congratulations again. It's really great record. 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, 2023. And for the independent audit of the NYSERDA OPEB Trust KPMG was competitively selected on an RFP issued in spring 2021. This will be the second year out of a possible five years, but also for the record, the audit partner will be changed. This is, has been his fifth year, the proposed fee for fiscal year 2022 and 2023 will not exceed \$129,000. The Committee unanimously recommends their appointment. It's done here. It was a great, it was just a great meeting. The Committee reviewed the Annual Bond Sales report. The report includes no new issuances, refundings or conversions completed during fiscal year 2021-2022. In addition, the report includes a schedule of Authority bonds that are outstanding as of March 31, 2022, which totals, approximately \$1.6 billion. The Committee unanimously recommends approval of the Annual 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 report on the Audit and Finance Committee meeting. Are there any questions? Okay, so therefore may have a motion for Resolution number 1660, approving the financial Statements for the Authority and NY Green Bank for fiscal year 2021-22.

**Rory Christian:**

So moved.

**Vice Chair Bell:**

Second.

**The Chair:**

Thank you all in favor.

**Members of the Board:**

Aye, aye.

**The Chair:**

Any opposed? The financial Statements for the Authority and NY Green Bank for fiscal year 2021-2022 are approved and we will consider the Resolutions for the remaining items as part of Consent Agenda. The next item on the Discussion Agenda is report the Waste and Facilities Management Committee from that Committee's Chair, Chuck Bell.

**Vice Chair Bell:**

Thank you very much, Richard. The first item on the Committee's agenda was approval of the Waste and Facilities Committee Charter management did not recommend any changes and after discussion, the Committee voted to approve the Charter this year with no changes. Our second agenda item was an update on the West Valley site. Paul Bembia presented the reports all reported that site characterization activity on the north slope of the State license disposal area was successfully completed earlier this month. And an engineering firm is now preparing a design for stabilizing the slope. All expects that the design will be completed and approved in August with the start of construction. Following immediately after staff will be making every effort to complete the stabilization work. This construction season. Paul also reported that his team has been working closely with the New York State DEC and Region 9 staff throughout the process for evaluating the slope and that DEC staff has provided valuable input on this process for the West Valley Demonstration Projects all reported that decontamination work and the main plant processing building is continuing with the work now focused on one remaining area inside the building that work continues to move forward safely and should be completed this summer.

Following the completion of that work the demolition of the main plant process building that is expected to begin towards the end of the year. And Paul is available to answer any questions or respond to your comments. Does anyone have any questions Mr. Chair, that concludes my report.

**The Chair:**

Okay. Thank you very much. Chuck, next item on the Discussion Agenda is report from the Program Planning Committee from that Committee's Chair, Shere Abbot, Shere.

**Sherburne Abbott:**

Thank you, Richard. Earlier today, the Program Planning Committee met and discussed the followed items, the Committee Charter, the Committee reviewed the Program Planning Committee Charter and recommended no changes be made to the Charter. The Committee rec unanimously recommends approval of the Program Planning Committee Charter and the Resolution for the Charter is under the Consent Agenda. Yes, Richard.

**The Chair:**

Okay. Thank you.

**Sherburne Abbott:**

Okay. Sec second. The, the Reggie we discuss the RGGI Operating Plan. The Committee received a report from the Authority's Vice President for Policy and Regulatory Affairs on proposed revisions to the Authority's Regional Greenhouse Gas Initiative Operating Plan. Mr. Williams explained that this amendment is to the plan that was approved by the Members in

January, 2022, which comes from the ability to reprogram \$23 million from the environmental tax credits that were not included in the State budget. In addition, it will provide the ability to access the part of the plan that identifies additional opportunities based on the current surplus revenue. Despite the current revenue situation management does not recommend a change to the revenue estimate, which will be revisited next January. Next, the Committee received a report from Sarah Osgood, the Executive Director for the Climate Action Council on the council's recent work on how that work most closely impacts the Authority's work.

