



# **CLEAN ENERGY**

## **FINANCE AND INVESTMENT AUTHORITY**

### **AGENDA**

Budget and Operations Committee of the  
Clean Energy Finance and Investment Authority  
865 Brook Street  
Rocky Hill, CT 06067

Wednesday, January 23, 2013  
2:30 p.m. - 4:00 p.m.

Staff Invited: George Bellas, Brian Farnen, Bryan Garcia, Bert Hunter and Mackey Dykes

1. Call to order
2. Public Comments – 5 minutes
3. Approve meeting minutes for September 21, 2012, September 26, 2012 and December 7, 2012\* - 5 minutes
4. FY13 Q1 and Q2 Budget to Actuals - 15 minutes
5. Programmatic Reporting Templates – 15 minutes
6. Financing Program Update – 20 minutes
7. Future C-PACE Budget Request\*\* – 30 minutes
8. Adjourn

\*Denotes item requiring Committee action

\*\* Denotes item requiring Committee action and recommendation to the Board for approval

#### **Online Meeting Access**

<https://www4.gotomeeting.com/join/515076527>

#### **Call-In**

**Dial-in: (805) 309-0012**

**Access Code: 515-076-527**

**Next Regular Meeting: Monday, April 23, 2013**

***Clean Energy Finance and Investment Authority, 865 Brook Street, Rocky Hill, CT***



# CLEAN ENERGY

## FINANCE AND INVESTMENT AUTHORITY

### RESOLUTIONS

Budget and Operations Committee of the  
Clean Energy Finance and Investment Authority  
865 Brook Street  
Rocky Hill, CT 06067

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5. Programmatic Reporting Templates – 15 minutes
6. Financing Program Update – 20 minutes
7. Future C-PACE Budget Request – 30 minutes

**WHEREAS**, the Clean Energy Finance and Investment Authority (CEFIA) wishes to increase funding to make direct loans to support clean energy projects in the Commercial Property Assessed Clean Energy (C-PACE) Program.

**WHEREAS**, per Article V, section 5.3.2(vi) the CEFIA Board of Directors (the “Board”) must approve reallocations in excess of seventy-five thousand dollars (\$75,000).

**NOW**, therefore be it:

**RESOLVED**, that the CEFIA Budget and Operations Committee hereby recommends to the Board for approval a reallocation of \$19,000,000 from the unrestricted cash account to the C-PACE loan line item.

8. Adjourn

\*Denotes item requiring Committee action

\*\* Denotes item requiring Committee action and recommendation to the Board for approval

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**CLEAN ENERGY**  
FINANCE AND INVESTMENT AUTHORITY

# **Budget and Operations Committee Clean Energy Finance and Investment Authority**

**Agenda Item #1**

Call to Order

January 23, 2013



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# **Budget and Operations Committee Clean Energy Finance and Investment Authority**

**Agenda Item #2**

Public Comments

January 23, 2013



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# **Budget and Operations Committee Clean Energy Finance and Investment Authority**

## **Agenda Item #3**

Approval of Meeting Minutes

January 23, 2013



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# **Budget and Operations Committee Clean Energy Finance and Investment Authority**

**Agenda Item #4**

FY13 Q1 & Q2 Budget to Actuals

January 23, 2013

## ▶ Revenue

- ▶ Totaled \$16.7m compared to a budget of \$16.6m. Utility assessments were under budget but was offset by greater RGGI auction results

## ▶ Expenses

- ▶ General operations totaled \$1.4m compared to a budget of \$1.5m
- ▶ Program expenses totaled \$3.6m compared to a budget of \$3.9m. Difference is primarily associated with positions being filled later than anticipated

## ▶ Statement of Assets & Cash Flows

- ▶ Nets assets increased \$6.7m to \$87.9m





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# **Budget and Operations Committee Clean Energy Finance and Investment Authority**

**Agenda Item #5**

Programmatic Reporting

January 23, 2013

# Commercial & Industrial



## Commercial & Industrial Loan Programs (through end of 2014)

	CEFIA Capital	Credit Enhancements/ Incentives	Staff (FY13)	Admin* (FY13)	Private Capital	MW <sup>s</sup> **	MMBtus** (thousands)	Loans/ Projects	Annual NO <sub>x</sub> recudction (lbs)
<b>Total</b>	<b>\$6,000</b>	<b>\$3,500</b>	<b>\$720</b>	<b>\$730</b>	<b>\$31,500</b>	<b>5</b>	<b>107</b>	<b>175</b>	<b>16,423</b>
CPACE	\$3,500	\$1,000	\$657	\$560	\$31,500	4.4	100	175	15,227
Clean Energy Business Solutions	\$2,500	\$2,500	\$63	\$170		0.6	7	10	1,196

dollar figures in thousands

\*includes consulting, legal, marketing, EM&V and computer operations, training and travel/meeting costs

\*\* These are rough projections that assume 50-50 investment in renewable energy (i.e. solar PV) and energy efficiency. Energy efficiency assumes \$2.50/ft<sup>2</sup> for energy efficiency retrofit, average loan size of \$200,000, reduction in electric energy consumption of 20% (i.e. 4 kWh/ft<sup>2</sup>), and conversion of kWh savings into MMBtu

# Commercial and Industrial C-PACE



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	Budget (FY13)	Private Capital	MMBtus saved (thousands)	MWs deployed	Projects	Towns
Goal	\$1,395	\$31,500	100	4.4	175	14
YTD Actual	\$877	\$0	0	0	0	11
Percent	63%	0%	0%	0%	0%	79%

- Clean energy deployed per CEFIA \$ - 0
- C-PACE will officially launch on January 24
- \$10m of deals currently in review
- Working with 12 towns to opt into the program

# Statutory Programs



Statutory Programs (FY13)					
	Incentives	Staff (FY13)	Admin* (FY13)	MWs	Loans/Projects
<b>Total</b>	<b>\$13,333</b>	<b>\$526</b>	<b>\$940</b>	<b>11</b>	<b>864</b>
Residential Solar PV Investment Program	\$9,333	\$393	\$815	6	864
Anaerobic Digester	\$2,000	\$66.7	\$62.5	.6	
CHP	\$2,000	\$66.7	\$62.5	4.5	

\*includes consulting, legal, marketing, EM&V and computer operations, training and travel/meeting costs

dollar figures in thousands

# Residential

## Residential Solar PV Investment Program



	Budget (FY13)	MWs deployed	Projects
Goal	\$10,588	6	864
YTD Actual	\$6,524	3.7	523
Percent	62%	62%	61%

- Clean energy deployed per CEFIA \$ - .584 Watts
- Solarize has been major driver of success – in 4 months, doubled installations done over the previous 8 years
- Launched Step 3 on January 4<sup>th</sup>



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# **Budget and Operations Committee Clean Energy Finance and Investment Authority**

**Agenda Item #6**

Financing Programs Update

January 23, 2013

# Residential Sector Loan Programs



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	Launch Date	ARRA-SEP LLR/IRB* (M)	Type	CEFIA Senior or Sub Loan (M)	Private Capital (M)	Interest Rate	# of Loans (approx)	CEFIA Leverage	Estimated Energy Produced and Saved
<b>Total Planned Programs</b>		<b>\$6.7</b>		<b>\$11.0</b>	<b>\$74.8</b>	<b>4.5%-10.99%</b>	<b>7,390</b>	<b>6.8x</b>	<b>12.7MW 240,000MMBtus</b>

