

GREEN BANK NETWORK

GBN Bulletin - Dec 2021

As the global community grapples with the ongoing effects of the Covid-19 pandemic, Green Banks around the world continue to see great successes closing transactions that drive climate transformation and economic recovery.

Based on their successes catalyzing new investment flows into core sectors, several members of the Green Bank Network are now expanding mandates into aligned sectors including projects in disadvantaged communities, energy storage, and several infrastructure sectors such as water, recycling, resiliency and conservation. For example, Australia's Clean Energy Finance Corporation announced the completion of one of its projects, a [300 MW battery](#) that is one of the world's largest. The New Zealand Green Investment Finance signed a [\\$20 million financing agreement](#) to electrify the NZ Post vehicle fleet, one of the first large scale corporate and independent contractor fleet transitions in New Zealand. The New York Green Bank, working to support disadvantaged communities, provided an up to [\\$2.5 million participation in two predevelopment loans administered by NYCEEC](#) to support the development of 310 units of affordable housing and a 200-bed homeless shelter.

Green Banks were the subject of several events this year at COP 26 in Glasgow. The African Development Bank hosted a session on the role of Green Banks and National Climate Change Funds in mobilizing finance to support low-carbon, climate resilient investment in Africa. The Green Bank Network also hosted an event in coordination with the Green Bank Design Platform, the Inter-American Development Bank (IDB), and the Latin American Association of Development Financing Institutions (ALIDE). This two panel event highlighted

Contributions.

Happy reading,
CGC and NRDC



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Recent Green Bank Transactions

Clean Energy Finance Corporation

CEFC CEO Ian Learmonth thoroughly enjoyed catching up in person with other leaders from the Green Bank Network when he attended the COP 26 UN Climate Change Conference in Glasgow, Scotland, in November. He was



encouraged to hear other green banks sharing their experiences in mobilising commercial capital for a range of energy efficiency and renewable energy projects, highlighting their abilities to help markets and technologies develop at scale.

With emissions reduction at the top of the global agenda in recent months, the CEFC was pleased to recognise the success of Neoen in achieving operational

delivered the battery in collaboration with Tesla deploying its Megapack technology, and network partner AusNet Services. The CEFC [invested \\$160 million](#) to help build the battery, which will enable the integration of additional renewable energy capacity into the electricity grid.

In other news for the CEFC, the Australian Government has committed to provide the CEFC with up to \$500 million in additional capital to support the creation of a \$1 billion Technology Commercialisation Fund. The proposed fund, which is subject to Parliamentary approval, will seek to invest in early-stage and growth businesses which are commercialising technologies that have the potential to accelerate Australia's transition to net zero emissions by 2050.

The CEFC announced a [\\$72 million investment in the QIC Global Infrastructure Fund](#) to lift emissions reduction ambitions across a portfolio of 11 core and core-plus infrastructure assets. By working with QIC and applying its clean energy finance experience, the CEFC is helping accelerate the fund's achievement of its net zero emissions ambitions.

The CEFC has also made its first major direct investment in the manufacturing sector, with a [\\$25 million commitment to manufacturer Orica](#), to support it upgrading processing plants used in the production of ammonium nitrate with technology designed to abate nitrous oxide emissions. The transaction represents one of the largest single abatement projects financed by the CEFC and it is expected to eliminate more than 567,000 tCO₂-e per annum.

Meanwhile, transforming energy use across the transport sector has been a major theme of recent CEFC transactions.

A \$24.5 million CEFC commitment is supporting a landmark project to [replace 40 internal combustion engine buses in Sydney with an electric fleet](#) and associated infrastructure. The project will establish the Leichhardt bus depot in Sydney as Australia's first fully integrated EV bus depot.

In its first investment through its Advancing Hydrogen Fund, the CEFC committed [\\$12.5 million to help Ark Energy Corporation produce green hydrogen](#) to power what are expected to be the world's heaviest fuel cell electric trucks. The commitment will finance five purpose-built, zero emissions trucks and the construction of hydrogen production and refuelling infrastructure

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A [\\$5 million CEFC investment in 3ME Technology](#) will help electrify mining operations by enabling miners to replace diesel engines with cutting-edge battery electric systems. Mining vehicles suitable for retrofit or replacement with 3ME Technology-based electric systems include light vehicles, personnel carriers, load haul dump vehicles and integrated tool carriers.

And to support the supply chain for electric vehicles, the CEFC has made a [\\$1.5 million investment in Novalith](#) – an Australian climate technology company that is developing a novel low carbon, sustainable approach to lithium production.

For additional information about CEFC transactions and recent announcements please visit the [CEFC website](#).