The Committee was able to ask questions and provide comments on several issues emerging included the, the challenge of increasing public awareness of the CLCPA, the need for greater public engagement, especially the imperative of building new partnerships that transcend climate and energy communities, the importance of maintaining and growing markets for the transformation towards clean energy and the acknowledgement of the increasing disinformation campaign, that cane that can impede progress, that will make a difference for all New Yorkers. So those were just some of the issues that we discussed and there was no other business. So the, this completes my report on the Program Planning Committee meeting.

**The Chair:**

Thank you, Shere. Are there questions? And I wanna encourage Members to that are not Members formal Members of the Committee to join those Committee meetings if possible, so no formal actions required. So thank you, Shere. The last item on the Discussion Agenda is a report from NY Green Bank President, Andrew Kessler, Andrew.

**Andrew Kessler:**

Great. Thank you, Richard. Next slide please. Okay, great. Thank you. So we're gonna kick off the presentation today, as we typically do with an update on our investment performance and impact, and then we'll take a few minutes to review our filing to DPS which we made on May 2nd. In fact, I think I emailed all of Members that and that summarized our intended approach to support disadvantaged communities across New York State based among other things on the feedback that we received from our recently completed stakeholder engagement process. And finally, I'll present an overview of our upcoming annual filing, you know, plan filing, which will be filed on Friday, July 1st with DPS. And then as part of that overview, we'll dig in a little bit on some of the work that we're doing and plan to advance in relation to adaptation and resiliency. Next slide, please.

Let's go one more. So as we last discussed at our at our Board meeting in April, NY Green Bank had a record fiscal year, and this slide is a little bit different in terms of how it's organized but hopefully easier to follow in terms of really showing where our, how our performance is reflected based on our performance year to date, excuse me, since inception. So accumulative. So last year we closed 17 transactions totaling \$438 million in commitments. We received \$538 million in repayments. We had, as you all know we enhanced our liquidity through a \$314 million monetization with Bank of America and our capital supported the development of \$900 million and new sustainable infrastructure investments in New York State, which is estimated to lead to admissions reductions of \$1.3 million metric tons on a cumulative basis. And that's the, the blue part of the, of the slide above and based on the recycling of our capital.

We have closed 105 transactions totaling \$1.7 billion in commitments leading to the development of \$4.5 billion in new sustainable infrastructure in New York State. In addition to the figures on this slide, some quick highlights from last year include expanding and accelerating our focus on supporting underserved communities, including commitments of nearly \$65 million rebuilding the NY Green Bank team across all key functional areas after a significant turnover event and addressing liquidity needs with, as I mentioned our monetization of \$314 million with Bank of America and continuing to play a very significant catalytic role across all of our priority segments resulting in the most diversification in our portfolio that we have seen to date. Next slide, please.

So let's turn to our filing to DPS on May 2nd that summarize our accelerating approach to supporting disadvantaged communities across New York State. Next slide. So when I last presented to you, I described a stakeholder engagement process that we were undertaken to inform our thinking and strategy on how to most effectively deliver benefits to underserved communities. We spoke to over 60 stakeholders from environmental justice advocates to finances developers, service providers active in New York States, historically underserved communities, and we identify money gaps and barriers that NY Green Bank can address the action plan that we filed on May 2nd, set forth two main themes product offering and process enhancements to address this need the four promising product areas covered very quickly, but the first three were already piloting. And they, in fact, they accounted for several transactions that we closed last year, and those included community solar financing approaches to encourage more inclusive LMI subscription models secondly incentive bridge financings for disadvantaged community based projects.

And thirdly pre-development lending for disadvantaged community-based projects. And on the slide that follows, I'll talk about the fourth one, which is a new one and an important one. Now I'll go into greater detail on what we're calling the community decarbonization fund which is currently under development. And then let me just take a second to talk a little bit about some of the advances that we made with respect to process. So notably over the past year we added new team members who together constitute a deep and growing bench of experience in real estate, affordable housing and other project types relevant to disadvantage and underserved communities. We are also cognizant that the project sponsors that are working in these communities are resource constrained. So we're working very diligently to streamline and reduce the administrative burden and the transaction costs associated with doing business with NY Green Bank. Let's go to the next slide and talk about CDF.