PROGRAM SPECIFICS									
Cozy Loans (Pilot)	Feb-2013	\$0.41	\$360K LLR and \$50K IRB	\$0.00	\$2.5	4.50%	200	N.M.	25,000 MMBtu
Smart-E(Pilot)	Feb 2013	\$2.50	LLR	\$0.00	\$27.8	4.49%-6.99%	5,000	N.M.	210,000 MMBtu
Solar Loan (Pilot)**	Jan-2013	\$0.30	LLR	\$1.5	\$4.5	6.99-10.99%	240	3.0x	1.7 MW
Solar PV and Solar Hot Water Systems Lease/PPA	Mar-2013	\$3.50	LLR	\$9.50	\$40.0	Energy Price	1,950	5.3x	11.0 MW (solar PV)
									5,000 MMBtu (SHWS)

\* ARRA SEP funds are not ratepayer capital. LLR – Loan Loss Reserve; IRB – interest rate buy down

\*\*Amount of CEIA debt in Solar Loan will range from \$500K-\$2.5M, depending on deal specifics



**CLEAN ENERGY**  
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# **Budget and Operations Committee Clean Energy Finance and Investment Authority**

**Agenda Item #7**

Future C-PACE Budget Request

January 23, 2013



# Commercial and Industrial C-PACE



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- Key Issues:
  - Guidelines & Process → Largely solved
  - Building Owners → Tremendous interest + growing pipeline
  - Capital Providers → 10 institutions/firms “qualified” to date, including Citibank, Wells Fargo & Peoples United (TD very interested)
    - Where this “fits” for most lenders being worked out
    - Strong interest
    - Finance during construction has emerged as a sticking point
  - Lenders’ Consent
    - Will be “tested” soon ...
  - CEFIA needs to “prime the pump”
    - **CEFIA requests \$10 M allocation for construction finance**
      - Priced at ~4.99% with interest rate penalty for exceeding agreed construction period (dollars will recycle)
    - **CEFIA requests initial \$10 M allocation for term finance**
      - Pricing being considered – if “solo” – then probably circa 5%
      - CEFIA would “sell-down” to Capital Providers after closing (probably the “up to 10-year” positions)
      - Terms up to 20 years – will depend upon measures financed



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# **Budget and Operations Committee Clean Energy Finance and Investment Authority**

**Agenda Item #8**

Adjourn

January 23, 2013

Subject to changes and deletions

**BUDGET AND OPERATIONS COMMITTEE OF THE  
CLEAN ENERGY FINANCE AND INVESTMENT AUTHORITY  
Draft Minutes – Special Meeting  
Friday, September 21, 2012**

A special meeting of the Budget and Operations Committee (“Budget Committee”) of the Board of Directors of the **Clean Energy Finance and Investment Authority (the “CEFIA”)** was held on September 21, 2012, at the office of CEFIA, 865 Brook Street, Rocky Hill, CT.

1. **Call to Order:** Daniel Esty, Chairperson of the Budget Committee, called the meeting to order at 1:07 p.m. Budget Committee members participating: Mun Choi, Daniel Esty, and Norma Glover.

Other Board members attending: Catherine Smith, Chairperson of the CEFIA Board and Commissioner of the Department of Economic and Community Development.

Staff Attending: George Bellas, Mackey Dykes, Brian Farnen, Bryan Garcia, Bert Hunter, Alexandra Lieberman and Shelly Mondo.

Others Attending: Alex Kragie, DEEP.

2. **Public Comments:** There were no public comments.

3. **Approval of Meeting Minutes:**

Mr. Esty asked the Budget Committee members to consider the minutes from the June 15, 2012 meeting.

**Upon a motion made by Ms. Glover, seconded by Mr. Choi, the Budget Committee members voted unanimously in favor of adopting the minutes from the June 15, 2012 meeting as presented.**

4. **Review of Updated FY13 Budget and Program Metrics:**

Mr. Garcia stated that the purpose of the meeting is to discuss the updated budget for fiscal year 2013. He explained that in accordance with State Statutes and CEFIA’s Bylaws, the Board adopted the fiscal year 2013 budget in June. However, staff was asked to update the budget by providing the metrics, staffing and how the fiscal year 2013 budget matches to the different program areas. Mr. Garcia mentioned that the updated budget includes comments received from the Board members and former Board member, Mr. Kirshbaum.

Mr. Hunter stated that the updated operating and program budget includes more details about the metrics and goals and how the de-emphasis of subsidy-based incentives and shift to program investments translates into the budget. Staff reviewed the program investments. It was noted that the open commitments have been reduced from \$36,000,000 to \$25,000,000.

In response to a question, Mr. Garcia provided an update on the large fuel cell project by Fuel Cell Energy under Project 150 in Bridgeport. The Budget Committee members discussed the importance of the project and some of the issues (i.e. large scale, siting, high interconnection costs, potential loss of federal tax credits, and potential legal issues regarding making changes to the proposed project). Recognizing the urgency and narrow window of time to move forward with the project to meet the timeline amended in Public Act 11-80, a suggestion was made to form a team to lay out the issues and discuss potential solutions (i.e. reconfiguring the project and/or relocating the project). It was noted that the project was approved by the former Department of Public Utility Control, and changes to the scope or location would have to be approved by the Connecticut Public Utilities Regulatory Authority ("PURA"). Ms. Glover agreed to be a part of the team, and staff was asked to include CEFIA Board member John Olsen, Jessie Stratton from DEEP and Tony Marone from United Illuminating. The Budget Committee members noted that the goal is for project costs to be as low as possible since it is unlikely that the project will receive final approval from PURA if costs are too high.

Mr. Hunter explained the provisions for loan losses and the staff's rationale for the reserves for the grid-tied loans, Operational Demonstration Loan and Alpha Loan Programs, and the ARRA-SEP supported programs. He clarified the definitions of the provision for loan loss, which is an expense item on the income statement that accumulates as a reserve for possible losses from loans that CEFIA makes, and contrasted this to "loan loss reserves" and "interest rate buy downs" that are also expense items but which act as incentives to encourage more private capital into transactions. A discussion ensued on the estimates for the reserves, and a suggestion was made to change the estimates for the Operational Demonstration Program and Alpha Loan Program since it is not likely that the losses will occur immediately. There was general consensus that while CEFIA should remain conservative with its estimates, there is also a desire to get projects moving forward and funding out to as many people as possible. There was no objection to changing the reserves for the Operational Demonstration Program and Alpha Loan Program from 100 percent to 50 percent. As CEFIA gains more experience with all of the programs, adjustments to the reserves can be made as necessary.

A discussion ensued on the C-PACE loan program. Staff noted the intent is to initially have an active role and provide incentives to push the program forward and demonstrate how the program translates to the flow of private capital.

