

845 Brook Street, Rocky Hill, CT 06067
T 860.563.0015
ctgreenbank.com



September 15, 2015

Dear Connecticut Green Bank Deployment Committee:

We have a regular meeting of the Deployment Committee scheduled for Tuesday, September 22, 2015 from 10:00 to 11:00 a.m. in the Colonel Albert Pope Board Room of the Connecticut Green Bank at 845 Brook Street, Rocky Hill, CT 06067.

On the agenda we have the following items:

- Consent Agenda – we are bringing updates to two (2) previously approved C-PACE transactions for your review and approval. Crowley Auto Body and Crowley RV have expanded their scope of work to include roof work for both. The updates are reflected in redline in the memos.
- Commercial and Industrial Sector Programs – we are bringing two (2) deals for your review and approval – totaling about \$1.2 million in financing for projects in Groton and Windsor Locks. We are also requesting approval on time extensions for five (5) prior approved C-PACE transactions.
- Statutory and Infrastructure Programs – we are bringing forward a \$1 million combined heat and power (CHP) project in New Britain that was submitted through CGB's CHP program outlined in Public Act 11-80.
- Residential Programs - we will be providing an update on the future of Smart-E as well as notifying the members about a change in terms for the CHIF LIME loan

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

Sincerely,

Mackey Dykes
Vice President and COO



AGENDA
(Revised)

Deployment Committee of the
Connecticut Green Bank
845 Brook Street
Rocky Hill, CT 06067

Tuesday, September 22, 2015
10:00-11:00 a.m.

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

1. Call to order
2. Public Comments – 5 minutes
3. Consent Agenda* – 10 minutes
 - a. Approval of Special Meeting Minutes for August 17, 2015*
 - b. C-PACE Transactions*
 - i. Bristol – C-PACE Transaction*
 - ii. Bristol – C-PACE Transaction*
 - iii. Groton – C-PACE Transaction*
 - iv. Windsor Locks – C-PACE Transaction*
 - c. Statutory and Infrastructure Transaction
 - i. Thunderbird CHP Project
4. Residential Sector Program Update – 15 minutes
 - a. Smart-E Program Update
 - b. CHIF LIME Loan
5. Adjourn

*Denotes item requiring Board action

Join the meeting online at <https://www4.gotomeeting.com/join/489081975>

Or call in using your telephone:
Dial (408) 650-3112
Access Code: 489-081-975

***Next Regular Meeting: Thursday, November 19, 2015 from 2:00-3:00 p.m.
Colonel Albert Pope Board Room at the
Connecticut Green Bank, 845 Brook Street, Rocky Hill, CT***



RESOLUTIONS
(Revised)

Deployment Committee of the
Connecticut Green Bank
845 Brook Street
Rocky Hill, CT 06067

Tuesday, September 22, 2015
10:00-11:00 a.m.

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

1. Call to order
2. Public Comments – 5 minutes
3. Consent Agenda* – 10 minutes
 - a. Approval of Special Meeting Minutes for August 17, 2015*

Resolution #1

Motion to approve the minutes of the Deployment Committee for August 17, 2015 Special Meeting.

- b. C-PACE Transactions*
 - i. Bristol – C-PACE Transaction*

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"), the Connecticut Green Bank (Green Bank) 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 Green Bank Board of Directors (the "Board") has approved a \$40,000,000 C-PACE construction and term loan program;

WHEREAS, the Green Bank seeks to provide a \$377,250 construction and (potentially) term loan under the C-PACE program to 754 Pine Street, LLC, the building

owner of 24 Redstone Street, Bristol, Connecticut (the "Loan"), to finance the construction of specified clean energy measures in line with the State's Comprehensive Energy Strategy and the Green Bank's Strategic Plan; and

WHEREAS, the Green Bank may also provide a short-term unsecured loan (the "Feasibility Study Loan") from a portion of the Loan amount, to finance the feasibility study or energy audit required by the C-PACE authorizing statute, and such Feasibility Study Loan would become part of the Loan and be repaid to the Green Bank upon the execution of the Loan documents.

NOW, therefore be it:

RESOLVED, that the President of the Green Bank and any other duly authorized officer of the Green Bank, is authorized to execute and deliver the Loan and, if applicable, a Feasibility Study Loan in a total amount not to be greater than one hundred ten percent of the Loan amount with terms and conditions consistent with the memorandum submitted to the Connecticut Green Bank Deployment Committee (the "Deployment Committee") dated September 15, 2015, and as he or she shall deem to be in the interests of the Green Bank and the ratepayers no later than 120 days from the date of authorization by the Deployment Committee;

RESOLVED, that before executing the Loan, the President of the Green Bank and any other duly authorized officer of the Green Bank 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, and that the lease on the property does not impact the Green Bank's ability to foreclose on the building; and

RESOLVED, that the proper the Green Bank 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 instruments.

ii. Bristol – C-PACE Transaction*

Resolution #3

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"), the Connecticut Green Bank (Green Bank) 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 Green Bank Board of Directors (the "Board") has approved a \$40,000,000 C-PACE construction and term loan program;

WHEREAS, the Green Bank seeks to provide a \$363,391 construction and (potentially) term loan under the C-PACE program to 333 Associates, LLC, the building

owner of 9 Barber Street, Bristol, Connecticut (the "Loan"), to finance the construction of specified clean energy measures in line with the State's Comprehensive Energy Strategy and the Green Bank's Strategic Plan; and

WHEREAS, the Green Bank may also provide a short-term unsecured loan (the "Feasibility Study Loan") from a portion of the Loan amount, to finance the feasibility study or energy audit required by the C-PACE authorizing statute, and such Feasibility Study Loan would become part of the Loan and be repaid to the Green Bank upon the execution of the Loan documents.

NOW, therefore be it:

RESOLVED, that the President of the Green Bank and any other duly authorized officer of the Green Bank, is authorized to execute and deliver the Loan and, if applicable, a Feasibility Study Loan in a total amount not to be greater than one hundred ten percent of the Loan amount with terms and conditions consistent with the memorandum submitted to the Connecticut Green Bank Deployment Committee (the "Deployment Committee") dated September 15, 2015, and as he or she shall deem to be in the interests of the Green Bank and the ratepayers no later than 120 days from the date authorization by the Deployment Committee;

RESOLVED, that before executing the Loan, the President of the Green Bank and any other duly authorized officer of the Green Bank 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, and that the lease on the property does not impact the Green Bank's ability to foreclose on the building; and

RESOLVED, that the proper the Green Bank 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 instruments.

iii. Groton – C-PACE Transaction*

Resolution #4

WHEREAS, pursuant to Section 16a-40g of the Connecticut General Statutes, as amended, (the "Act"), the Connecticut Green Bank (the "Green Bank") 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 Green Bank Board of Directors (the "Board") has approved a \$40,000,000 C-PACE construction and term loan program;

WHEREAS, the Green Bank seeks to provide a \$337,225 construction and (potentially) term loan under the C-PACE program to Ice Cube Building, LLC, the building owner of 541 Eastern Point Road, Groton, Connecticut (the "Loan"), to finance

the construction of specified clean energy measures in line with the State's Comprehensive Energy Strategy and the Green Bank's Strategic Plan;

