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CLEAN ENERGY
FINANCE AND INVESTMENT AUTHORITY

October 23, 2013

Dear Deployment Committee Members:

The Deployment Committee will convene a regular meeting on Tuesday, October 29, 2013 from 2:00 to 2:30 p.m. in the Colonel Albert Pope Board Room at the offices of CEFIA at 845 Brook Street, Rocky Hill, CT 06067. Given the brevity of the meeting, we would encourage Deployment Committee members to join by GoToMeeting.

The agenda is short and includes only one (1) C-PACE transaction – a small ZREC contract for a solar PV project – with a recommendation from staff for approval.

If you have any questions, comments or concerns, please feel free to contact me at any time.

We look forward to the meeting next week.

Sincerely,

A handwritten signature in blue ink, appearing to read "B. Garcia", with a long horizontal flourish extending to the right.

Bryan Garcia
President and CEO



CLEAN ENERGY

FINANCE AND INVESTMENT AUTHORITY

AGENDA

Deployment Committee of the
Clean Energy Finance and Investment Authority
845 Brook Street, Rocky Hill, CT 06067

Tuesday, October 29, 2013
2:00-2:30 p.m.

Staff Invited: Mackey Dykes, Brian Farnen, Bryan Garcia, Dale Hedman, Bert Hunter, and Genevieve Sherman

1. Call to order
2. Public Comments – 5 minutes
3. Approval of meeting minutes for September 3, 2013* – 5 minutes
4. Commercial and Industrial Programs (C-PACE Transactions)* – 10 minutes
 - a. 384-388 Hopmeadow Street (Simsbury, CT)*
5. Updates – 5 minutes
6. Adjourn

*Denotes item requiring Committee action

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

Join the meeting online at <https://www4.gotomeeting.com/join/735754519>

Dial +1 (619) 550-0001

Access Code: 735-754-519

Next Regular Meeting: TBD
Clean Energy Finance and Investment Authority
in the Pope Board Room at 845 Brook Street, Rocky Hill, CT



CLEAN ENERGY

FINANCE AND INVESTMENT AUTHORITY

RESOLUTIONS

Deployment Committee of the
Clean Energy Finance and Investment Authority
845 Brook Street, Rocky Hill, CT 06067

Tuesday, October 29, 2013
2:00-2:30 p.m.

Staff Invited: Mackey Dykes, Brian Farnen, Bryan Garcia, Dale Hedman, Bert Hunter, and Genevieve Sherman

1. Call to order
2. Public Comments – 5 minutes
3. Approval of meeting minutes for September 3, 2013* – 5 minutes

Resolution #1

Motion to approve the minutes of the Deployment Committee for September 3, 2013 Meeting. Second. Discussion. Vote.

4. Commercial and Industrial Programs (C-PACE Transactions)* – 10 minutes
 - a. 384-388 Hopmeadow Street (Simsbury, CT)*

Resolution #2

WHEREAS, Pursuant to section 157 of Public Act No. 12-2 of the June 12, 2012 Special Session of the Connecticut General Assembly and as amended (the “Act”), CEFIA is directed to, amongst other things, establish a commercial sustainable energy program for Connecticut, known as Commercial Property Assessed Clean Energy (“C-PACE”);

WHEREAS, the CEFIA Board of Directors has approved a \$40,000,000 C-PACE construction and term loan program.

WHEREAS, CEFIA seeks to provide a \$478,000 construction and (potentially) term loan under the C-PACE program to Mitchell Auto Group, Inc., the property owner of 384-388 Hopmeadow Street, Simsbury, CT to finance the installation and upgrades of a 120kW solar PV system in line with the State’s Draft Comprehensive Energy Strategy and CEFIA’s Strategic Plan;

NOW, therefore be it:

RESOLVED, that the President of CEFIA and any other duly authorized officer of CEFIA, is authorized to execute and deliver Loan in an amount not to be greater than one hundred and ten percent of the Loan amount with terms and conditions consistent with the memorandum submitted to the Board of Directors on October 29, 2013, and as he or she shall deem to be in the interests of CEFIA and the ratepayers no later than 90 days from October 29, 2013; and

RESOLVED, that before executing the Loan, the President of CEFIA and any other duly authorized officer of CEFIA shall receive confirmation that the C-PACE transaction meets the statutory obligations of the Act, including but not limited to the savings to investment ratio and lender consent requirements.