The Budget Committee members asked whether the proposed allocations to the programs are in line with CEFIA's priorities. In response to a comment about the allocation of funding for the Residential Solar Lease Program, Mr. Hunter explained that in accordance with the incentive block schedule, the subsidies under the program will decline over time. Mr. Garcia mentioned that since the program was launched in March 2012, CEFIA has had more than double the activity of the program launched by the former Connecticut Clean Energy Fund, and CEFIA's incentives of approximately \$5,000,000 have attracted approximately \$10,000,000 of other funding. To date, CEFIA is exceeding statutory expectations. It was noted that having a more broad based loan program may help prove the success and ramp up of the green bank for clean energy financing.

An observation was made that there is no funding in the fiscal year 2013 budget for micro grid projects. A discussion ensued on the timing for the projects, and Mr. Kragie noted that it is likely that the projects will get chosen sometime in May or June 2013. Funding will most likely not be needed from CEFIA until the fiscal year 2014 budget. Staff was asked to have more information by January 2013 about what is needed to obtain private funding and support for micro grid projects. There was general consensus that \$4,000,000 is an appropriate amount for CEFIA to invest in approximately 14 to 15 pilot micro grid projects for the 2014 fiscal year. The Budget Committee members suggested having certain information, such as upcoming programs provided in a two-year budget. Staff was asked to include a program for micro grids in the fiscal year 2013 budget with zero allocation.

Some concern was expressed with the increase in utility customer assessments projected in the fiscal year 2013 budget. Mr. Bellas explained the rationale for the projection and noted that there has not been a significant variance over the last several months. Staff was asked to revisit the issue and determine whether changes should be made to be more conservative.

The Budget Committee discussed the expense over income reported on the statement of income and general and program expenses. Staff was asked to ensure that the information is presented in a manner that meets accounting standards but clearly shows how CEFIA is being fiscally prudent. Staff explained the change in net assets for CEFIA. Mr. Dykes presented the staffing plan.

The Budget Committee members discussed reporting on a regular basis to the Board. There was general consensus on the following:

- that the Board should receive the key financial reports at every meeting
- at least quarterly or sooner if there are significant changes, the Board should receive the cash flow statement and balance sheet
- staff should develop key metrics (at least four of five) that can be tracked and trended for the Board each month

The Budget Committee members indicated that the Board needs to be able to measure activities, efficacy and efficiency of funds being allocated.

The Budget Committee members asked staff to allocate sufficient time for the Board to review the proposed updated Budget.

The Budget Committee members began the review of the summary of the individual programs. Staff was asked to ensure that the summary sheet for each program includes at least the following to be sure there is a clear picture on the effectiveness of utilizing and leveraging CEFIA's resources:

- Funds allocated to each program
- Value and percentage of time for staff allocated to each program
- Total administrative costs for each program
- Total costs for each program
- Targets, expectations and goals of each program (in megawatt hours)
- Results in megawatt hours
- Megawatts per dollar deployed/megawatts per dollar in renewable energy
- Metrics to success
- Private capital leveraged
- If available, budget comparison with last year for each program

A concern was raised about not having enough funding for financing energy efficiency projects. Staff talked about some of the energy efficiency financing programs currently being run by the Energy Efficiency Fund. There was a discussion about attracting private capital rather than utilizing more ratepayer funds for financing energy efficiency programs. Mr. Esty talked about Governor Malloy's comprehensive energy strategy. He noted how certain financing programs should be either within or administered by CEFIA. Staff was asked to put together a plan by October 5 to enable the significant ramp up in funding being deployed for financing energy efficiency projects. Included in the plan should be the option for an on-bill financing program for changing out appliances and heating systems (i.e. furnaces and boilers) to move more space heating from fuel oil and resistance electricity to natural gas, the subsidies that would be needed to make loans attractive, how to attract private capital, and the potential economics and savings from converting to natural gas. It was noted that flexibility should be built into the program to make it easier and more effective. A separate program that is not on-bill should be developed, potentially through community banks, for lower-income people. This program may require interest rate buy downs and other credit enhancement features. Staff was also asked to consider an on-bill energy efficiency financing programs to encourage deeper implementation from the audits. Information about returns, costs and buy downs should be included. Staff will work with the Energy Efficiency Fund to determine whether PURA approval is necessary or a change in legislation is necessary.

A special Budget Committee meeting will be scheduled for Wednesday, September 26, 2012, at 5:30 p.m. at DEEP to continue discussions on the program expenses, metrics and personnel for the programs.

**Upon a motion made by Ms. Glover, seconded by Mr. Choi, the Budget Committee members voted unanimously in favor of adopting the following resolution recommending the updated Fiscal Year 2013 budget to the Board:**

**WHEREAS**, Article V of the Clean Energy Finance and Investment Authority (“CEFIA”) Operating Procedures requires the CEFIA Board of Directors (the “Board”) to adopt an Annual Operating Budget for each forthcoming fiscal year;

**WHEREAS**, Article V, section 5.3.2 of the CEFIA by-laws charges the Budget and Operations Committee to recommend to the Board the annual operating budget; and

**WHEREAS**, the Board directed CEFIA staff to provide an updated Fiscal Year 2013 budget;

**NOW**, therefore be it:

**RESOLVED**, that the Budget and Operations Committee hereby recommends to the Board for approval the updated Fiscal Year 2013 budget.

5. **Adjournment**: Upon a motion made by Mr. Choi, seconded by Ms. Glover, the Budget Committee members voted unanimously in favor of adjourning the September 21, 2012, meeting at 3:10 p.m.

Respectfully submitted,

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Daniel Esty, Chairperson of Budget  
Committee

Subject to changes and deletions

**BUDGET AND OPERATIONS COMMITTEE OF THE  
CLEAN ENERGY FINANCE AND INVESTMENT AUTHORITY  
Draft Minutes – Special Meeting  
Wednesday, September 26, 2012**

A special meeting of the Budget and Operations Committee (“Budget Committee”) of the Board of Directors of the **Clean Energy Finance and Investment Authority (the “CEFIA”)** was held on September 26, 2012, at the office of the Department of Energy and Environmental Protection, 79 Elm Street, Hartford, CT.

1. **Call to Order:** Daniel Esty, Chairperson of the Budget Committee, called the meeting to order at 4:45 p.m. Budget Committee members participating: Mun Choi (by phone), Daniel Esty, and Norma Glover.

Staff Attending: Mackey Dykes, Brian Farnen, Bryan Garcia, and Shelly Mondo.

2. **Public Comments:** There were no public comments.

3. **Review of Program Metrics and Open Commitments:**

Mr. Dykes began by reviewing the overall program breakdown for the fiscal year 2013 budget. A question arose regarding the composition of the total expenses reported for each of the categories. Staff was asked to break out the expenses in more detail. A question arose about administrative costs in comparison with the private sector, and a suggestion was made for staff to run CEFIA like a business and therefore keep administrative costs as low as possible.

The Budget Committee members reviewed the proposed performance metrics, and staff was asked to reword the metrics to specify the targeted accomplishments. A general discussion ensued on metrics versus targets. It was noted that metrics are used on an ongoing basis to gauge results. A suggestion was made to change the word “metrics” to “targets” under each of the program pages. The Budget Committee members discussed megawatt targets. Mr. Dykes explained that CEFIA does not have the ability to forecast megawatts for commercial projects. Some concern was expressed with targeting only CO<sub>2</sub> emissions displaced annually and a suggestion was made to also target NO<sub>x</sub> or annual carbon. A discussion ensued on the targeted clean energy deployed in megawatt hours. It was noted that the targeted amount does not include the grid-tied projects.