NOW, therefore be it:

RESOLVED, that the President of the Green Bank and any duly authorized officer of the Green Bank is authorized to execute and deliver the Loan in an amount not to be greater than the Loan amount with terms and conditions consistent with the memorandum submitted to the Connecticut Green Bank Deployment Committee (the "Deployment Committee") dated September 15, 2015, and as he or she shall deem to be in the interests of the Green Bank and the ratepayers no later than 120 days from the date of authorization by the Deployment Committee;

RESOLVED, that before executing the Loan, the President of the Green Bank and any other duly authorized officer of the Green Bank 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; and

RESOLVED, that the proper the Green Bank 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 instruments.

iv. Windsor Locks – C-PACE Transaction*

Resolution # 5

WHEREAS, pursuant to Section 16a-40g of the Connecticut General Statutes, as amended, (the "Act"), the Connecticut Green Bank (the "Green Bank") 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 Green Bank Board of Directors (the "Board") has approved a \$40,000,000 C-PACE construction and term loan program;

WHEREAS, the Green Bank seeks to provide a **\$822,500** construction and (potentially) term loan under the C-PACE program to Jin Hospitality, LLC, the building owner of 2 Loten Drive, Windsor Locks, Connecticut (the "Loan"), to finance the construction of specified clean energy measures in line with the State's Comprehensive Energy Strategy and the Green Bank's Strategic Plan; and

WHEREAS, the Green Bank may also provide a short-term unsecured loan (the "Feasibility Study Loan") from a portion of the Loan amount, to finance the feasibility study or energy audit required by the Act, and such Feasibility Study Loan would become part of the Loan and be repaid to the Green Bank upon the execution of the Loan documents.

NOW, therefore be it:

RESOLVED, that the President of the Green Bank and any duly authorized officer of the Green Bank is authorized to execute and deliver the Loan in an amount not to be greater than the Loan amount with terms and conditions consistent with the memorandum submitted to the Connecticut Green Bank Deployment Committee (the “Deployment Committee”) dated September 14, 2015, and as he or she shall deem to be in the interests of the Green Bank and the ratepayers no later than 120 days from the date of authorization by the Deployment Committee;

RESOLVED, that before executing the Loan, the President of the Green Bank and any other duly authorized officer of the Green Bank 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; and

RESOLVED, that the proper the Green Bank 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 instruments.

c. Statutory and Infrastructure Transaction*

i. Thunderbird CHP Project

Resolution #6

WHEREAS, in early 2013, Connecticut Green Bank (“Green Bank”) released a rolling Request for Proposals (RFP) for combined heat and power projects to participate in a statutorily mandated CHP Pilot program pursuant to Section 103 of Public Act 11-80;

WHEREAS, the RFP is aimed at promoting the development of new combined heat and power projects in Connecticut that are below five megawatts in capacity size, to help promote economic prosperity of businesses by allowing them to use more efficient on-site generation to produce electricity and heat;

WHEREAS, New Britain Heat and Power, LLC submitted the CHP project proposal in response to develop, in the City of New Britain, a 2.0MW combined heat and power cogeneration project and, after a thorough review, was selected as a project that is consistent with the Green Bank’s Comprehensive Plan and in the best interests of ratepayer;

NOW, therefore be it:

RESOLVED, that the Green Bank Deployment Committee approves and authorizes the Green Bank staff to execute definitive loan documentation materially based on the term sheet set forth in this due diligence package dated September 15, 2015 for financial support in the form of a \$1,000,000 loan financing; and

RESOLVED, that this Deployment Committee action is consistent with Section 103 of Public Act 11-80; and.

RESOLVED, that the proper Green Bank officers are authorized and empowered to do all other acts and execute and deliver all other documents as they shall deem necessary and desirable to effect these Resolutions.

4. Residential Sector Program Update – 10 minutes
 - a. Smart-E Program Update
 - b. CHIF LIME Loan
5. Adjourn

*Denotes item requiring Board action

Join the meeting online at <https://www4.gotomeeting.com/join/489081975>

Or call in using your telephone:
Dial (408) 650-3112
Access Code: 489-081-975

***Next Regular Meeting: Thursday, November 19, 2015 from 2:00-3:00 p.m.
Colonel Albert Pope Board Room at the
Connecticut Green Bank, 845 Brook Street, Rocky Hill, CT***



Deployment Committee

September 22, 2015



Deployment Committee

Agenda Item #1

Call to Order

Deployment Committee

Agenda Item #2

Public Comments

Deployment Committee

Agenda Item #3

Consent Agenda

Consent Agenda



Meeting Minutes – approval of meeting minutes of August 17, 2015

C-PACE Transactions – approval of the following transactions:

- i. [Bristol](#)
- ii. [Bristol](#)
- iii. [Groton](#)
- iv. [Windsor Locks](#)

Statutory and Infrastructure Transaction – approval of [Thunderbird CHP project](#)

Deployment Committee

Agenda Item #4

Residential Sector Program Update

Deployment Committee

Agenda Item #5
Adjourn

Consent Agenda Slides

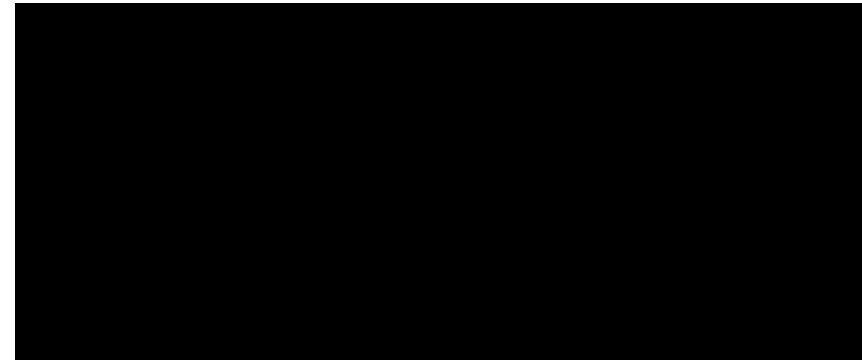
Agenda Item #4b(i)
Bristol

24 Redstone Street, Bristol

Ratepayer Payback



\$377,250 to install 100 kW solar PV
Projected savings are **5,250**
MMBtu versus **\$377,250** 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 Bristol as it collects the C-PACE benefit assessment from the property owner.



24 Redstone Street, Bristol

Terms and Conditions



\$377,250 construction loan at 5% and term loan set at a fixed 5.75% over the 20-year term

\$377,250 loan against the property

Property valued at [REDACTED]

Loan-to-value ratio equals [REDACTED] Lien-to-value ratio equals [REDACTED]

DSCR > [REDACTED]



24 Redstone Street, Bristol

The Five W's



What? Receive approval for a **\$377,250** construction and (potentially) term loan under the C-PACE program to 754 Pine Street, LLC to finance the construction of specified energy upgrade

When? Project to commence 2015

Why? Allow Green Bank to finance this C-PACE transaction, continue to build momentum in the market, and potentially provide term financing for this project until Green Bank sells it along with its other loan positions in C-PACE transactions.