RESOLVED, that the proper CEFIA officers are authorized and empowered to do all other acts and execute and deliver all other documents and instruments as they shall deem necessary and desirable to effect the above-mentioned legal instrument.

5. Updates – 5 minutes
6. Adjourn

*Denotes item requiring Committee action

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

Join the meeting online at <https://www4.gotomeeting.com/join/735754519>

Dial +1 (619) 550-0001

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***Next Regular Meeting: TBD
Clean Energy Finance and Investment Authority
in the Pope Board Room at 845 Brook Street, Rocky Hill, CT***



CLEAN ENERGY
FINANCE AND INVESTMENT AUTHORITY

Deployment Committee of the Clean Energy Finance and Investment Authority

Agenda Item #1

Call to Order

October 29, 2013



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FINANCE AND INVESTMENT AUTHORITY

Deployment Committee of the Clean Energy Finance and Investment Authority

Agenda Item #2

Public Comments

October 29, 2013



CLEAN ENERGY
FINANCE AND INVESTMENT AUTHORITY

Deployment Committee of the Clean Energy Finance and Investment Authority

Agenda Item #3

Approval of the Meeting Minutes of September 3, 2013

October 29, 2013



CLEAN ENERGY
FINANCE AND INVESTMENT AUTHORITY

Deployment Committee of the Clean Energy Finance and Investment Authority

Agenda Item #4

Commercial and Industrial Programs – C-PACE Transactions

October 29, 2013

Where are we?



- ▶ 66 towns on board
- ▶ 75% of the CT market eligible
- ▶ 200 contractors trained
- ▶ 15 qualified capital providers
- ▶ \$8.9M in closed transactions
- ▶ \$14M in approved transactions*
- ▶ \$9M possible for December
- ▶ Selling down \$7M transactions

*including transactions proposed for Deployment Committee mtg .

Deal Status



	<i>Project Type</i>	<i>Estimated Annual Savings</i>	<i>Installed Capacity</i>	<i>Amount Financed</i>	<i>Financing Terms</i>	<i>Building Size</i>
Closed						
41 Walnut Street	Renewable	221 MMBtu/yr	55 kW	\$145,000	5.5% for 20 years	34,500 sqft
542 Westport Ave	Energy Efficiency	429 MMBtu/yr	100kW	\$559,952	4.5% for 15 years	50,000 sqft
1841 Broad Street	Renewable	491 MMBtu/yr	100 kW	\$325,000	5.5% for 20 years	40,000 sqft
100 Roscommon	Both	3,339 MMBtu/yr	260 kW	\$2,513,915	5.5% for 20 years	81,368 sqft
86 Hopmeadow	Energy Efficiency	1,021 MMBtu/yr	--	\$674,566	5.5% for 18 years	42,456 sqft
855 Main Street	Energy Efficiency	6,650 MMBtu/yr	--	\$1,992,683	5.5% for 20 years	100,000 sqft
Bushnell Theatre	Energy Efficiency	777 MMBtu/yr	--	\$384,000	5% for 20 years	139,000 sqft
ID Products	Energy Efficiency	714 MMBtu/yr--		107566	5.5% for 15 years	15846
228 Route 81	Renewable	275 MMBtu/yr	71 kW	\$259,000	5.5% for 20 years	20,000 sqft
80 Lamberton	Both	5,965 MMBtu/yr		\$1,837,593	5.5% for 20 years	165000
Larsen Ace Hardware	Renewable	188 MMBtu/yr	45 kW	\$153,300	5.5% for 20 years	25000
		20,070 MMBtu/yr	531 kW	\$8,952,574		713,170 sqft
Approved						
22 Waterville Road Avon	Energy Efficiency	2,361 MMBtu/yr	--	\$419,346	5.5% for 14 years	53,577 sqft
Insports Trumbull	Both	1,160 MMBtu/yr	252 kW	\$1,001,298	5.5% for 20 years	
Bridgeport International Academy	Energy Efficiency	836 MMBtu/yr	--	\$410,000	5.5% for 15 years	55000
Danbury YMCA	Energy Efficiency	929 MMBtu/yr	--	\$87,938	5.5% for 20 years	17107
290 Pratt	Energy Efficiency	7,123 MMBtu/yr	--	\$1,990,000	5.5% for 20 years	459292
Signature Advertising	Renewable	467 MMBtu/yr	122 kW	\$378,000	5.5% for 20 years	50000
NPB Assets Norwich	Renewable	367 MMBtu/yr	150 kW	\$350,000	5.5% for 20 years	50,000 sqft
		12,876 MMBtu/yr	524 kW	\$4,636,582		634,976 sqft
Approved - Lost						
80 Lamberton (solar)	Renewable	1,302 MMBtu/yr	300 kW	\$1,252,851	5.5% for 14 years	
Bourdon Forge	Energy Efficiency	746 MMBtu/yr	--	\$444,394	5.5% for 20 years	65,000 sqft
		2,048 MMBtu/yr	300 kW	\$1,697,245		65,000 sqft
TOTAL		32,946 MMBtu/yr	1,055 kW	\$13,589,156		1,348,146 sqft
Actual		34,994 MMBtu/yr	1,355 kW	\$15,286,401		2,696,292 sqft
On October Docket						
Mitchell Autobody	Renewable			\$450,000		
				\$450,000		