(*All CEFC \$ references are AUD)

Connecticut Green Bank

In September the Connecticut Green Bank announced the installation of a [32.56 kW solar array](#) for Westville Seafood using financing through the Commercial Property Assessed Clean Energy (C-PACE) program. The solar system is projected to produce energy cost savings of more than \$240,000 over the 25-year effective useful life of the panels.

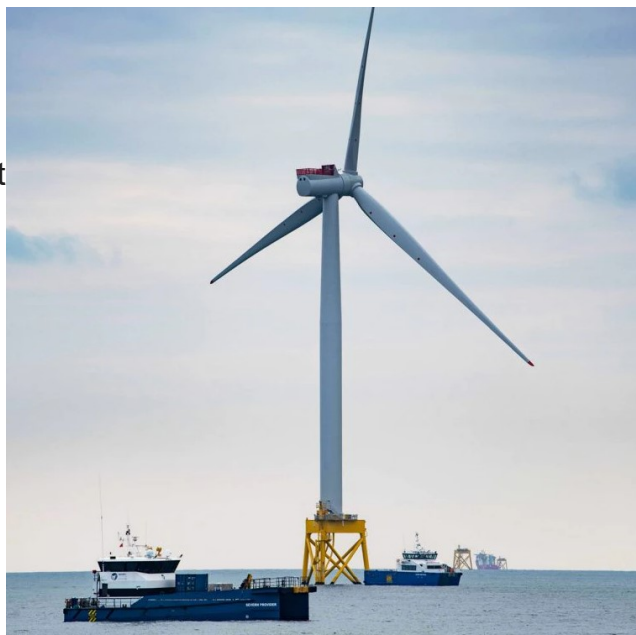


In October, The Connecticut Green Bank announced the installation of a [39.6 kW solar photovoltaic system at Park Hill](#), a housing complex owned by the East Windsor Housing Authority. The low income, elderly and non-elderly property is comprised of 84 garden style apartments, three laundry rooms, and large community hall/office building. The Housing Authority has agreed to a 20-year power purchase agreement (PPA) in which they buy the electricity generated by the system at a fixed reduced cost. The PPA will save the Housing Authority approximately \$130,000 on their electricity costs over the

In October, the Connecticut Green Bank announced the [appointment of Stratford Mayor Laura Hoydick](#) to its Board of Directors. Hoydick has served as the first woman Mayor of Stratford, Connecticut since 2017, after serving in the State House of Representatives for the 120th District starting in 2010. In addition to being a Ranking Member of the Energy and Technology Committee while in the House, Mayor Hoydick held critical roles on the Banks, Finance, Revenue and Bonding Committees. See all of Connecticut Green Bank's latest transactions and announcements on the [Connecticut Green Bank website](#).

Green Investment Group

In October, the Macquarie Green Investment Group published its [annual progress report](#). The report highlights the impact GIG has made across the globe including: 240 projects in development, 30GW of global development pipeline, activity in over 25 markets, and committed or arranged £25 billion during the period.



In October, the GIG also announced that one of its portfolio companies, Cero Generation successfully completed the construction and commissioning of its [first solar PV project in Italy](#). The project – Bolotana A – is strategically located in Sardinia's Bolotana region and has an installed capacity of 5.75 MW. The neighbouring Bolotana B project has an installed capacity of 9 MW and will also shortly commence construction. These combined projects will generate enough renewable electricity to power the equivalent of over 9,000 homes and leading to the avoidance of around 8,500 tonnes CO2e per year.

In November, the GIG announced that it has [partnered with the Australian Port](#)

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funding grant from ARENA, secured under its Advancing Renewables Program. The hub, called the Port of Newcastle Hydrogen Hub, will initially be underpinned by a 40 MW electrolyser that over time would increase to a capacity of over 1 GW.

NY Green Bank

In July, NYGB completed a [\\$1.5 million upsize to a bridge loan facility with Eden Renewables](#).

The loan proceeds will finance project interconnection deposits to National Grid for community distributed generation solar projects.

In November 2019, NYGB provided a 24-month senior secured \$2.5 million bridge loan facility to Eden Devco Borrower LLC, which is owned by Eden Devco LP, a limited partnership that is managed by Eden Renewables LLC. In March 2020, NYGB increased the loan size to \$4.3 million, which was further increased to \$6.3 million in August 2020 and to \$7.7 million in December 2020. In July 2021, NYGB closed on a fourth upsize to the facility, increasing the loan to \$9.2 million.



In July, NYGB completed a [\\$3.8 to a construction and interconnection facility with OYA Solar](#). In September 2020, NYGB committed to an up to \$35.0 MM construction and interconnection facility to finance the development of up to 13 community distributed generation solar projects in New York State. In July 2021, NYGB authorized a \$3.8 million upsize to the facility, which allowed Oya Solar Inc. to support more projects entering the construction phase of development.