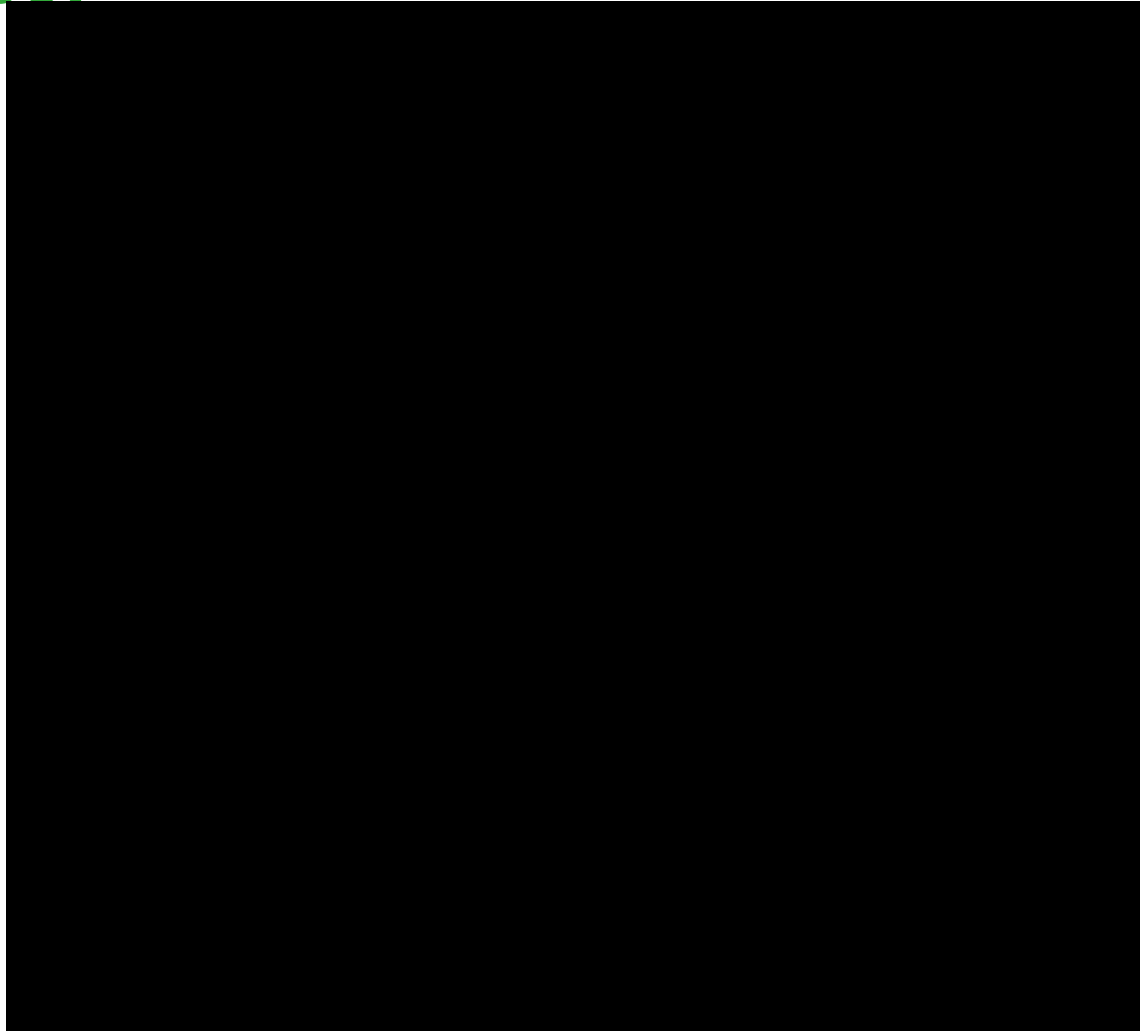
Who? 754 Pine Street, LLC, the property owner of 24 Redstone Street, Bristol CT