Mr. Garcia spoke about the significant amount of private capital CEFIA projects to attract with approximately \$24,500,000 of debt through the end of calendar year 2014. After discussing the financing programs, a suggestion was made to include the word “industrial” with “capital.” A question arose as to whether the Commercial and Industrial Property Assessed Clean Energy (“C-PACE”) Program should be a separate category under the financing programs.



A discussion ensued on efficiency programs, and it was noted that CEFIA has the tools to administer some new programs and should be prepared. Mr. Esty stated that included in the Governor's Comprehensive Energy Strategy that will be announced, is a goal to achieve the conversion of a specific number of furnaces for homes and businesses to natural gas over the next 7 years. The Budget Committee members noted the importance and efficiencies with having a more encompassing program that includes appliances. Attorney Farnen spoke about some of the issues that may arise with the inclusion of appliances. The Budget Committee members discussed a preliminary program which would include a 10 year payback, half of the savings immediate, a shut-off provision, on-bill financing, no or very little (\$1,000) money upfront and no-interest buydown. The variable should be the length of loan repayment but no longer than 10 years. It was noted that the shutoff provision helps to reduce the default risk.

The Budget Committee members discussed a separate program for low-income homeowners potentially through community banks and some degree of government financing to buy down the interest rates and absorb loan losses. It was noted that the program should not include a shut off provision, and the homeowner should realize at least half or more of the savings up front. The Budget Committee members discussed some of the benefits to the financiers by separating the low-income program and having a shut off provision. If appliances cannot be included under the program, the Budget Committee members asked staff to consider a third program to fund the appliances. Staff was asked to determine if there are any legal or other issues with including appliances under a main program and whether PURA will approve a program that includes appliances.

The Budget Committee members asked staff to show how the administrative costs and staffing is broken out for each of the six program categories. They noted the need to have a clear metrics to help determine the cost effectiveness of each program and in comparison with each other. Staff was asked to also include information about megawatts per dollar of CEFIA funds deployed. If the information is not available for each program, targets should be included.

Staff reviewed the old CCEF model versus the new CEFIA model for comparing residential solar PV to show how CEFIA is moving faster, with fewer costs and producing more. Staff was asked to include the reporting time frame in the materials.

Mr. Dykes discussed the Commercial/Industrial programs, the Municipal, University, School and Hospital ("MUSH") Loan Program, statutory programs other programs. He spoke about the closure of the transition programs (Alpha and Operational Demonstration). Mr. Choi indicated that staff is performing due diligence on two projects that may be brought to the Technology Innovations Committee in the near future and noted the potential for two additional projects. The Budget Committee discussed how to proceed with projects under the Anaerobic Digester Pilot Program.

Mr. Garcia discussed the proposed organizational structure as a result of CEFIA's focus on financing and model to attract private capital investment in Connecticut. He reviewed the key positions. Mr. Garcia indicated that job descriptions are being drafted and will be brought to the Budget Committee at the next meeting and before requesting Board approval. The Budget Committee members noted the importance of having the right people in the positions and the need to potentially hire a firm to help fill the position(s).

**4. Adjournment:** Upon a motion made by Mr. Choi, seconded by Ms. Glover, the Budget Committee members voted unanimously in favor of adjourning the September 26, 2012, meeting at 7:15 p.m.

Respectfully submitted,

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Daniel Esty, Chairperson of Budget  
Committee

Subject to changes and deletions

**BUDGET AND OPERATIONS COMMITTEE OF THE  
CLEAN ENERGY FINANCE AND INVESTMENT AUTHORITY  
Draft Minutes – Special Meeting  
Friday, December 7, 2012**

A special meeting of the Budget and Operations Committee (“Budget Committee”) of the Board of Directors of the **Clean Energy Finance and Investment Authority (the “CEFIA”)** was held on December 7, 2012, at the office of the Clean Energy Finance and Investment Authority, 865 Brook Street, Rocky Hill, CT 06067.

1. **Call to Order:** Daniel Esty, Chairperson of the Budget Committee, called the meeting to order at 8:35 a.m. Budget Committee members participating: Mun Choi (by phone), Daniel Esty (by phone), and Norma Glover (by phone).

Staff Attending: George Bellas, Mackey Dykes, Bryan Garcia, and Shelly Mondo.

2. **Public Comments:** There were no public comments.

3. **Review of Updated FY3 Schedule of Positions:**

Mr. Dykes mentioned that staff recommends changes to the schedule of positions that was approved as part of the fiscal year 2013 budget. He reviewed the proposed changes which include: removing the Associate Director, Finance position and adding in its place two Project Assistants, Finance; and 2) changing the Associate, CPACE position to a Manager, CPACE position. The change would result in an increase by one full-time equivalent to thirty full-time equivalents, but all spending will be within the approved fiscal year 2013 compensation budget of \$2,831,300 in salaries/wages and \$1,755,400 in employee benefits. In response to a question, Mr. Dykes stated that the Manager CPACE position is approximately \$20,000 more than budgeted; but because the hiring is later than anticipated, there are sufficient funds in the salary/wages category.

**Upon a motion made by Ms. Glover, seconded by Mr. Choi, the Budget Committee members voted unanimously in favor of adopting the following resolution approving the schedule of positions for CEFIA:**

**WHEREAS**, Section VII of the Clean Energy Finance and Investment Authority (“CEFIA”) Operating Procedures requires the President to establish a schedule of positions for CEFIA; and

**WHEREAS**, Article 3.6 of the Bylaws requires the CEFIA Budget and Operations Committee to review and approve the staffing plan.

**NOW**, therefore be it:

**RESOLVED**, that the CEFIA Budget and Operations Committee hereby approves the attached schedule of positions.

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**4. Review of Proposed Telecommuting Policy:**

Mr. Dykes mentioned that staff recommends deleting the specific guidelines regarding telecommuting from the Employee Handbook. He noted that this change would align CEFIA's Telecommuting Policy with CI's Telecommuting Policy and will allow management to have the flexibility and discretion to use telecommuting in a manner that best meets the business needs of CEFIA.

**Upon a motion made by Ms. Glover, seconded by Mr. Choi, the Budget Committee members voted unanimously in favor of adopting the following resolution regarding CEFIA's Telecommuting Policy:**

**RESOLVED**, that the CEFIA Budget and Operations Committee hereby recommends the proposed changes to the Telecommuting Policy to the CEFIA Board of Directors.

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**5. Adjournment:** Upon a motion made by Ms. Glover, seconded by Mr. Choi, the Budget Committee members voted unanimously in favor of adjourning the December 7, 2012, meeting at 8:40 a.m.