The objective of the, of the community development excuse me, decarbonization fund is to catalyze mission-oriented lenders by providing them with the capital to broaden and deepen their investment activities in underserved communities. These mission-oriented lenders identified a number of factors that are constraining lending activities for building decarbonization projects and frontline communities. And many of those we can help those included balance sheet constraints, the need for incremental low-cost capital, the lack of expertise in underwriting decarbonization projects. In response, we will commit \$250 million into a new funding path, a concessionary funding pathway whose objective is to put capital into the hands of lenders that have a pipeline of projects that can provide measurable benefits to historically underserved communities. Over the next six months, we will be engaging with external experts, including

financers and advocates and frontline communities to work through the details and the critical design elements to ensure that the CDF is established in a manner that best serves the communities that will benefit from this investment activity key issues to address with respect to this activity include things along the lines of borrower eligibility.

You know, we don't wanna duplicate what's already in the market. So additionality is super important to us. For example, HCR is, is already developing, has developed a program that aims to stimulate decarbonization outcomes, and we're well aware of it. And we're working with them and others on solutions that are additive and complimentary into the marketplace. Investment criteria, borrow words that we are targeting should have a track record of providing debt capital to frontline communities. They should have a track record in interest in expanding the uses of proceeds that include electrification scopes into their loans and other programs. And borrowers should have a pipeline of projects, actionable projects and opp and investment opportunities that can deliver measurable benefits to disadvantaged communities, sizing and rated deployment. Let me talk briefly about that. As I mentioned, the CDF is a \$250 million funding pathway.

We're targeting approximately \$50 million annually for the next five years, but I would be thrilled to deploy capital on an accelerated basis into this marketplace pricing in terms CDF will be priced on a concessionary basis. As I mentioned before, to animate and catalyze additional capital inflows into this area in recognition of the scarcity and value of capital in this area, NY Green Bank will retain the rights to recall commitments. If borrowers are unable to deploy capital within a specific period time, that's important quickly on pathway goals and long-term objectives. They need to be measurable and they need to be delivering benefits to communities. We wanna make sure that the CDF is designed to support multiple building typographies, including housing schools commercial buildings, as well as variety of technologies, energy efficiency, building, building electrification renewable energy, clean transportation, et cetera. And we wanna remain flexible as the market needs shift and new opportunities are identified. Lastly, with respect to resourcing and administration CDF will leverage existing NY Green Bank infrastructure. We're not gonna recreate the wheel with CDF borrowers that may lack the expertise in underwriting into deep energy savings or decarbonization projects. We will find ways to help them develop that expertise, for example, by providing opportunities to co-invest alongside us you know, as and effectively provide them with the opportunity to learn best practices in, in these, in these activities. Next slide please.

So let's now turn to our annual business plan filing, which will occur on Friday, July 1st, and give you a quick preview.

If there's really three overarching goals I want to cover first, have we, as we've done consistently exception, we will continue to identify and close funding gaps in alignment with CLCPA and other New York State goals. Specifically, we were, we are targeting deploying and incremental \$225 million in cap and commitments primary and, and focus extensively on some of our highest priority segments which include clean transportation, affordable housing, battery storage, and port infrastructure. As previously discussed, we, we will launch and expand our arm to advance our goal of investing at least 35% of our capital and projects that benefit the State's frontline communities. And we will enhance our business development and market outreach efforts to include updating marketing materials, improving the usability of our website and creating

tailored outreach, engage and engagement strategies for various technology segments. Secondly, in that's the middle box after successful liquidity event in 2021, NY Green Bank will continue to strengthen our capital position by preparing for new liquidity pathways. So, we've recently issued an RFP, for example, to identify a qualified pool of eligible potential purchasers of NY Green Bank loans by identifying eligible purchases, purchasers in advance of becoming capital constrained, NY Green Bank sets seeks to streamline its ability to enhance liquidity as needed in the future.