In July 2021, NYGB provided an up to [\\$2.5 million participation in two predevelopment loans administered by NYCEEC](#) to support the development of 310 units of affordable housing and a 200-bed homeless shelter. This

performance.

See all of NYGB's latest transactions and announcements on the [NYGB website](#).

New Zealand Green Investment Finance

New Zealand Green Investment Finance (NZGIF) was established in 2019 to accelerate investment that reduces carbon emissions and is the country's first dedicated green investment bank*. NZGIF



has been active in financing projects in New Zealand to enable the country's low carbon future.

In November, NZGIF announced that it will [provide financing of up to \\$40 million for commercial-scale solar installations](#), alongside solar energy services provider solarZero. Building on an earlier \$10 million facility for residential solar, NZGIF will now also provide a senior debt facility to solarZero to finance Power Purchase Agreements (PPAs) for solar installations on commercial buildings. The development and advancement of PPAs fill a gap in the finance market in New Zealand.

The investment includes a \$10 million facility to finance solar installations and up to \$30 million in additional funds held in reserve to scale up the facility, enabling the deployment of up to 40MW of solar generation over time. The facility will directly support the growth of distributed solar power generation, reducing New Zealand's overall reliance on thermal generation, generating more than 50 GWh of electricity per annum and creating as many as 175 new clean technology jobs.

In December, [NZGIF announced that it will provide an \\$8 million senior debt facility](#) to finance solarZero's Schools service, which will put solar panels on school roofs across the country. The service will save schools money, require no upfront costs and will contribute to New Zealand's decarbonisation efforts by

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The initial facility is expected to finance the transition for about 80 schools, with over 100 schools already registered their interest.

Unlike market establishment work, in New Zealand this solar work is done without subsidies or tax credits.

In December, [NZGIF and NZ Post signed a \\$20 million financing agreement](#) to accelerate the transition of the NZ Post vehicle fleet, and its delivery contractors' vehicles, to electric vans (E-Vans) or low emissions vehicles (LEVs). This will be one of the first large scale corporate and independent contractor fleet transitions in New Zealand.

Through the agreement, NZGIF is providing financing of \$10 million and NZ Post \$10 million through NZGIF majority-owned subsidiary Sustainable Fleet Finance (SFF) to provide attractive and competitive financing to improve access to E-Vans/LEVs. This aligns with NZ Post's continued work in climate action and leadership through the transition of their fleet to LEVs. Its target is to have 100% of its internal fleet and 25% of its contractor fleet electric by 2025, with the balance of the contractor fleet electric by 2030.

NZGIF CEO Craig Weise says these deals conclude a strong calendar year for the organisation, including new capitalisation and a big recruitment drive.

See NZGIF's latest transactions and announcements on the [NZGIF website](#).

*NZGIF is not a registered bank.

Rhode Island Infrastructure Bank

Rhode Island Infrastructure Bank (RIIB) continues to accelerate infrastructure investments across the state including clean energy, water, transportation, and climate resiliency projects that support local communities.

In September, [RIIB announced a total savings of \\$6.4 million](#) from its refinancing of Clean Water Drinking Water State Revolving Fund bonds. These savings will be returned to the Bank's municipal and quasi-public clients. "We were able to take advantage of the current low interest rate environment and

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and significantly lower our costs, generating savings for our municipal and quasi-public clients, whose loans were originally funded with these bonds,” said Jeffrey R. Diehl, Executive Director and CEO of the Bank. “We are pleased to be returning these savings directly to 27 cities, towns, and quasi-public utilities across Rhode Island. Savings that can be reinvested in other clean or drinking water infrastructure projects.”



In September, [RIIB announced that it would provide \\$205,000 in bridge financing and an \\$83,000 Stormwater Project Accelerator grant](#) to enable Groundwork Rhode Island to complete a new community composting facility and vegetation garden. Funds will be used to install a comprehensive below-grade stormwater management system and corresponding site remediation efforts on the two abutting properties. “Rhode Island Infrastructure Bank is pleased to be providing Groundwork Rhode Island with the financing and grant resources they need to expand their successful community composting program,” said Infrastructure Bank CEO Jeffrey R. Diehl. “Groundwork had identified a promising site for an expanded composting facility, but soil contamination and the lack of stormwater management systems to control potentially polluted stormwater runoff was holding the project back. With this \$288,000 package of bridge financing and a Stormwater Project Accelerator Grant, Groundwork will now be able to complete site remediation and stormwater management work to make their new community composting facility and vegetation garden a reality.”