Respectfully submitted,

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Daniel Esty, Chairperson of Budget  
Committee

**Clean Energy Finance and Investment Authority**  
**Financial Analysis**  
**Executive Summary**  
**For the six months ended December 31, 2012**

**Statement of Income and General Operations and Program Expenses**

Revenues for the period totaled \$16,732,900 compared to a budget of \$16,638,300. Utility customer assessments totaled \$14,378,800 and were \$321,200 under budget. As of the date of the preparation of the financial statements, December's actual results had not been reported to CEFIA so the budgeted December amounts are reflected in the actuals (see page 7 for a detailed analysis). Storm Sandy had a negative impact on October's results, however this negative impact was offset by greater than anticipated RGGI auction results. RGGI auction proceeds from the September and December auctions totaled \$1,331,600, and were \$331,600 over the budgeted amount. Other income of \$120,000 included \$112,000 in penalty payments from energy resellers as a result of not having met their RPS requirements for 2009.

Expenses associated with the general operations of CEFIA totaled \$1,379,400 as compared to a budget of \$1,521,300 for the period. Generally expenses for operations were in line with budget. Year to date there are no significant variances between actuals and budget. Operating expenses were within \$5,000 of the budgeted amount or under budget.

Expenses associated with supporting CEFIA's programs totaled \$3,555,500 as compared to a budget of \$3,921,600. The favorable variance to budget can be found primarily within compensation and the associated benefits for CEFIA employees supporting these programs. The refinement of new CEFIA programs being developed resulted in positions being filled later than anticipated in the budget and vacancies that still exist for some programs. It is anticipated that these vacancies will be filled within the next two months as CEFIA's new financing programs are implemented.

**Statement of Assets and CashFlows**

Net assets as of December 31, 2012 were \$87,896,800 an increase of \$6,708,600 from June 30, 2012. Cash balances of \$78,648,200 increased \$5,434,700 since the beginning of the year. These cash balances are offset by \$23,267,100 of program commitments as of December 31st (see page 6 for a detailed analysis of commitments by programs). It is anticipated that commitments for the residential solar PV investment program and CEFIA's new residential, commercial and nonprofit financing programs will increase significantly in the coming months.

**Clean Energy Finance and Investment Authority**  
**Financial Analysis**  
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**For the six months ended December 31, 2012**

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Clean Energy Finance and Investment Authority  
 Comparison of FY 2013 Budget to Actual  
 Statement of Income and General Operations and Program Expenses  
 For the six months ended December 31, 2012

	(000's)							(Under) Over Budget	%
	Actual FY2013	Actual FY2013	Actual FY2013	Budget FY2013	Budget FY2013	Budget FY2013	Total		
	Gen. Ops	Programs	Total	Gen. Ops	Programs	Total	Budget		
Utility customer assessments	\$ 14,378.8	\$ -	\$ 14,378.8	\$ 14,700.0	\$ -	\$ 14,700.0	\$ (321.2)	(2%)	
RGGI auction proceeds	\$ 1,331.6	\$ -	\$ 1,331.6	\$ 1,000.0	\$ -	\$ 1,000.0	\$ 331.6		
Interest on bank deposits	\$ 73.4	\$ -	\$ 73.4	\$ 60.0	\$ -	\$ 60.0	\$ 13.4	22%	
Renewable Energy Credits, net of fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Interest income-Solar Lease Notes, net of fees	\$ 50.8	\$ -	\$ 50.8	\$ 60.0	\$ -	\$ 60.0	\$ (9.2)	(15%)	
Grant income (LBE, N2N, Sunrise)	\$ 778.3	\$ -	\$ 778.3	\$ 778.3	\$ -	\$ 778.3	\$ (0.0)	(0%)	
Grant income (ARRA SEP)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Other income	\$ 120.0	\$ -	\$ 120.0	\$ 40.0	\$ -	\$ 40.0	\$ 80.0	200%	
<b>Total revenues:</b>	<b>\$ 16,732.9</b>	<b>\$ -</b>	<b>\$ 16,732.9</b>	<b>\$ 16,638.3</b>	<b>\$ -</b>	<b>\$ 16,638.3</b>	<b>\$ 94.6</b>	<b>1%</b>	
<b>Expenses</b>									
<u>Compensation &amp; Benefits:</u>									
-Salaries & Wages-CEFIA employees	\$ 544.9	\$ 641.6	\$ 1,186.5	\$ 544.9	\$ 863.8	\$ 1,408.7	\$ (222.2)	(16%)	
-Salaries & Wages-CI shared services	\$ 146.2	\$ 1.7	\$ 147.9	\$ 180.7	\$ 7.7	\$ 188.4	\$ (40.5)	(22%)	
-Employee Benefits-CEFIA employees	\$ 344.2	\$ 430.6	\$ 774.8	\$ 337.8	\$ 539.9	\$ 877.7	\$ (102.9)	(12%)	
-Employee Benefits-CI shared services	\$ 99.9	\$ 1.0	\$ 100.9	\$ 112.0	\$ 4.8	\$ 116.8	\$ (15.9)	(14%)	
<u>Consulting and professional fees</u>									
- Legal	\$ 3.5	\$ 32.3	\$ 35.8	\$ 17.0	\$ 32.3	\$ 49.3	\$ (13.5)	(27%)	
- Accounting & Audit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
- Consulting fees	\$ 30.6	\$ 224.3	\$ 254.9	\$ 42.0	\$ 224.3	\$ 266.3	\$ (11.4)	(4%)	
- Project inspection fees	\$ -	\$ 61.2	\$ 61.2	\$ -	\$ 61.2	\$ 61.2	\$ 0.0	0%	
<u>Marketing/External relations</u>									
	\$ 56.5	\$ 50.0	\$ 106.5	\$ 103.0	\$ 50.0	\$ 153.0	\$ (46.5)	(30%)	
<u>EM&amp;V</u>									
	\$ -	\$ 4.6	\$ 4.6	\$ -	\$ 4.6	\$ 4.6	\$ (0.0)		
<u>Rent and location related expenses</u>									
-Rent/Utilities/Maintenance	\$ 42.2	\$ 51.1	\$ 93.2	\$ 49.3	\$ 59.7	\$ 109.0	\$ (15.8)	(14%)	
-Telephone/Communications	\$ 9.5	\$ 11.5	\$ 21.1	\$ 9.0	\$ 11.0	\$ 20.0	\$ 1.1	5%	
-Equipment & storage rentals	\$ 1.6	\$ 1.9	\$ 3.5	\$ 2.7	\$ 3.3	\$ 6.0	\$ (2.5)	(42%)	
-Depreciation FF&E	\$ 13.7	\$ 16.6	\$ 30.4	\$ 19.0	\$ 23.0	\$ 42.0	\$ (11.6)	(28%)	
<u>Office, computer &amp; other expenses</u>									
-Office expense	\$ 8.0	\$ 9.7	\$ 17.7	\$ 10.9	\$ 13.2	\$ 24.1	\$ (6.4)	(27%)	
-Computer operations	\$ 8.1	\$ 9.9	\$ 18.0	\$ 11.3	\$ 13.7	\$ 25.0	\$ (7.0)	(28%)	
-Subscriptions	\$ 5.0	\$ -	\$ 5.0	\$ 9.0	\$ -	\$ 9.0	\$ (4.1)	(45%)	
-Training and education	\$ 4.8	\$ -	\$ 4.8	\$ 15.0	\$ -	\$ 15.0	\$ (10.2)	(68%)	
-Temporary employees	\$ 18.2	\$ 7.0	\$ 25.2	\$ 18.0	\$ 7.0	\$ 25.0	\$ 0.2	1%	
-Travel, meetings & related expenses	\$ 31.0	\$ 1.0	\$ 31.9	\$ 27.0	\$ 1.0	\$ 28.0	\$ 3.9	14%	
-Insurance	\$ 11.5	\$ 13.9	\$ 25.3	\$ 12.7	\$ 15.3	\$ 28.0	\$ (2.7)	(9%)	
<u>Grant expenses(LBE/N2N/Sunrise)</u>									
	\$ -	\$ 648.1	\$ 648.1	\$ -	\$ 648.1	\$ 648.1	\$ (0.0)	(0%)	
<u>Financial Incentives-Grants &amp; Rebates</u>									
	\$ -	\$ 1,337.7	\$ 1,337.7	\$ -	\$ 1,337.7	\$ 1,337.7	\$ -	0%	
<u>Interest rate buydown-HDF/CHF</u>									
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
<u>Provision for Loan loss -Grid Tied Loan Program</u>									
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
<u>Provision for Loan loss - Op Demo Loans</u>									
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
<u>Provision for Loan loss - Alpha Loans</u>									
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
<u>Provision for Loan Loss - GreenerU</u>									
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
<u>Provision for Loan Loss - WINN LISC</u>									
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
<u>Provision for Loan Loss -CPACE Loans</u>									
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
<u>Provision for Loan Loss - Lease Programs</u>									
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
<u>Provision for Loan Loss -Res. Solar Loans</u>									
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
<u>Provision for Loan Loss - Res. EE Loans</u>									
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
<u>Provision of Loan Loss - Clean Energy Bus Sol Loans</u>									
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
<b>Total expenses:</b>	<b>\$ 1,379.4</b>	<b>\$ 3,555.5</b>	<b>\$ 4,934.9</b>	<b>\$ 1,521.3</b>	<b>\$ 3,921.6</b>	<b>\$ 5,442.9</b>	<b>\$ (508.0)</b>	<b>(9%)</b>	
FY13 revenues over FY13 expenses:			\$ 11,798.0			\$ 11,195.4	\$ 602.6		
Financial Incentives/Grants/Rebates Paid - FY12 Commitments:			\$ (5,144.2)						
Revenues over expenses:			\$ 6,653.8						