Where? 24 Redstone Street, Bristol CT



24 Redstone Street, Bristol

Tear Sheet



24 Redstone Street, Bristol

Anticipated Green Bank Cash Flow

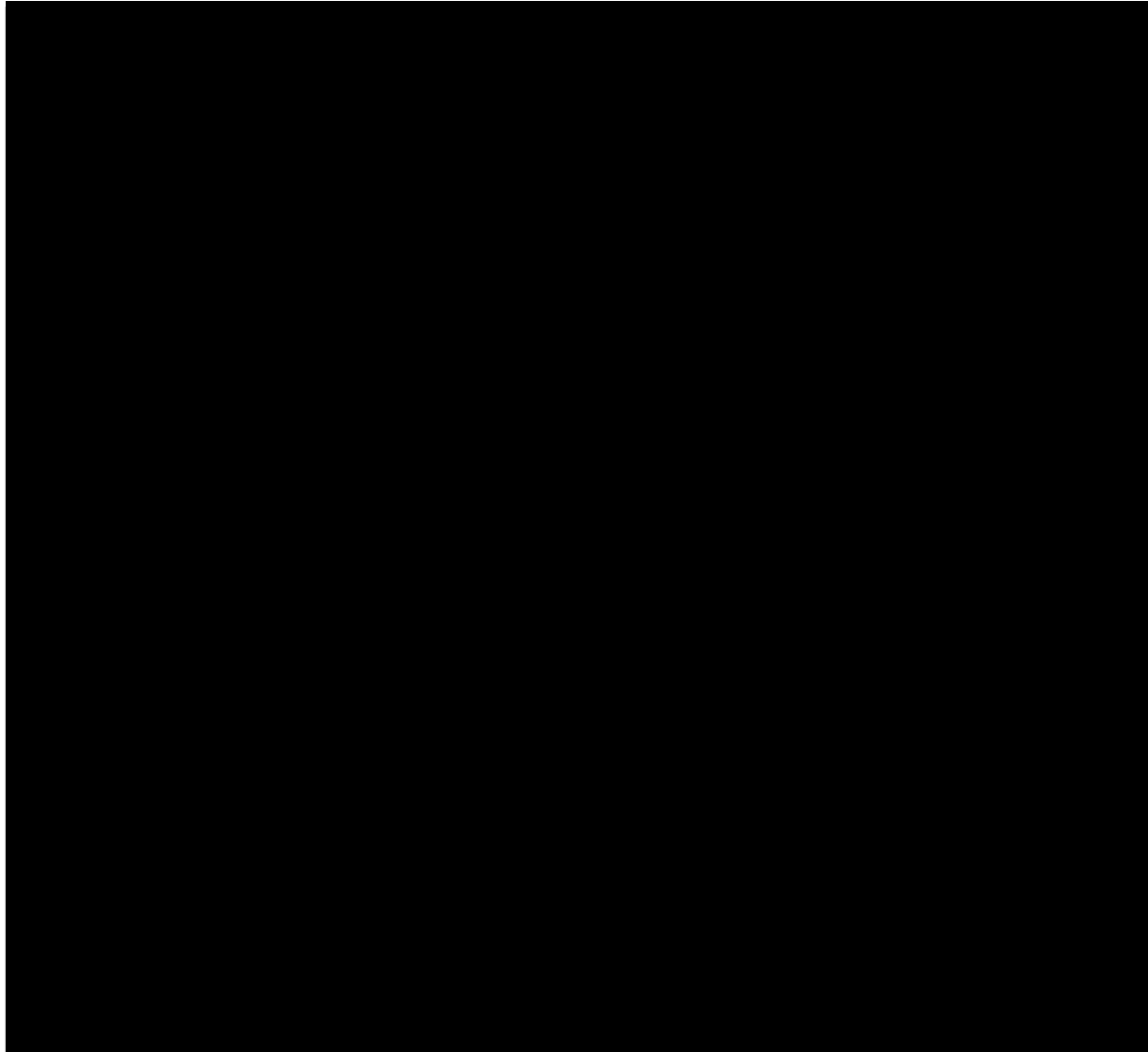


CEFIA Pro Forma			
<i>Project Basics</i>		<i>Cash Flows</i>	
Amount Financed	\$377,250	<u>Date</u>	<u>CEFIA \$</u>
Construction Period (years)	0.42	Oct 2015	\$377,250
Term (years)	20	Mar 2016	\$7,859
		Jul 2016	\$31,985
Construction Financing Rate	5.00%	Jul 2017	\$31,985
Term Financing Rate	5.75%	Jul 2018	\$31,985
		Jul 2019	\$31,985
Construction Interest Payment (bullet)	\$7,859	Jul 2020	\$31,985
Yearly Debt Service Payments (made semi-annually)	\$31,985	Jul 2021	\$31,985
		Jul 2022	\$31,985
		Jul 2023	\$31,985
		Jul 2024	\$31,985
		Jul 2025	\$31,985
		Jul 2026	\$31,985
		Jul 2027	\$31,985
		Jul 2028	\$31,985
		Jul 2029	\$31,985
		Jul 2030	\$31,985
		Jul 2031	\$31,985
		Jul 2032	\$31,985
		Jul 2033	\$31,985
		Jul 2034	\$31,985
		Jul 2035	\$31,985



24 Redstone Street, Bristol

Key Financial Metrics



Consent Agenda Slides

Agenda Item #4b(ii)

Bristol

9 Barber Street, Bristol

Ratepayer Payback



\$363,391 to install 100 kW solar PV
Projected savings are **5,800**
MMBtu versus **\$363,391** 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 Bristol as it collects the C-PACE benefit assessment from the property owner.



9 Barber Street, Bristol

Terms and Conditions



\$363,391 construction loan at 5% and term loan set at a fixed 5.75% over the 20-year term

\$363,391 loan against the property

Property valued at [REDACTED]

Loan-to-value ratio equals [REDACTED] Lien-to-value ratio equals [REDACTED]

DSCR > [REDACTED]



9 Barber Street, Bristol

The Five W's



What? Receive approval for a **\$363,391** construction and (potentially) term loan under the C-PACE program to 333 Associates, LLC to finance the construction of specified energy upgrade

When? Project to commence 2015

Why? Allow Green Bank to finance this C-PACE transaction, continue to build momentum in the market, and potentially provide term financing for this project until Green Bank sells it along with its other loan positions in C-PACE transactions.

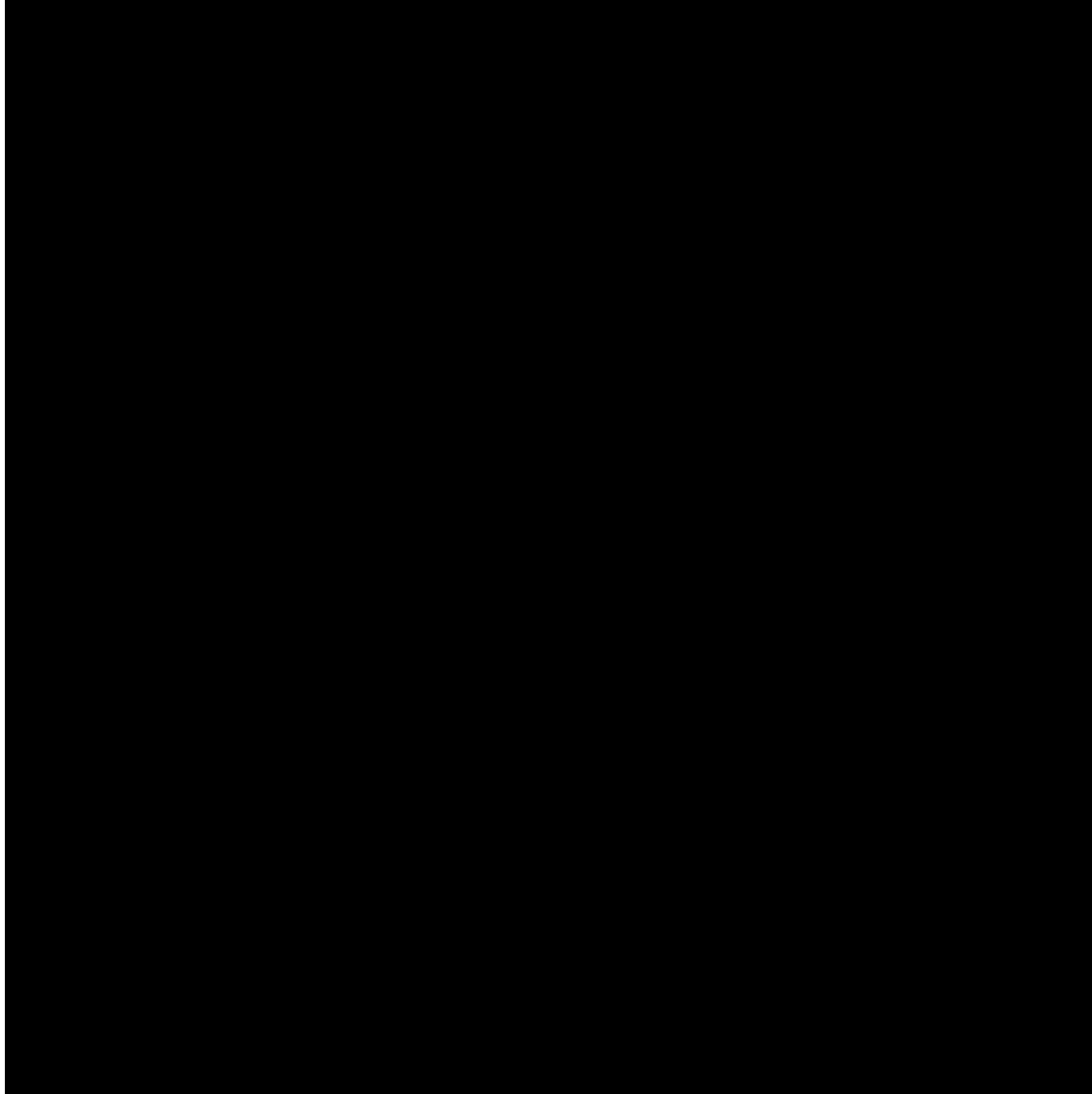
Who? 333 Associates, LLC, the property owner of 9 Barber Street, Bristol CT

