

## NYSERDA Launches Innovative New Co-Investment Fund

NYSERDA recently announced a new funding opportunity that should energize and excite both investors and clean energy startups in New York State. We spoke with Nick Querques, Program Manager at NYSERDA, to learn more.

*What sparked the creation of the Co-Investment Fund?*

At NYSERDA, we're always looking to fill gaps in the market. We're in a unique position to take on a lot more risk, particularly by working with companies at an earlier stage than most other investors. We saw a big gap in the seed and pre-Series A company stage where those startups weren't being able to raise capital.

With this new fund, we're providing a 1:2 match, with \$1 of NYSERDA money for every \$2 of private capital investments occurring within clean energy companies in New York. These are non-dilutive grants that require no equity from the founders. It's a pretty friendly model for founders and investors alike, with the goal of mobilizing more capital and attracting new clean energy companies to New York State.

*What makes this fund unique?*

This non-dilutive funding; a risk-free industry loan with a 1% royalty attached to it. There are no personal guarantees, and no claw-backs if the company is unsuccessful or relocates.

*What does an ideal co-investor look like?*

[Request For Qualifications \(RFQL\) 4150](#) has all the details. We are aiming to attract blue chip investors, investors from both financial and corporate entities, and from all around the country. We want investors who are comfortable with and interested in the clean energy space, and

comfortable with the long lead time to market for clean energy.

The RFQL opened in June and is a rolling solicitation for investors to qualify through June 30th, 2021. We're hopeful given the response we've had so far.

*What types of companies will the Fund be most interested in investing in?*

NYSERDA has four areas of focus that are critical for us. They are: advanced buildings, clean transport, renewables and energy storage, and smart grid. We'll be looking for companies in those four buckets. We'll also look at other tech related to wastewater treatment, advanced materials, additive manufacturing, and other complementary technologies with an environmental impact.

*Why is this exciting for both investors and entrepreneurs?*

This program is years in the making. We've been working with the investment community and our portfolio companies to gather input and follow best practices. We're providing non-dilutive capital with the best terms out there.

*How can people find out more?*

Visiting NYSERDA's current funding opportunities [page](#) is a good place to start. We'll also do a full media and marketing push on this, promoting the opportunities in leading industry trade outlets, via social media, and press.

Investors will be listed in the \$6M solicitation once qualified, so people looking at the solicitation can see all the investors that have signed up, and companies can see the specific investors involved and try to raise funding from them. By highlighting investors as qualified, it'll help drive more deal flow for them.

We'll also continue to share about portfolio companies as they receive investment.