What is our TAM and SAM



Total available market:

15,557 buildings = 779,838,210 square feet

Total eligible market (opted into C-PACE so far)

11,144 buildings = 600,000,000 square feet (75%)

Share achieved in eligible market: (in pipeline) *

112 buildings = 3.7M square feet

0.6% eligible market footprint achieved to date (1% of eligible buildings).

** Reflects only projects for which applications have been submitted and assumes 70% convert into projects*

C-PACE

Objective Function



C-PACE Transactions	Type	Amount of Ratepayer Capital at Risk	Annual and Lifetime Savings (MWh)	Objective Function Lifetime (kWh/\$1 or MMBtu/\$1)
384-388 Hopmeadow Street, Simsbury Mitchell's Auto Group	Solar	\$478,000	144 MWh/yr 2,880 MWh (lifetime)	6 kWh per \$1 at risk
Total		\$478,000	144 MWh/yr 2,880 MWh (lifetime)	0.06 MMBtu per \$1 at risk



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Deployment Committee of the Clean Energy Finance and Investment Authority

Agenda Item #4a

Commercial and Industrial Sector Programs

384-388 Hopmeadow Street, Weatogue (Simsbury)

October 29, 2013

384-388 Hopmeadow Street (Simsbury) Ratepayer Payback



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- ▶ \$478,000 Renewable Energy Project
- ▶ Projected savings are **2,880,000 kwh** versus **\$478,000** of ratepayer funds at risk.
- ▶ Ratepayer funds will be paid back in one of the following ways
 - ▶ (a) through a take-out by a private capital provider at the end of construction (project completion);
 - ▶ (b) subsequently, when the loan is sold down to a private capital provider; or
 - ▶ (c) through receipt of funds from the City of Simsbury as it collects the C-PACE benefit assessment from the property owner.



REDACTED



REDACTED



REDACTED

384-388 Hopmeadow Street

Terms and Conditions



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- ▶ \$478,000 construction loan with interest rate of 1.75% over the Prime Rate, or 5%, and the term loan will be set at a fixed 5.5% over the 20-year term.
- ▶ \$478,000 loan against a property valued at **REDACTED**, then the loan-to-value ratio **REDACTED**.
- ▶ DSCR **REDACTED**

384-388 Hopmeadow Street

The Five W's



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- ▶ **What are you trying to do?**
 - ▶ Receive approval for \$478,000 construction and (potentially) term loan under the C-PACE program to Mitchell's Auto Group, Inc to finance the construction of specified of a renewable energy system
- ▶ **When are you doing it by?**
 - ▶ Project to commence Fall 2013.
- ▶ **Why are we doing it?**
 - ▶ Approval will allow CEFIA to finance this C-PACE transaction, prime the pump of C-PACE projects and build momentum in the market, but it would also – for an interim period – potentially provide term financing for these projects until CEFIA manages to sell off all or most of its loan positions in the C-PACE transactions.

384-388 Hopmeadow Street

The Five W's



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- ▶ **Who is it for?**
 - ▶ The end-users of the project include both 384-388 Hopmeadow Street and Mitchell's Auto Group
- ▶ **Where are we doing it?**
 - ▶ 384-388 Hopmeadow Street, Weatogue (Simsbury), CT

REDACTED



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Deployment Committee of the Clean Energy Finance and Investment Authority

Agenda Item #5

Updates

October 29, 2013



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Deployment Committee of the Clean Energy Finance and Investment Authority

Agenda Item #6

Adjourn

October 29, 2013

DEPLOYMENT COMMITTEE OF THE CLEAN ENERGY FINANCE AND INVESTMENT AUTHORITY

**Draft Minutes – Regular Meeting
Tuesday, September 3, 2013**

A regular meeting of the Deployment Committee of the Board of Directors of the **Clean Energy Finance and Investment Authority (“CEFIA”)** was held on September 3, 2013, at the office of CEFIA, 845 Brook Street, Rocky Hill, CT.