In addition, we will continue to provide co-investment opportunities to private sector capital providers to stretch our capital and importantly transfer knowledge, learnings, and underwriting approaches the segment here. That's central to our next year's plan is to continue to streamline our operations and portfolio management processes. And that's really in two principle ways with respect to risk and impact monitoring. And secondly, with respect to operational excellence, in terms of risk and impact monitoring, I'll say two quick things, we will be evaluating how to enhance climate resiliency into our underwriting. We will delve a little bit deeper into that in just a, just a moment. And the second thing on that under that item is we will be updating our metrics and reporting to better incorporate and measure tax benefits that we're delivering with respect to operational excellence. We will be issuing two new RFPs to support our business. The first is in relation to the renewal of our fund administration administrator, and the other is to enhance our anti money laundering capabilities. Secondly we will be migrating from Libor to SOFR as our base rate, along with the, the broader investment community. So that's a this year event. And finally, we will be enhancing our, our financial planning and analysis capabilities through the development of a new fund level financial model with the necessary enhancements to run much more complex sensitivities and manage and monitor our liquidity. Next slide, please.

**Susan DesRoches:**

Andrew, can you hear me okay?

**Andrew Kessler:**

Yes. Suzanne, I'm gonna introduce

**Susan DesRoches:**

Great.

**Andrew Kessler:**

Yes, let's turn it over to Suzanne DesRoches, our Vice President Clean and Resilient Buildings, at NYSERDA who will provide an overview of the broader NYSERDA efforts to advance resiliency. And then I'll spend a little bit of time talking more specifically about New York, how NY Green Bank is approaching that important element.

**Susan DesRoches:**

Thanks Andrew. To help set the context of the NY Green Bank's plans. I just wanted to provide a quick update on New York State's climate impacts assessment which is a comprehensive look at how the future climate will impact the State. The Board did receive a presentation in October. And so this is a quick update on that work stream. So the assessment uses current climate science of the projected impacts of climate change, which actionable information on preparing for and

adapting to climate impacts. The overall goal of the assessment is to provide a scientific foundation for climate policy and decision making in light of climate change impacts. So you see here just a brief update on the process of the assessment. The drafting is ongoing and through the work of subject matter experts incorporates diverse concerns and perspectives. The assessment will provide information in engaging and useful ways for all residents of New York State.

And we are targeting an early 2023 release. So I just wanted to highlight, in addition to the climate impact assessment, there are other work streams in the resiliency space across NYSERDA. So two notable work streams are that were one working to identify select NYSERDA programs and practices that should be incorporating resilience. This work has just begun and NYSERDA has brought on a contractor to support this effort. Additionally, we are providing input to the design launch of new programs and initiatives that advance resilience, including Nada's current co-leadership in the State extreme heat action plan efforts. And that's along with DEC, Department of Health and other numerous agencies. So that's just a brief overview and back to you, Andrew.

**Andrew Kessler:**

Okay. Super, thank you so much for that helpful overview. Let's go to the next slide, please. So to compliment that work stream and based on recent discussions with our NYSERDA colleagues with our advisory Committee Members we have surfaced several selected considerations that are listed here on the slide that, that we will be exploring further, including understanding best practices and assessing climate risk. And this includes aligning more proactively with our colleagues, as well as other New York State agencies and Authority's to ensure that we are harmonizing. The current approach is not reinventing the wheel and adopting best practices. We will be looking to understand further the best practices that are being developed in the private sector, including industry working groups that are seeking to create standards and common approaches. We will be assessing whether our underwriting process and approach adequately factors in climate risk with respect to resiliency and adaptation. And we will be making sure that this analysis is conducted to the lens of frontline communities who have historically been most at risk with respect to this issue. Let's go to the next slide, please.

So it's a three step program that we're looking to develop this year. Number one establish a baseline we wanna assess the climate risk inherent in our current portfolio, how resilient is our current portfolio based on the underwriting practices that we've been not following to date having done. So having established that baseline, we will be well positioned to develop a, develop a framework for future investment activities. Specifically, we will be building a structure or structures to evaluate and report on future investments in terms of their climate risk, taking into consideration existing efforts and best practices such as those being done by industry working groups. As I mentioned before, and finally item three we will be evaluating potential resiliency goals, especially in relation to future investments, for example, by aligning our pricing in terms to the climate risk of our investments, or perhaps using terms and pricing to incentivize borrowers and sponsors to develop highly resistant resilient projects. And thirdly we'll be looking to potentially develop new project products that are specifically targeting the development of highly resilient projects for building improvements. Importantly, we will seek to advance these work streams in coordination with efforts across NYSERDA and other State agencies to ensure harmonization consistency and the development of best practices. Richard,



that concludes my remarks for today's Board briefing. If we have time, I'd be happy to answer questions, questions?