Clean Energy Finance and Investment Authority  
Statement of Revenues, Expenses  
and Changes in Net Assets  
For the six months ended December 31, 2012  
(000's)

	Total Net Assets	6/30/2012	\$ 81,188.2
<b>FY 2013 expenses over income:</b>			11,797.8
Utility customer assessments	14,378.8		
Interest income	124.2		
RGGI auction proceeds	1,331.6		
Grant income	778.3		
Other income	120.0		
		16,732.9	
Compensation	(2,210.1)		
Consulting and professional fees	(352.0)		
Marketing/External relations	(106.5)		
EM&V	(4.6)		
Rent and location related expenses	(148.2)		
Office, computer & other expenses	(127.9)		
		(2,949.3)	
Provision for Loan Loss - New Programs	-		
Interest Rate Buydowns - New Programs	-		
Residential Solar PV rebates	(1,291.6)		
Anaerobic Digester Pilot	-		
CHP Pilot	-		
Condo Renewable Energy grants	-		
Maintained Programs	(42.1)		
		(1,333.7)	
<b>NOTE: Subtotal, Recurring Programs</b>			12,449.9
Clean Energy Business Solutions	-		
Transition & Other	-		
Federal Grants	(652.1)		
Loan Loss Reserve - Grid Tied, Op Demo & Alpha Loans	-		
<b>NOTE: Subtotal, Non-Recurring/Special Programs</b>			(652.1)
<b>Expenditures grants and rebates approved prior to FY13</b>			\$ (5,144.3)
PROGRAM GOAL 1 PROJECT 150 & PRE DEVELOPMENT PROGRAM	-		
CI&I ON SITE GENERATION PROGRAM - Strategic Investments	-		
CI&I ON SITE GENERATION PROGRAM - COMM. SOLAR	(302.0)		
Residential Solar PV -Pre Sec 106, PA 11-80	(93.0)		
RESIDENTIAL SOLAR PV INVESTMENT PROGRAM (Section 106,PA 11-80)	(1,298.0)		
CI&I On Site Generation - Solar NFP/Govt	(365.0)		
CI&I On Site Generation -Fuel Cell	(2,141.0)		
GEO THERMAL, SOLAR THERMAL AND HOT WATER PROJECTS	(421.3)		
CI&I ON SITE GENERATION PROGRAM - FEASIBILITY STUDIES	(67.0)		
Operational Demonstration Program	(158.0)		
TECHNOLOGY AND DEVELOPMENT STUDIES	-		
Education & Outreach Programs	(278.0)		
Other	(21.0)		
<b>Other ( change in other balance sheet components)</b>			\$ 55.1
<b>Total Net Assets</b>		<b>12/31/2012</b>	<b>\$ 87,896.8</b>



Clean Energy Finance and Investment Authority  
 Financial Analysis  
 For the six months ended December 31, 2012

Statement of Net Assets

(000's)

	Actual	YTD		Actual	YTD
	6/30/2012	12/31/2012		6/30/2012	12/31/2012
<b>Assets</b>			<b>Liabilities and Net Assets</b>		
<b>Current assets</b>			<b>Accounts, grants payable and accrued expenses</b>		
Cash and cash equivalents (Unrestricted)	\$ 64,672.9	\$ 70,276.1		\$ 2,624.9	\$ 471.4
Utility receivables	\$ 2,580.0	\$ 2,375.0	Deferred revenue-ARRA	\$ 8,363.1	\$ 8,363.1
Accounts receivable	\$ 725.3	\$ 610.2	Deferred revenue-PF	\$ -	\$ 8.0
Other current assets	\$ 350.3	\$ 89.0	LLR- outside debt solar loan program	\$ -	\$ -
			LLR- outside debt EE loan program	\$ -	\$ -
<b>Total current assets</b>	<b>\$ 68,328.5</b>	<b>\$ 73,350.3</b>	<b>Total liabilities</b>	<b>\$ 10,988.0</b>	<b>\$ 8,842.5</b>
<b>Noncurrent assets</b>			<b>Net Assets:</b>		
<b>Investments</b>			Investment in capital assets	\$ 91.3	\$ 80.3
Promissory notes - solar lease program V1	\$ 12,036.6	\$ 11,757.4	Restricted net assets	\$ 8,540.7	\$ 8,372.1
Loan loss reserve - solar lease program V1	\$ (300.9)	\$ (300.9)	Unrestricted net assets	\$ 72,556.2	\$ 79,444.4
Promissory notes - solar lease program V2	\$ -	\$ -	<b>Total Net Assets</b>	<b>\$ 81,188.2</b>	<b>\$ 87,896.6</b>
Loan loss reserve - solar lease program V2	\$ -	\$ -	<b>Total Liabilities and Net Assets</b>	<b>\$ 92,176.2</b>	<b>\$ 96,739.3</b>
Promissory notes - solar loan program	\$ -	\$ -			
Loan loss reserve - solar loan program	\$ -	\$ -			
Promissory notes - WIN LISC program	\$ -	\$ -			
Promissory notes - GreenerU program	\$ -	\$ -			
Promissory notes - EE Loan program	\$ -	\$ -			
Loan loss reserve - EE loan program	\$ -	\$ -			
Promissory notes - CPACE program	\$ -	\$ -			
Loan loss reserve - CPACE program	\$ -	\$ -			
Promissory notes - Alpha program	\$ -	\$ -			
Loan loss reserve - Alpha program	\$ -	\$ -			
Promissory notes - Grid tied program	\$ -	\$ -			
Loan loss reserve - Grid tied program	\$ -	\$ -			
Promissory notes - Op Demo program	\$ -	\$ -			
Loan loss reserve - Op Demo program	\$ -	\$ -			
Equity/Debt investments (pre FY13)	\$ 2,155.5	\$ 2,155.5			
Investments-REC's	\$ 1,324.6	\$ 1,324.6			
Cash and cash equivalents (Restricted)	\$ 8,540.6	\$ 8,372.1			
<b>Capital assets</b>					
Furniture, Equipment & L/H Improvements	\$ 91.3	\$ 80.3			
<b>Total non current assets</b>	<b>\$ 23,847.7</b>	<b>\$ 23,369.0</b>			
<b>Total assets</b>	<b>\$ 92,176.2</b>	<b>\$ 96,739.3</b>			