In November, RIIB announced a \$45 million Clean Water State Revolving Fund loan to the Narragansett Bay Commission (NBC), the state’s largest wastewater treatment provider. The loan will finance several NBC projects including, a 2.2 mile long, 30-foot diameter tunnel to store wastewater overflows, updates to pump stations and maintenance and storage buildings, and green infrastructure, such as tree box filters, bioretention basins, infiltration chambers, and other facilities to promote infiltration of stormwater across NBC’s system.

as they embark on critical infrastructure projects like the Combined Sewer Overflow Phase III, that will improve and protect water quality in Narragansett Bay for generations to come,” said Infrastructure Bank CEO Jeffrey R. Diehl. “This \$45 million loan from the Clean Water State Revolving Fund will save NBC \$3.3 million in financing costs and support the creation of more than 1,200 jobs. We are proud to partner with NBC to help finance infrastructure projects that will improve water quality in the Ocean State.”

See all of the RIIB’s latest transactions and announcements on the [Rhode Island Infrastructure Bank website](#)

Green Bank Growth

The following selection of recent activities around the globe highlight efforts to develop and launch green banks and catalytic green finance institutions.

Green Banks at COP26:

Several sessions were held for COP26 in Glasgow featuring the work and success of existing Green Banks and momentum towards establishing new climate finance facilities on the green bank model in developing countries. The African Development Bank hosted a session featuring their recently issued report (in coordination with the Climate Investment Funds and prepared by the Coalition for Green Capital) on the role of Green Banks and National Climate Change Funds in mobilizing finance to support low-carbon, climate resilient investment in Africa. The AfDB’s session showcased how Green Banks have been embedded within the core pillars of their African Adaptation Acceleration Program (AAP) to support the goal of increasing adaptation finance from USD 12.5 billion to USD 25 billion by 2025.

The Green Bank Network also hosted an event in coordination with the Green Bank Design Platform, the Inter-American Development Bank (IDB), and the Latin American Association of Development Financing Institutions (ALIDE). This two panel event highlighted the role that climate finance facilities on the Green Bank model can play in mobilizing investment as required to achieve

institutional innovation in climate finance. It also highlighted lessons learned and success stories from existing Green Banks that are relevant for countries globally and how these institutions are essential in helping MDBs and other climate finance providers achieve their deployment and mobilization targets.

Reports and Whitepapers

Australian buildings and infrastructure: Opportunities for cutting embodied carbon.

In November, the CEFC released a report in November titled: [Australian buildings and infrastructure: Opportunities for cutting embodied carbon](#). The report identifies great potential in the building sector to cut emissions, finding that on average, sustainability rated infrastructure projects achieve a reduction of up to 33 per cent in embodied carbon compared to similar designs with no such measures. It also helps quantify the decarbonisation challenges in the sector and identifies the solutions and opportunities for the sector to reduce its carbon footprint. Importantly, it outlines material and design initiatives that can reduce embodied carbon in the built environment.



CEFC Insights

The CEFC continues to share insights from its investments with the market, as a means of encouraging additional private sector finance into low emissions opportunities. The most recent Investment Insight – [Clean energy and climate scenario analysis](#) – discussed the work of the CEFC and global asset manager AllianceBernstein in pursuing an Australian equities strategy which aims to set a new standard in low carbon investing.



The CEFC has also released [Clean energy and large-scale battery storage](#), an Investment Insight which focused on the achievements of Hornsdale Power

generation.

Resilient Rhody 3 Year Impact Report

In November, RIIB released the [Resilient Rhody 3 Year Impact Report](#) detailing progress that has been made by state agency and municipal partners in turning the original 2018 Resilient Rhody report's recommendations into concrete actions including infrastructure upgrades, coordinated planning, and financing of resilience projects. Resilient Rhody 3 Year Impact Report highlights include: 100% of municipalities have active Hazard Mitigation Plans or are updating their plans, 20 municipalities have participated in the Municipal Resilience Program (MRP) since 2018, 1,424 acres of open space and natural land preserved since 2018, \$19.5 million in new, dedicated funding to implement climate resilience projects, 9 projects engineered through CRMC's Shoreline Adaptation Inventory and Design Program.



CT Green Bank 2021 Webinar Series

Connecticut Green Bank continues its 2021 webinar series, Promoting the Renewable Energy of Community. Recordings of recent webinars can be found on the [2021 Webinar series webpage](#). Recent webinar topics include Energy Trends and Transformations; Environmental Finance (featuring guest speaker Jeffrey R. Diehl, CEO of Rhode Island Infrastructure Bank); Financial Innovation and Energy Affordability; and History of Environmental Justice in America and the Frontlines of Climate Justice Today in Connecticut.



See more white papers covering the green bank model on the GBN website's [Knowledge Center](#).

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