1. Call to Order: Mr. Hundt, noting the presence of a quorum, called the Deployment Committee meeting to order at 2:07 p.m. Deployment Committee members participating: Daniel Esty, Vice Chairperson of CEFIA and Commissioner of the Department of Energy and Environmental Protection (by phone); Matthew Ranelli (by phone); and Patricia Wrice (by phone).

Absent: Sharon Dixon-Peay representing Denise Nappier, State Treasurer.

Staff Attending: Jessica Bailey, Bryan Garcia, Ben Healey, Bert Hunter, Shelly Mondo, Kerry O’Neill (by phone) and Genevieve Sherman.

Others Attending: Eric Brown, Connecticut Business and Industry Association.

2. Public Comments:

There were no public comments.

3. Approval of Meeting Minutes:

The Deployment Committee members were asked to consider the minutes from the July 2, 2013 meeting.

Upon a motion made by Ms. Wrice, seconded by Mr. Ranelli, the Deployment Committee members voted unanimously in favor of adopting the minutes from the July 2, 2013 meeting as presented.

4. Commercial and Industrial Programs (C-PACE Transactions):

Update on C-PACE Program:

Ms. Bailey provided an update on the C-PACE program noting that 55 towns have signed on, which represents almost 60 percent of the Connecticut market eligible. She stated that 170 contractors have been trained; and another training session will be held

on Monday, September 9, 2013, with approximately 50 more contractors being trained. Currently, 15 capital providers are qualified to participate in the program. Ms. Bailey stated that as requested, staff has focused on closing the transactions and has closed \$4,700,000 in transactions with an additional \$2,000,000 anticipated to be closed today. She mentioned that approximately \$15,000,000 in transactions has been approved with potentially another \$7,000,000 to be presented for approval in October. Ms. Bailey stated that the plan is to start selling down the transactions to the capital providers to replenish the warehouse facility.

Mr. Hunter discussed the process of selling down the transactions and noted that the objective is to refresh the \$20,000,000 warehouse facility that the Board approved earlier in the year to kick start the program. He mentioned that if the Deployment Committee approves the three C-PACE transactions being presented today, a total of \$13,800,000 in transactions will have been approved. It is anticipated that an additional \$7,000,000 in transactions will be presented for consideration in October, bringing the total approvals to over \$20,000,000. Mr. Hunter noted that the draw on the funds is much lower than the amount approved, and about \$2,000,000 will have been drawn through the end of September.

Mr. Hunter noted that as a result of the success of the program, staff recommends expanding the warehouse capacity to \$30,000,000 with a maximum draw of up to \$20,000,000 on the \$30,000,000 warehouse. He mentioned that staff has had discussions with banks about co-funding or a backup funding for a much larger facility to handle a larger pipeline of transactions and to facilitate larger bundling for sale, private placement or securitization.

In response to a question, Mr. Hunter indicated that \$30,000,000 is approximately one-half of CEFIA's balance sheet. He mentioned that if the Board commits \$30,000,000 for the program, that funding cannot be used for anything else. Mr. Hunter stated that CEFIA's revenues come in at different times (i.e. ratepayer funds come in monthly, Regional Greenhouse Gas Initiative ("RGGI") funds come in quarterly). Mr. Hundt questioned staff's intention about future funding for the program. Ms. Bailey indicated that the program has been more successful than anticipated, and the goal is to eventually move to CEFIA playing a smaller role and capital providers playing a larger role. Mr. Hunter spoke about some of the other programs that will require capital infusion by CEFIA (i.e. the microgrid program, the MUSH market and the multifamily sector) while continuing to support C-PACE. Noting the success of the program, Mr. Hundt expressed the desire for CEFIA to continue to invest in this program and programs that are working and invest fewer funds in program that are not working. He questioned how CEFIA can do more to increase the acceleration of this policy goal and noted that C-PACE should be a priority for CEFIA.