**Arturo Garcia-Costas:**

Yes, I have questions please. Thank you for the presentation. Excellent. A couple things with the community carbonization fund what's, obviously energy efficiency projects, key pumps, building electrification. Are there, are there more unusual types of projects that will fall under that kind of financing opportunity?

**Andrew Kessler:**

I, we expect them there to be, we will follow the technology guidelines, you know, that are consisting with my service, you know, supporting very supportive of, of different technologies. But it, it's not just, I mean, a huge element for sure will be building enhancements of electrification of buildings, passive housing, et cetera. But it could also involve, you know, charging station infrastructure. It could also include rooftop solar and, and in some of these affordable housing complexes fact, as you recall, last year, we closed into a transaction just like that was small importantly, we think it it's scalable and replicable.

**Arturo Garcia-Costas:**

So the the trust happily has been supporting the Green Bank consortium through the coalition for green capital for a while. And that, that grant focus particularly on greening CDFI practices and policies. So in the, in the in the stakeholders that you engaged with have you been working with the New York State CDFI coalition? Are they part of the mix in what you're trying to de develop here? And one of the lessons learned from those grants was that there are issues with, you mentioned best practices. There are issues with Depot and policy templates that there's a lot of reinvention of the wheel going on in this sector, in the CDFI sector when it comes to, to these issues. And I'm really hopeful that what you've been describing, what you've including in your presentation will help to address that problem when it keep reinventing the wheel, rather than sort of learning from what's already been done best of the early doctors.

**Andrew Kessler:**

I, yeah, I, I couldn't agree more we, that that is a stakeholder that we're engaging with. And I will make sure that, that we are and, and I'm sorry, David Davenport's not here, but he's leading our deck effort. And he brings just a wealth of relationships and experience within this community. So we're, we really think we've got you know, a pretty strong team, you know to move ahead in this important area. And in terms of avoiding, you know, replicating the wheel. That's one of the reasons I really wanna find ways to work together in the same transaction. There's no better way to, to really get to know institutions then they, to close into on a co-invested basis, a transaction, and then deal teams are working, you know, really a daily, almost a daily cadence establishing, you know, those, the sharing of those best practices. You know, we don't have all the answers. Maybe they've got a, you know, a way to skin the cat that we didn't think of invites first, but I'm really encouraged about those types of opportunities. And we look forward to advance

**Andrew Kessler:**

Any questions.

**The Chair:**

I, I have one question for you. So in terms of as you look at the pipeline, talked about the ability to monetize more of the portfolio, are you feeling capital constrained? What do you think's gonna happen given the macro environment? You see, that's gonna be more opportunities.

**Andrew Kessler:**

You

**Andrew Kessler:**

Know,

**The Chair:**

More opportunities for the Green Bank, or

**Andrew Kessler:**

I would've thought less, I would've thought less need for liquidity event than, then but we wanted to be prepared. What's interesting is

Because, you know, why would you refi in a, you know, in a rising rate environment, right? And but what we've seen is quite a bit of refinancing early refinancing, primarily driven by M and A activity. So the change in control is creating a, you know, basically a effectively a redo and of, of the balance sheet of, of the asset. And, and we are, we are seeing repayments. So you know, we, we, it's been a mix of different you know, elements that in, in some cases enhance our liquidity in some cases are, you know, reducing our liquidity, cuz we continue to see pretty significant demand for our capital in certain areas. So I, I kind of had a view earlier, you know, earlier this year and I think I'm gonna pause and we wanna be ready for anything. And so what we're doing is, is, is preparing for the ability to hit the market if we need to. I don't know if we're gonna need to this year though. Richard, we may not.