**Clean Energy Finance and Investment Authority**

**Statement of Cash Flows**

**as of December 31, 2012**

**(000's)**

**Cash flows from operating activities**

Utility customer assessments	\$ 12,573.5
Other income	\$ 141.9
Proceeds received from RGGI auctions	\$ 1,499.0
Proceeds received from private foundation & federal grants	\$ 602.6
Return of principal on investments	\$ 278.5
Interest on deposits, investments, solar lease notes	\$ 204.2
Cash paid for federal grants	\$ (651.8)
Cash paid for CEFIA grants and rebates	\$ (6,377.0)
Cash paid for general & admin expense	\$ (2,836.4)
Net change in cash and cash equivalents	\$ 5,434.7
Cash and cash equiv., beginning of period	\$ 73,213.5
Cash and cash equiv., end of period	<u>\$ 78,648.2</u>

Clean Energy Finance and Investment Authority  
Statement of Program Investments  
As of December 31, 2012  
(000's)

Loan/Investment Date	Loan No.	Issuer	Project	Board Approved Commitment	Investment/ Advances to date	Reserve	Current Valuation	Interest Rate	Termination/ Maturity Date	Notes
<b>Alpha Program</b>										
8/28/2012	13-50100-2	Anchor Science, LLC	Development of nanomaterial for thermal energy management in electronics.	\$ 150	\$ -	\$ -	\$ -	6% or Prime +1%	8/28/2022	Non Recourse Loan. Repayment based on commercial success of technology or liquidation event. No repayment of loan is required if commercial success is not achieved after ten years from the execution date of the agreement. (5 yr amortization or lump sum payment)
8/9/2012	13-50100-1	Apollo Solar, Inc.	Development of solar smart grid inverter.	\$ 150	\$ -	\$ -	\$ -	6% or Prime +1%	8/9/2022	Non Recourse Loan. Repayment based on commercial success of technology or liquidation event. No repayment of loan is required if commercial success is not achieved after ten years from the execution date of the agreement. (5 yr amortization or lump sum payment)
<b>Energy Efficiency Financing</b>										
9/13/2012	GU-001	Greener U/Campus Efficiency Now	Energy efficiency financing to Colleges and Universities in the CT Conference of Independent Colleges	\$ 1,000	\$ -	\$ -	\$ -	IRR of 7%	TBD Project by Project	College/University will enter into a service agreement with Campus Efficiency, LLC to provide energy efficiency improvements. CEFIA will assist the colleges/university with its financial obligation under the agreement. CEFIA will earn an IRR of 7% on its advances
<b>Pre Development Program (1)</b>										
4/13/2006	PD-001	Bridgeport Fuel Cell Park, LLC	Fairfield County Fuel Cell Park	\$ 500	\$ 499	\$ (499)	\$ -	8.75%	See Notes	LOC Note matures upon the earlier of: closing of permanent financing, 12 months after commercial operation of project, sale, acquisition or merger of interest. Terminates upon event of default.
4/30/2009	PD-002	Chestnut Hill BioEnergy CT, LLC	Biomass generation project, Waterbury, CT	\$ 500	\$ 237	\$ (237)	\$ -	4.25%	See Notes	LOC Note matures upon the earlier of: closing of permanent financing, 12 months after commercial operation of project, sale, acquisition or merger of interest. Terminates upon event of default.
02/19/09	PD-003	BNE Energy Inc.	Colebrook Wind - Phase 1	\$ 120	\$ 120	\$ (120)	\$ -	4.25%	See Notes	LOC Note matures upon the earlier of: closing of permanent financing, 12 months after commercial operation of project, sale, acquisition or merger of interest. Terminates upon event of default.
02/19/09	PD-004	BNE Energy Inc.	Prospect Wind - Phase 1	\$ 102	\$ 102	\$ (102)	\$ -	4.25%	See Notes	LOC Note matures upon the earlier of: closing of permanent financing, 12 months after commercial operation of project, sale, acquisition or merger of interest. Terminates upon event of default.
06/24/10	PD-005	BNE Energy Inc.	Colebrook Wind - Phase II	\$ 380	\$ 380	\$ (380)	\$ -	4.25%	See Notes	LOC Note matures upon the earlier of: closing of permanent financing, 12 months after commercial operation of project, sale, acquisition or merger of interest. Terminates upon event of default.
06/24/10	PD-006	BNE Energy Inc.	Colebrook Wind - Prospect II	\$ 398	\$ 398	\$ (398)	\$ -	4.25%	See Notes	LOC Note matures upon the earlier of: closing of permanent financing, 12 months after commercial operation of project, sale, acquisition or merger of interest. Terminates upon event of default.
<b>Op Demo Program (1)</b>										
8/8/2007	ODP-001	Mechatronic Energy Systems, LLC	Low Head Run-of-the-River Hydro Turbine Technology Project, Mansfield, CT	\$ 557	\$ 501	\$ (501)	\$ -	TBD	8/7/2017	Non Recourse Loan. Repayment based on commercial success (\$541,000/m) of technology. No repayment of loan is required if commercial success is not achieved after ten years from the execution date of the agreement. (10 yr amortization)
7/1/2009	ODP-002	Optiwind, inc.	Compact Wind Accelerated Turbine, Torrington, CT	\$ 750	\$ 413	\$ (412)	\$ -	TBD	6/30/2019	Non Recourse Loan. Repayment based on commercial success (\$2,000,000/m) of technology. No repayment of loan is required if commercial success is not achieved after ten years from the execution date of the agreement. (10 yr amortization)
4/5/2010	ODP-003	LiteTrough, LLC	Concentrated Solar Water Heater Technology, Milford, CT	\$ 81	\$ 31	\$ (31)	\$ -	4.25%	4/4/2020	Non Recourse Loan. Repayment based on commercial success (\$500,000/m) of technology. No repayment of loan is required if commercial success is not achieved after ten years from the execution date of the agreement. (5 yr amortization)
6/28/2010	ODP-004	Avalence, LLC	High pressure multipurpose electrolyser technology, Hamden, CT	\$ 500	\$ 350	\$ (350)	\$ -	TBD	6/27/2020	Non Recourse Loan. Repayment based on commercial success (\$1,000,000/m) of technology. If no commercial success company repays amount advanced. If commercial success company pays 2 times amount advanced or amortizes over 5 yr period at applicable interest rate.