Ms. Bailey and Mr. Hunter emphasized that funding for other programs will in no way financially constrain the C-PACE program. They indicated that \$30,000,000 is the amount staff feels will be sufficient at this time for the program, and mentioned that if staff feels the need to increase funds for the program it will not hesitate to request an

additional allocation of funding. A discussion ensued on the use of RGGI proceeds for energy efficiency and C-PACE and the good leverage CEFIA will be getting on the use of RGGI funds. It was noted that the success of the C-PACE Program will help to justify the importance of the RGGI funding for the program to the business community and that those commercial and industrial customers that use these funds will become more competitive as a result of lower energy costs for their operations. In response to a question, Mr. Hunter explained the rationale for limiting the draw on the funding to \$20,000,000.

Mr. Hunter spoke about the savings CEFIA was able to achieve by handling the transactions in-house through CEFIA's Legal, C-PACE and Finance team. He specified that CEFIA saved 3 percent on \$8,600,000 in transactions fees that it would have had to pay an investment banker to handle the transaction.

a. Signature Advertising, Southington

Ms. Bailey discussed the request for C-PACE construction and potential term loan financing to fund the energy efficiency project for Signature Advertising, located at 409 Canal Street, Southington. She mentioned that the loan to value ratio is 67 percent rather than the 52 percent originally stated in the material. Ms. Bailey noted that the total savings are \$734,000. She reviewed the key financial metrics.

Upon a motion made by Mr. Ranelli, seconded by Ms. Wrice, the Deployment Committee members voted unanimously in favor of adopting the following resolution regarding a C-PACE construction and potential term loan for Signature Advertising, Southington:

WHEREAS, Section 157 of Pubic Act 12-2 of the June 12, 2012 Special Session of the Connecticut General Assembly and as amended (the "Act"), CEFIA is directed to, amongst other things, establish a commercial sustainable energy program for Connecticut, known as Commercial Property Assessed Clean Energy ("C-PACE"); and

WHEREAS, the CEFIA Board of Directors has approved a \$20,000,000 C-PACE loan line item for a construction and term loan program; and

WHEREAS, CEFIA seeks to provide a \$386,345 construction and (potentially) term loan under the C-PACE program to W B Staebler Properties, Inc., the property owner of 409 Canal Street, Southington, CT, (the "Loan") to finance the construction of specified PV array in line with the State's Comprehensive Energy Strategy and CEFIA's Strategic Plan.

NOW, therefore, be it:

RESOLVED, that the President of CEFIA and any other duly authorized officer of CEFIA is authorized to execute and deliver the Loan in an amount not to be greater than one hundred and ten percent of the Loan amount with the terms and conditions consistent with the memorandum submitted to the Deployment Committee dated

September 3, 2013 and as he or she shall deem to be in the interests of CEFIA and the ratepayers no later than 90 days from December 3, 2013.

RESOLVED, that before executing the Loan, the President of CEFIA and any other duly authorized Officer of CEFIA shall receive confirmation that the C-PACE transaction meets the statutory obligations of the Act, including but not limited to the savings to investment ratio and lender consent requirements.

RESOLVED, that the proper CEFIA officers are authorized and empowered to do all other acts and execute and deliver all other documents and instruments as they shall deem necessary and desirable to effect the above-mentioned legal instrument.

b. Bourdon Forge, Middletown

Ms. Bailey reviewed the request for C-PACE construction and term loan financing to fund the clean energy measures at Bourdon Forge, located at 99 Tuttle Road, Middletown. She discussed the energy efficiency measures contemplated, including the conversion to natural gas. Ms. Bailey reviewed the key financial metrics. She noted that the lender's consent has not yet been provided.

Upon a motion made by Mr. Ranelli, seconded by Ms. Wrice, the Deployment Committee members voted unanimously in favor of adopting the following resolution regarding a C-PACE construction and potential term loan for Bourdon Forge, Middletown:

WHEREAS, Section 157 of Pubic Act 12-2 of the June 12, 2012 Special Session of the Connecticut General Assembly and as amended (the "Act"), CEFIA is directed to, amongst other things, establish a commercial sustainable energy program for Connecticut, known as Commercial Property Assessed Clean Energy ("C-PACE"); and

WHEREAS, the CEFIA Board of Directors has approved a \$20,000,000 C-PACE loan line item for a construction and term loan program; and

WHEREAS, CEFIA seeks to provide a \$444,394 construction and term loan under the C-PACE program to Bourdon Acres, LLC, the property owner of 99 Tuttle Road, Middletown, CT, (the "Loan") to finance the construction of specified clean energy efficiency measures in line with the State's Comprehensive Energy Strategy and CEFIA's Strategic Plan.

