

# Bond Case Briefs

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## **Assured Guaranty Municipal Corp. Insures \$608 Million of Inaugural Green Transmission Project Revenue Bonds for the Power Authority of the State of New York..**

### **Proceeds of Tax-Exempt Green Bonds Will Fund Transmission Grid Modernization Projects and Support for Distribution of Renewable Power**

NEW YORK, April 25, 2022-(BUSINESS WIRE)-Assured Guaranty Municipal Corp. (AGM)\* announced that it has insured all \$608.3 million of tax-exempt Green Transmission Project Revenue Bonds (Green Bonds) issued by the Power Authority of the State of New York (NYPA) on April 21. The Green Bonds represent the first issuance of bonds under a newly-created transmission revenue credit intended to finance new transmission projects and improvements to existing transmission projects of NYPA that have or are expected to have regulated rates of return.

The proceeds of the Green Bonds will be used to finance the capital costs of two transmission projects known as the “Central East Energy Connect Transmission Project” and the “Smart Path Reliability Transmission Project”. The bonds will be payable solely from revenues derived from the funded projects (and not NYPA’s general credit) and, secondarily, by AGM’s unconditional guaranty of timely principal and interest payments.

“The capital generated from this green transmission revenue bonds sale is a significant investment in the foundation of a clean energy economy in New York State,” NYPA Interim President and CEO Justin Driscoll said. “NYPA is working to achieve Governor Kathy Hochul’s bold clean energy vision for the state, addressing the administration’s 2022 State of the State green bonds commitment and accelerating New York’s goal to ensure that 70% of the state’s electricity comes from renewable energy by 2030, and 100% by 2040.”

James Binette, Managing Director, Public Finance, Eastern Region of AGM said: “We are pleased that Assured Guaranty can bring its financial strength and three decades of experience working with municipal issuers to assist in launching this NYPA Green Bond issue, as well as other bond transactions that finance projects designed to produce or distribute energy more cleanly, cheaply and in a renewable way. Our guaranty can help attract investors to large transactions or novel structures and lower the cost of bringing bonds to market in general. We look forward to future endeavors with NYPA, the State of New York and other issuers developing renewable energy projects and future Green Bond issuances.”

Goldman Sachs and Co. LLC managed the sale.

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