Where? 9 Barber Street, Bristol CT



9 Barber Street, Bristol

Tear Sheet



9 Barber Street, Bristol

Anticipated Green Bank Cash Flow

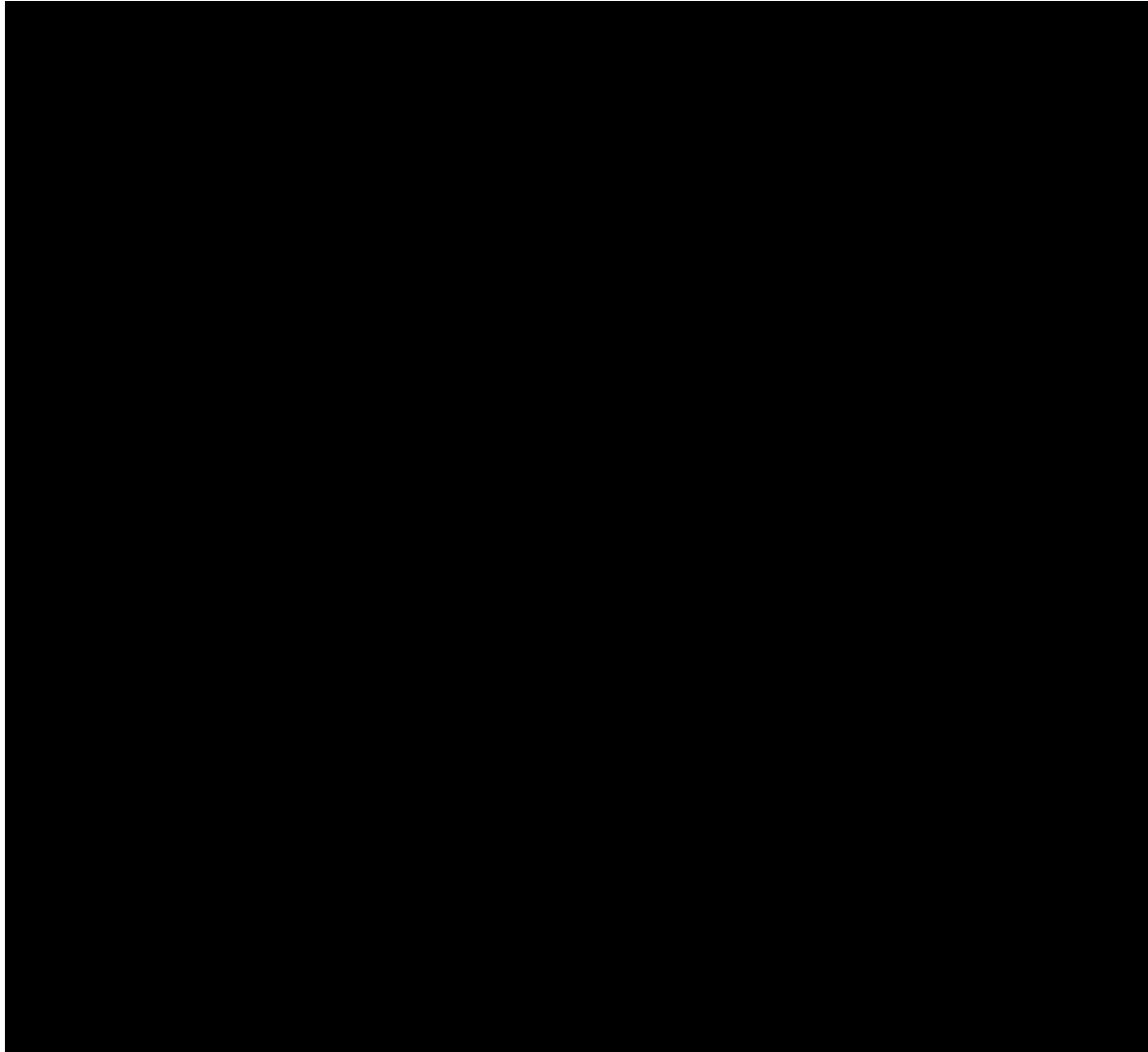


CT Green Bank Pro Forma			
<i>Project Basics</i>		<i>Cash Flows</i>	
		<u>Date</u>	<u>CEFIA \$</u>
Amount Financed	\$363,391	Oct 2015	\$363,391
Construction Period (years)	0.42	Mar 2016	\$7,571
Term (years)	20	Jul 2016	\$30,810
		Jul 2017	\$30,810
Construction Financing Rate	5.00%	Jul 2018	\$30,810
Term Financing Rate	5.75%	Jul 2019	\$30,810
		Jul 2020	\$30,810
Construction Interest Payment (bullet)	\$7,571	Jul 2021	\$30,810
Yearly Debt Service Payments (made semi-annually)	\$30,810	Jul 2022	\$30,810
		Jul 2023	\$30,810
		Jul 2024	\$30,810
		Jul 2025	\$30,810
		Jul 2026	\$30,810
		Jul 2027	\$30,810
		Jul 2028	\$30,810
		Jul 2029	\$30,810
		Jul 2030	\$30,810
		Jul 2031	\$30,810
		Jul 2032	\$30,810
		Jul 2033	\$30,810
		Jul 2034	\$30,810
		Jul 2035	\$30,810



9 Barber Street, Bristol

Key Financial Metrics



Consent Agenda Slides

Agenda Item #4b(iii)

Groton

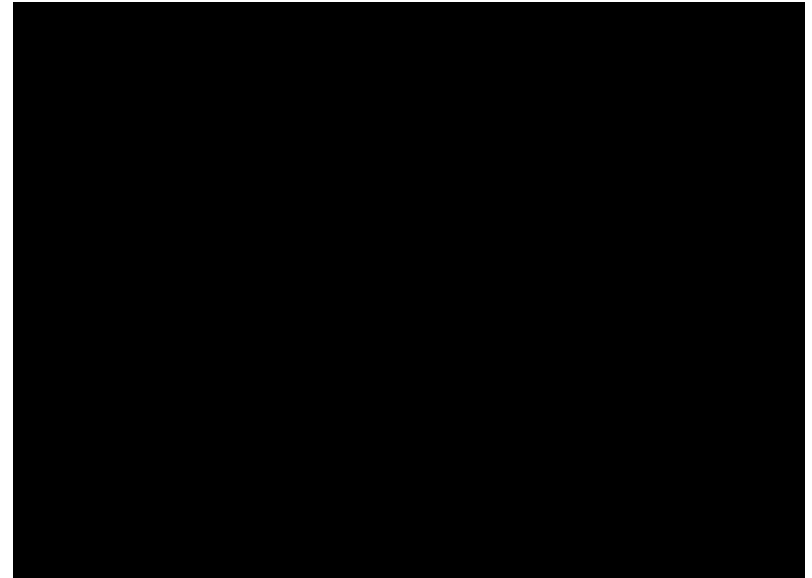
541 Eastern Point Rd, Groton

Ratepayer Payback



\$337,225 to update boilers, RTUs, electric & gas lines

Projected savings are **14,935 MMBtu** versus **\$337,225** 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 Town of Groton as it collects the C-PACE benefit assessment from the property owner.