NOW, therefore, be it:

RESOLVED, that the President of CEFIA and any other duly authorized officer of CEFIA is authorized to execute and deliver the Loan in an amount not to be greater than one hundred and ten percent of the Loan amount with the terms and conditions consistent with the memorandum submitted to the Deployment Committee dated August

26, 2013 and as he or she shall deem to be in the interests of CEFIA and the ratepayers no later than 90 days from September 3, 2013.

RESOLVED, that before executing the Loan, the President of CEFIA and any other duly authorized Officer of CEFIA shall receive confirmation that the C-PACE transaction meets the statutory obligations of the Act, including but not limited to the savings to investment ratio and lender consent requirements.

RESOLVED, that the proper CEFIA officers are authorized and empowered to do all other acts and execute and deliver all other documents and instruments as they shall deem necessary and desirable to effect the above-mentioned legal instrument.

c. Crest Mechanical, Norwich

Ms. Bailey discussed the request for C-PACE construction and term loan financing for the solar PV installation at Crest Mechanical located at 539 Norwich Avenue, Norwich. Ms. Bailey discussed the key financial metrics and the terms and conditions of the transaction.

Upon a motion made by Mr. Ranelli, seconded by Ms. Wrice, the Deployment Committee members voted unanimously in favor of adopting the following resolution regarding a C-PACE construction and potential term loan for Crest Mechanical, Norwich:

WHEREAS, Section 157 of Pubic Act 12-2 of the June 12, 2012 Special Session of the Connecticut General Assembly and as amended (the "Act"), CEFIA is directed to, amongst other things, establish a commercial sustainable energy program for Connecticut, known as Commercial Property Assessed Clean Energy ("C-PACE"); and

WHEREAS, the CEFIA Board of Directors has approved a \$20,000,000 C-PACE loan line item for a construction and term loan program; and

WHEREAS, CEFIA seeks to provide a \$350,000 construction and term loan under the C-PACE program to NPB Assets, LLC, the property owner of 539 Norwich Avenue, Norwich, CT, (the "Loan") to finance the construction of specified clean energy efficiency measures in line with the State's Comprehensive Energy Strategy and CEFIA's Strategic Plan.

NOW, therefore, be it:

RESOLVED, that the President of CEFIA and any other duly authorized officer of CEFIA is authorized to execute and deliver the Loan in an amount not to be greater than one hundred and ten percent of the Loan amount with the terms and conditions consistent with the memorandum submitted to the Deployment Committee dated August 26, 2013 and as he or she shall deem to be in the interests of CEFIA and the ratepayers

no later than 90 days from September 3, 2013.

RESOLVED, that before executing the Loan, the President of CEFIA and any other duly authorized Officer of CEFIA shall receive confirmation that the C-PACE transaction meets the statutory obligations of the Act, including but not limited to the savings to investment ratio and lender consent requirements.

RESOLVED, that the proper CEFIA officers are authorized and empowered to do all other acts and execute and deliver all other documents and instruments as they shall deem necessary and desirable to effect the above-mentioned legal instrument.

The Deployment Committee members asked staff to consider for discussion at a future meeting whether there is anything that can or should be done to make the program more efficient or better (i.e. marketing programs, legislative changes, additional resources, etc.)

5. **Statutory and Infrastructure Programs:**

a. *Residential Solar Investment Program*

Mr. Garcia spoke about the Residential Solar Investment Program and the legislative target for the program. He noted that in about 1.5 years, CEFIA has achieved approximately 40 percent of the legislative goal of installing 30 megawatts by the end of 2022. He discussed some of the environmental and economic development benefits of CEFIA's investment of \$18,000,000 in incentives and over \$55,000,000 of total investment in residential solar PV since the start of the program. Mr. Garcia mentioned that staff is looking at the targets and the potential for solar PV in the state. He spoke about the installed cost targets achieved for 2013 and proposed for 2014.

Questions arose about legislator reaction to CEFIA's accomplishments. The Deployment Committee members discussed the importance of providing public benefit to the low-income residents and the need to focus on the demographic impacts of the program. Discussions ensued on the transmission and distribution charges, the costs to the electric distribution companies to maintain the grid and the ratepayer funds being used to sustain the costs of the program. The Deployment Committee members talked about the benefits of moving to private capital funding and less funding by the ratepayers. Questions arose as to how quickly CEFIA can replace the grants with loans and whether funding can be used to help support installation costs. Staff was encouraged to move forward quickly with programs for low-income households and to report back on some of the issues raised about the program.