**The Chair:**

Thank you. All right.

**Arturo Garcia-Costas:**

Did have a really quick follow up question on this kind communities definition about comment right now, what extent is that definition and the, the mapping that's gonna evolve from it? How is that gonna affect the community conversation farm and finding a,

**Andrew Kessler:**

We will be adopting that, that definition as well as I sort at large, I believe so. You know, and, and of course we're stakeholder in that dialogue. So but we we'll be adopting that.

**Arturo Garcia-Costas:**

Yeah. The only sort of cautionary note I put in, I should put into the public comments is that when I was at the DC, we were involved in the potential environmental justice area mapping process and some of the problems that occur when you map and when there's a bright line or one side of the street is included. The other side of the street bus street is not, that is going to, I think,

continue to be problematic going forward with that kind of mapping approach. So the notion of, of buffer zones that meet many of the criteria, but don't, didn't meet all the criteria necessary to be listed in the area is something that I think is probably gonna evolve over time with how that works. But,

**Andrew Kessler:**

Well, the important thing about our role is gap filling capital is flexibility. Yeah. So, I mean, you have to maintain flexibility and either a transaction like that, that just makes sense will get done outside of CDF in some way, or will figure out a way to create the flexibility that enables CDF to support a transaction like that. It cannot be, it cannot, you cannot have rigidity in, in a gap filling business.

**The Chair:**

Okay. Thank you. So we now turn to the Consent Agenda. There are 14 Resolutions to be considered information on each of these items was included in your meeting materials, Resolutions number 1661, 1662, 1664, 1665, 1666, 1667 and 1668 are recommended for approval by the Committee Resolution. Number 1669 would approve the Charters for each. Each of the Authority's Committees Resolution number 1670 would approve the Operations and Accomplishments and Mission Statement and Measurements Annual Report Resolution number 1671 would approve the Annual Report on Acquisition and Disposition of Real and Personal property, real property acquisition guidelines, June, 2022, the guidelines Operated Policy and Instructions for the Disposal of Real and Personal Property. Also from June, 2022, Resolutions number 1672 and 1673 would approve the Annual Contracts Report. The Periodic Contracts Report council's offices compared the lists provided by Members, entities with which each Member is associated, which he or she believes may enter into contracts with sorted 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 for anticipates entering into contracts with community preservation group identified by Sadie McKeown and Alliance for Sustainable Energy. The Coalition of Green Capital and Columbia University identified by me. Sadie. Can we assume that you wish to abstain from the vote to approve contracts with that specified entity?

**Sadie McKeown:**

Yes.

**The Chair:**

Okay. And, and I confirm that I will abstain to approve contracts with the entities which I'm I've identified lastly Resolution number 1674, approve the Annual Report on the Implementation of the Authority's, Prompt Payment Policy. Are there any questions on these items?

**Rory Christian:**

Richard? I wish to abstain from the item. That's inclusive to Columbia as well.

**The Chair:**

Okay. Thank you. We have a motion then approving Resolutions, number 1661 through 1674.

**Vice Chair Bell:**

So moved.

**Arturo Garcia-Costas:**

Seconded.

**The Chair:**

All in favor.

**Members of the Board:**

Aye. Aye.

**The Chair:**

Any opposed? All right, Resolutions number 1661 through 1674 have been approved. Thank you all last item on the agenda is another business. We have one item under other business regarding meeting dates in 2023, staff will be contacting each of your offices in disregard and will then provide dates to be marked on your calendars. I know that you'll do your best to keep those dates reserved so we can maintain the quorums, quorum plural on this for Quora, we need to do business and also have the benefit of participation expertise of as many Members as possible. Does anyone have any other matters? They wish to discuss that case may have an, a motion to adjourn the meeting.

**Arturo Garcia-Costas:**

So moved.

**Vice Chair Bell:**

Second.

**The Chair:**

That's good. Thank you, Arturo. All in favor.

**Members of the Board:**

Aye. Aye.

**The Chair:**

The meeting is adjourned. Thank you all for coming. Thank you.