541 Eastern Point Rd, Groton

Terms and Conditions



\$337,225 construction loan at 5% and term loan set at a fixed 5.0% over the 10-year term

\$337,225 loan against the property

Property valued at [REDACTED]

Loan-to-value ratio equals [REDACTED] Lien-to-value ratio equals [REDACTED]

DSCR > [REDACTED]



541 Eastern Point Rd, Groton



The Five W's

What? Receive approval for a **\$337,225** construction and (potentially) term loan under the C-PACE program to Ice Cube Building, LLC to finance the construction of specified energy upgrade

When? Project to commence 2015

Why? Allow Green Bank to finance this C-PACE transaction, continue to build momentum in the market, and potentially provide term financing for this project until Green Bank sells it along with its other loan positions in C-PACE transactions.

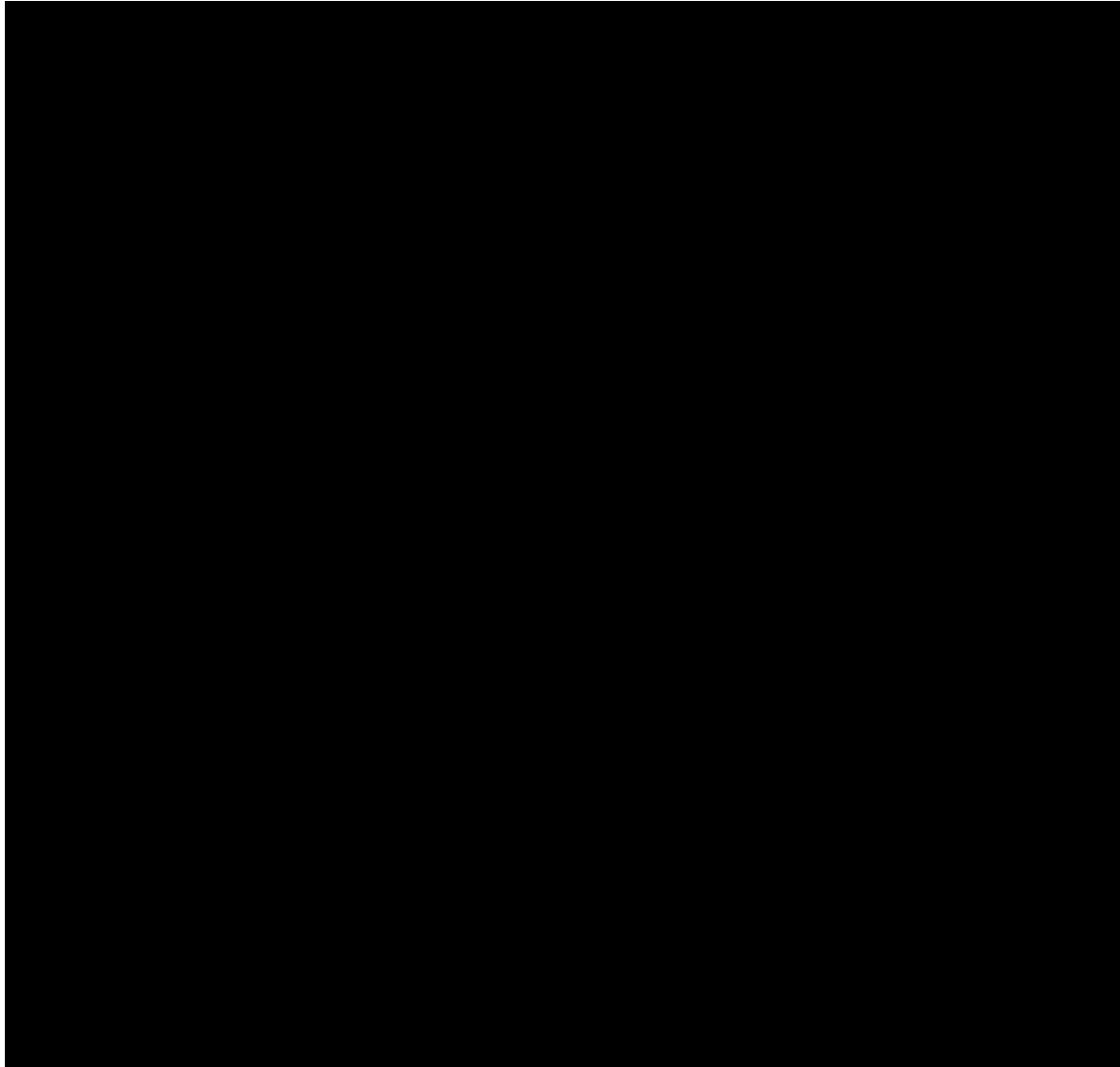
Who? Ice Cube Building, LLC, the property owner of 541 Eastern Point Rd, Groton CT