Mr. Garcia opened a discussion about the potential total available market for solar in Connecticut. Mr. Healey provided an overview of Geostellar, a start-up company backed by major energy industry partners. He mentioned that Geostellar is working to commercialize a technology-based approach to lowering soft costs associated with

residential solar PV and is focused on the customer acquisition cost challenge. He described the services offered by Geostellar that will allow CEFIA to assess the viability of the potential total residential solar energy market in Connecticut. Mr. Healey described some of the key assumptions used in the analysis and the sensitivity analysis used to determine economic viability. It was noted that this type of analysis, among other things, can be used to help CEFIA shift from an incentive based program to a financing program.

6. Approval Limits—Funding Requests Under \$300,000 and No More in Aggregate of \$500,000:

Mr. Garcia reviewed the internal process for reviewing and approving transactions with funding requests below \$300,000, noting that an aggregate amount of transactions cannot exceed \$500,000 from the date of the last Deployment Committee meeting. In light of the C-PACE transaction pipeline, Mr. Garcia indicated that staff may make a recommendation in the future to the Audit, Compliance and Governance Committee about increasing the aggregate amount that can be approved in between meetings.

7. Updates:

Mr. Garcia reviewed the funding requests below \$300,000 approved by the internal committee since the last meeting. He noted that in addition to the projects listed, the internal committee approved the C-PACE transaction for Larsen Ace Hardware, Canton bringing the total to \$487,701.

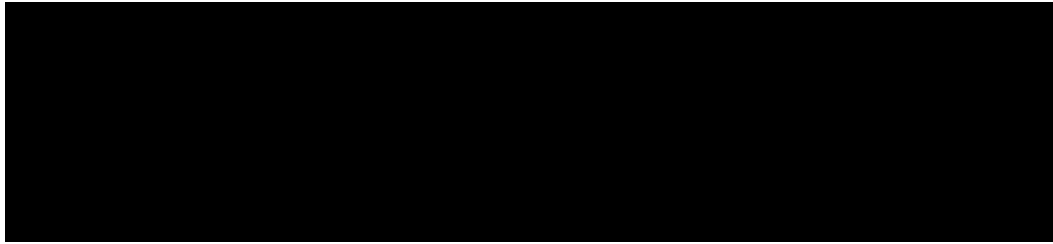
8. Adjournment: Upon a motion made by Ms. Wrice, seconded by Mr. Ranelli, the Deployment Committee members voted unanimously in favor of adjourning the meeting at 3:02 p.m.

Respectfully submitted,

Reed Hundt, Chairperson of the
Deployment Committee



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Mitchell's Auto Group: A C-PACE Project in Weatogue (Simsbury), CT

Address	384-388 Hopmeadow Street, Weatogue (Simsbury), CT			
Owner	Mitchell's Auto Group, Inc.			
Proposed Assessment	\$478,000			
Term (years)	20			
Term Remaining (months)	Pending Construction Completion			
Annual Interest Rate	5.5%			
Annual C-PACE Assessment	\$39,704			
Savings-to-Investment Ratio	1.15			
Average Debt-Service Coverage Ratio	█			
Loan-to-Value Ratio	█			
Proposed Energy Savings		EE	RE	Total
	Per year	N/A	489,127kBTU	489,127kBTU
	Over term of loan	N/A	9,782,540kBTU	9,782,540kBTU
Estimated Cost Savings	Per year	N/A	\$38,855	\$38,855
			\$45,505 <i>(incl. ITC)</i>	\$45,505 <i>(incl. ITC)</i>
	Life Cycle	N/A	\$777,206 \$910,106 <i>(incl. ITC)</i>	\$777,206 \$910,106 <i>(incl. ITC)</i>
Location	Simsbury, CT			
Type of Building	Retail – Auto Dealership			
Year of Build	1950			
Building Size (sq)	40,542			
Year Acquired by Current Owner	1922			
Appraised Value	█			
Status of Mortgage Lender Consent	█			
Proposed Project Description	<ul style="list-style-type: none"> Installation of 120kW PV system 			
Est. Date of Construction Completion	November 30, 2013			
Current Status	Pending Board Approval			
Energy Contractor	█			