Clean Energy Finance and Investment Authority  
Statement of Program Investments  
As of December 31, 2012  
(\$000's)

<u>Loan/Investment Date</u>	<u>Loan No.</u>	<u>Issuer</u>	<u>Project</u>	<u>Board Approved Commitment</u>	<u>Investment/ Advances to date</u>	<u>Reserve</u>	<u>Current Valuation</u>	<u>Interest Rate</u>	<u>Termination/ Maturity Date</u>	<u>Notes</u>
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<b>Other Investments</b>
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<u>Loan/Investment Date</u>	<u>Loan No.</u>	<u>Issuer</u>	<u>Project</u>	<u>Board Approved Commitment</u>	<u>Investment/ Advances to date</u>	<u>Reserve</u>	<u>Current Valuation</u>	<u>Interest Rate</u>	<u>Termination/ Maturity Date</u>	<u>Notes</u>
		<u>Company</u>	<u>Security</u>							
3/27/2002		Acumentrics Corporation	Series B Preferred Stock	\$ 4,000	\$ (2,000)	\$ 2,000				Fuel Cell Technology
6/30/2010		Optiwind Corporation	Series B Preferred Stock	\$ 272	\$ (204)	\$ 68				Wind Turbine Technology
6/29/2011		Optiwind Corporation	Promissory Note	\$ 350	\$ (263)	\$ 88				
				<b>\$ 7,654</b>	<b>\$ (5,498)</b>	<b>\$ 2,156</b>				

(1) Due to the nature of the Pre Development and Op Demo Loans, the loans are currently fully reserved for.

Clean Energy Finance and Investment Authority  
Statement of Incentives, Grants and Rebates  
As of December 31, 2012  
(000's)

Program	FY12 Programs			
	Commitments	Fundings	Withdrawn	Commitments
	Outstanding 6/30/2012	YTD FY13		Outstanding 12/31/2012
Project 150	\$ 7,224	\$ -	\$ (3,950)	\$ 3,274
Pre Development Loans	\$ 263	\$ -	\$ -	\$ 263
Strategic Investments	\$ 35	\$ -	\$ -	\$ 35
Commercial Solar (for profit)	\$ 2,215	\$ (302)	\$ -	\$ 1,913
Commercial Solar (not for profit/government)	\$ 2,719	\$ (365)	\$ -	\$ 2,354
Fuel Cell program	\$ 5,870	\$ (2,141)	\$ -	\$ 3,729
CI&I On Site Generation -Feasibility Studies	\$ 195	\$ (67)	\$ -	\$ 128
Residential Solar PV Program (pre Solar PV Investment Program)	\$ 93	\$ (93)	\$ -	\$ 0
Residential Solar PV Investment Program	\$ 2,945	\$ (1,298)	\$ -	\$ 1,647
Solar Thermal & Geothermal Programs	\$ 1,017	\$ (273)	\$ -	\$ 744
Solar Hot Water Program - Residential	\$ 283	\$ (87)	\$ -	\$ 196
Solar Hot Water Program - Commercial	\$ 2,000	\$ (62)	\$ -	\$ 1,938
Operational Demonstration & Alpha Programs	\$ 948	\$ (158)	\$ -	\$ 790
Education & Outreach Programs	\$ 1,459	\$ (278)	\$ (59)	\$ 1,122
FY11-FY12 CP Goal 4: advocacy & public policy support	\$ 102	\$ (21)	\$ -	\$ 80
	<u>\$ 27,368</u>	<u>\$ (5,144.2)</u>	<u>\$ (4,009)</u>	<u>\$ 18,215</u>

Program	FY 13 Programs				
	FY13 Budget	FY13 Commitments	Fundings	Withdrawn	Commitments
			YTD FY13		Outstanding 12/31/2012
<b>Transition</b>					
Education & Training Programs	\$ 400.0	\$ 395.0	\$ -	\$ -	\$ 395.0
<b>Maintain</b>					
Clean Energy Communities	\$ 650.0	\$ 73.5	\$ (42.1)	\$ -	\$ 31.4
Community Innovation Grants	\$ 200.0	\$ -	\$ -	\$ -	\$ -
Project Opportunities Fund	\$ 500.0	\$ -	\$ -	\$ -	\$ -
Strategic Investment Fund	\$ 100.0	\$ -	\$ -	\$ -	\$ -
<b>Statutory</b>					
Residential Solar PV Investment Program	\$ 9,333.0	\$ 5,917.2	\$ (1,291.6)	\$ -	\$ 4,625.6
Anaerobic Digester Pilot	\$ 2,000.0	\$ -	\$ -	\$ -	\$ -
CHP Pilot	\$ 2,000.0	\$ -	\$ -	\$ -	\$ -
Condo Renewable Energy Grants	\$ 50.0	\$ -	\$ -	\$ -	\$ -
<b>Commercial &amp; Industrial</b>					
Clean Energy Business Solutions	\$ 2,500.0	\$ -	\$ -	\$ -	\$ -
<b>Federal Grants - InKind payments</b>					
Sun Rise New England	\$ 48.0	\$ 4.0	\$ (4.0)	\$ -	\$ -
	<u>\$ 17,781.0</u>	<u>\$ 6,389.6</u>	<u>\$ (1,337.7)</u>	<u>\$ -</u>	<u>\$ 5,052.0</u>
			<u>\$ (6,481.9)</u>		<u>\$ 23,267.1</u>

**Clean Energy Finance and Investment Authority  
 Financial Analysis  
 Utility Customer Assessment Analysis  
 For the six months ended December 31, 2012  
 (000's)**

	<u>FY 13 Actual</u>	<u>FY13 Budget</u>	<u>FY 12</u>	(Under) Over
July	\$ 2,709.4	\$ 2,700.0	\$ 9.4	
August	\$ 2,815.0	\$ 2,825.0	\$ (10.0)	
September	\$ 2,457.0	\$ 2,500.0	\$ (43.0)	
October	\$ 1,994.0	\$ 2,200.0	\$ (206.0)	
November	\$ 2,028.4	\$ 2,100.0	\$ (71.6)	
December	\$ 2,375.0	\$ 2,375.0	\$ -	A
January	\$ -	\$ -	\$ -	
February	\$ -	\$ -	\$ -	
March	\$ -	\$ -	\$ -	
April	\$ -	\$ -	\$ -	
May	\$ -	\$ -	\$ -	
June	\$ -	\$ -	\$ -	
Total assessments:	<u>\$ 14,378.8</u>	<u>\$ 14,700.0</u>	<u>\$ (321.2)</u>	
			<u>-2.2%</u>	

A. Data on actual activity had not been received from the utility companies as of the date this report was prepared. Current month actual results will be reflected in next month's financial report.