Where? 541 Eastern Point Rd, Groton CT



541 Eastern Point Rd, Groton

Tear Sheet



541 Eastern Point Rd, Groton

Anticipated Green Bank Cash Flow

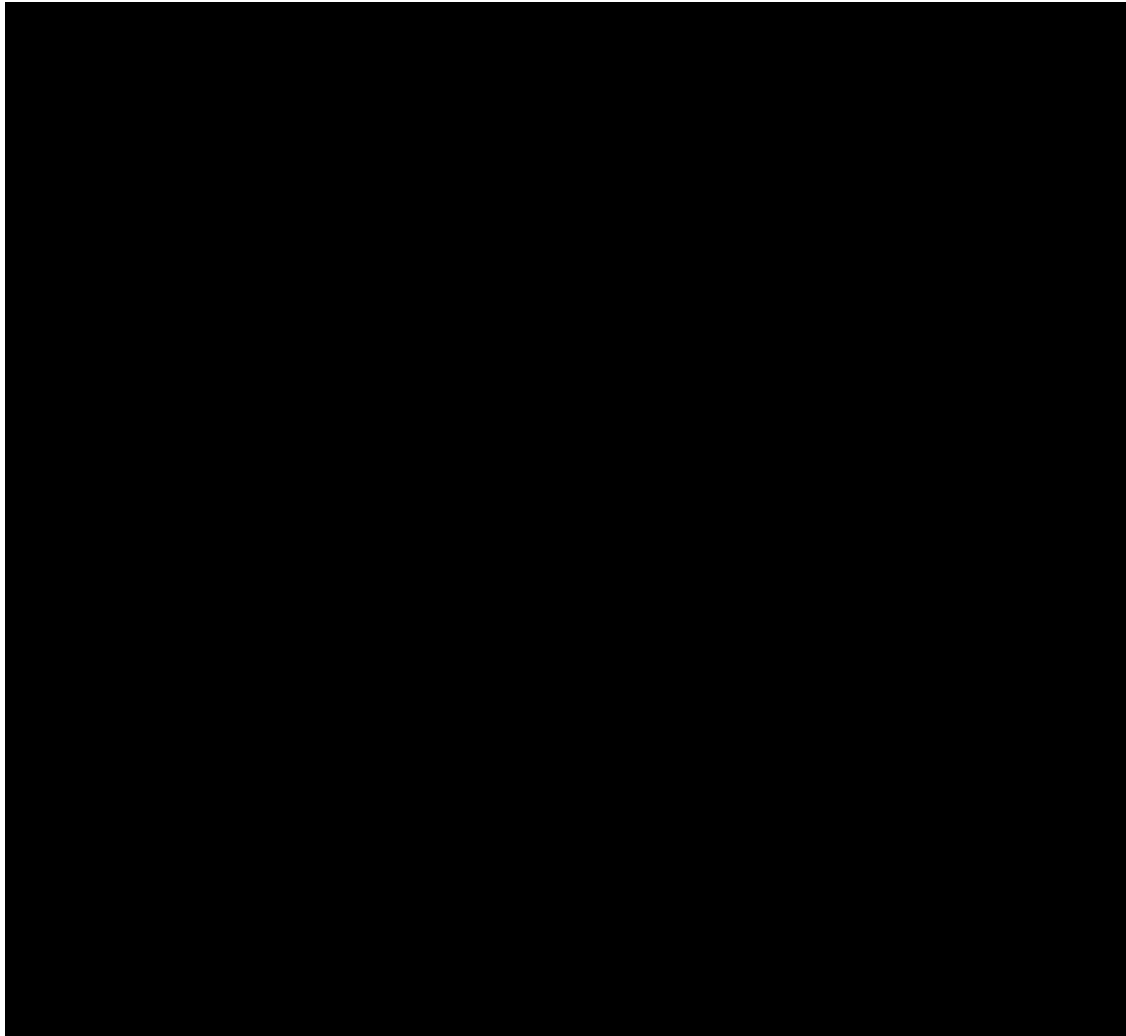


CGB Prp Forma			
<i>Project Basics</i>		<i>Cash Flows</i>	
		<u>Date</u>	<u>CEFIA \$</u>
Amount Financed	\$337,225	Jan 2016	\$337,225
Construction Period (years)	0.42	Jun 2016	\$7,026
Term (years)	10	Jul 2016	\$43,264
Construction Financing Rate	5.00%	Jul 2017	\$43,264
Term Financing Rate	5.00%	Jul 2018	\$43,264
		Jul 2019	\$43,264
Construction Interest Payment (bullet)	\$7,026	Jul 2020	\$43,264
Yearly Debt Service Payments (made semi-annually)	\$43,264	Jul 2021	\$43,264
		Jul 2022	\$43,264
		Jul 2023	\$43,264
		Jul 2024	\$43,264
		Jul 2025	\$43,264



541 Eastern Point Rd, Groton

Key Financial Metrics



Consent Agenda Slides

Agenda Item #4b(iv)

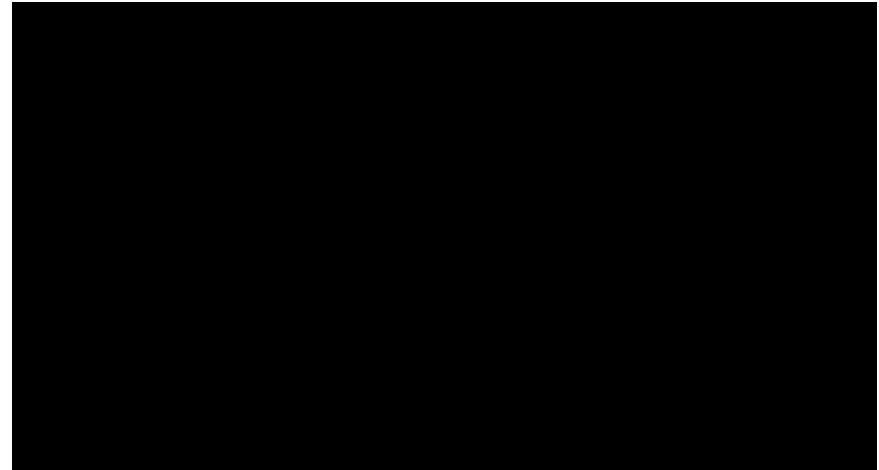
Windsor Locks

2 Loten Dr, Windsor Locks

Ratepayer Payback



\$822,500 to install 240 kW solar PV
Projected savings are **19,608**
MMBtu versus **\$822,500** 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 Town of Windsor Locks as it collects the C-PACE benefit assessment from the property owner.



2 Loten Dr, Windsor Locks

Terms and Conditions



\$822,500 construction loan at 5% and term loan set at a fixed 6.0% over the 20-year term

\$822,500 loan against the property

Property valued at [REDACTED]

Loan-to-value ratio equals [REDACTED] Lien-to-value ratio equals [REDACTED]

DSCR > [REDACTED]



2 Loten Dr, Windsor Locks

The Five W's



What? Receive approval for a **\$822,500** construction and (potentially) term loan under the C-PACE program to Jin Hospitality, LLC to finance the construction of specified energy upgrade

When? Project to commence 2015

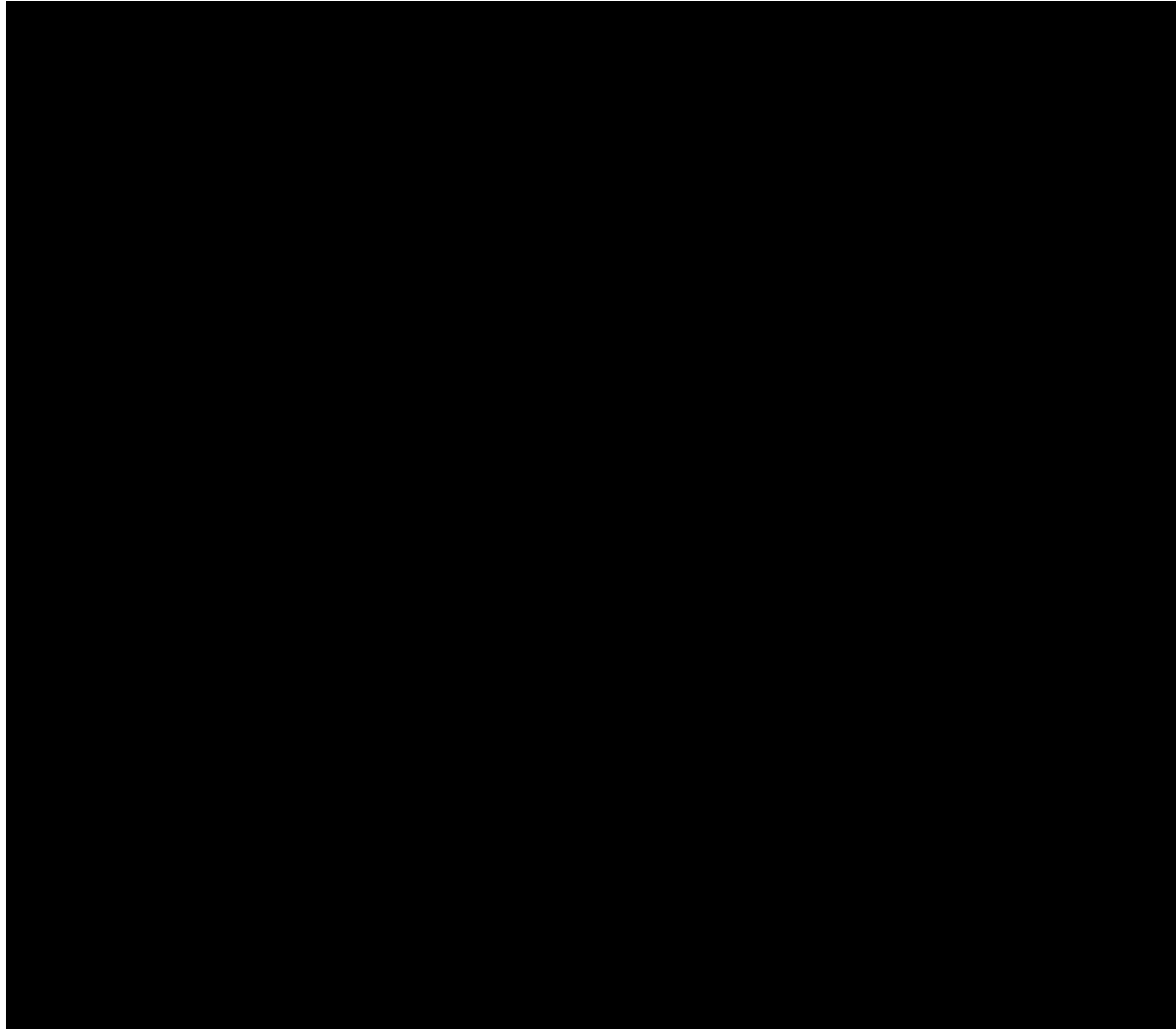
Why? Allow Green Bank to finance this C-PACE transaction, continue to build momentum in the market, and potentially provide term financing for this project until Green Bank sells it along with its other loan positions in C-PACE transactions.

Who? Jin Hospitality, LLC, the property owner of 2 Loten Drive, Windsor Locks CT

Where? 2 Loten Drive, Windsor Locks CT



2 Loten Dr, Windsor Locks Tear Sheet



2 Loten Dr, Windsor Locks

Anticipated Green Bank Cash Flow

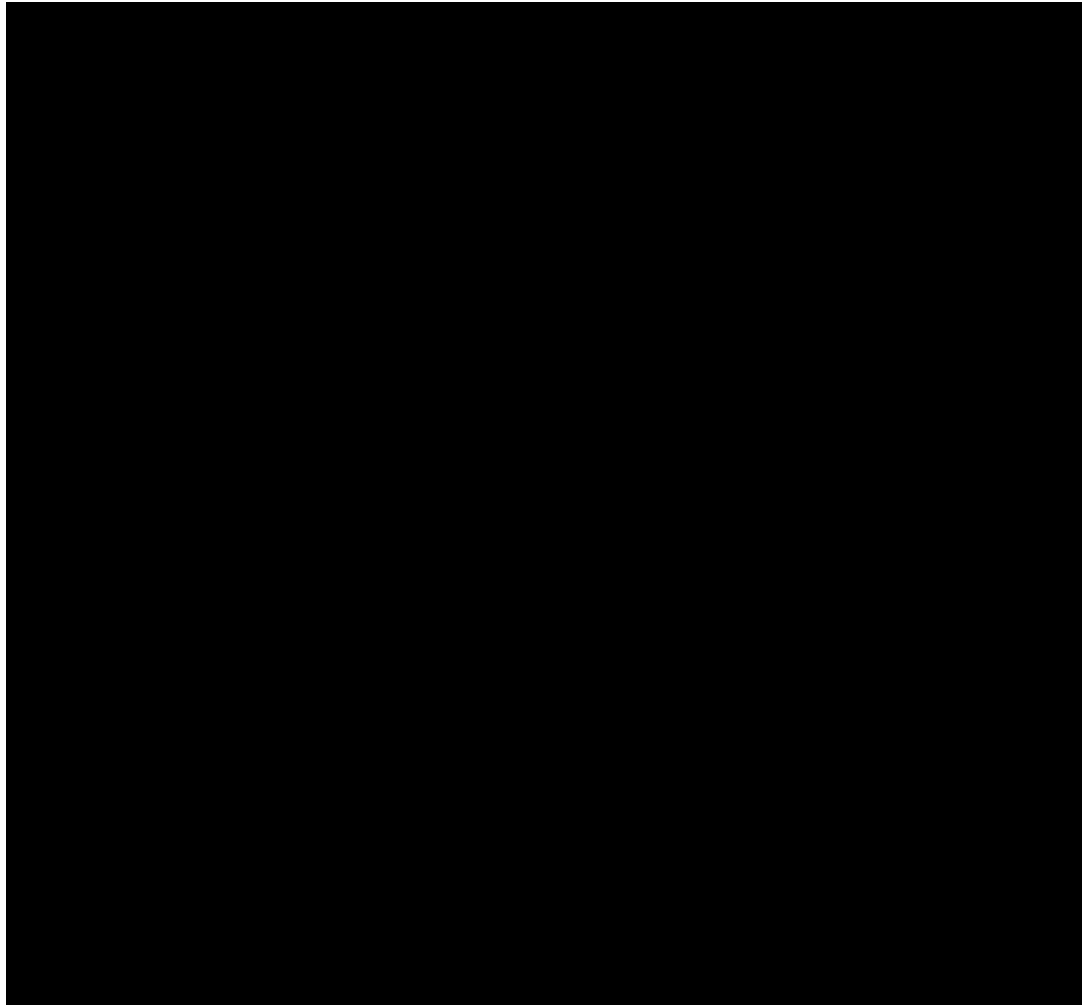


CEFIA Pro Forma			
<i>Project Basics</i>		<i>Cash Flows</i>	
		<u>Date</u>	<u>CEFIA \$</u>
Amount Financed	\$822,500	Sep 2014	\$822,500
Construction Period (years)	0.25	Dec 2014	\$10,281
Term (years)	20	Jan 2015	\$71,167
		Jan 2016	\$71,167
Construction Financing Rate	5.00%	Jan 2017	\$71,167
Term Financing Rate	6.00%	Jan 2018	\$71,167
		Jan 2019	\$71,167
Construction Interest Payment (bullet)	\$10,281	Jan 2020	\$71,167
Yearly Debt Service Payments (made semi-annually)	\$71,167	Jan 2021	\$71,167
		Jan 2022	\$71,167
		Jan 2023	\$71,167
		Jan 2024	\$71,167
		Jan 2025	\$71,167
		Jan 2026	\$71,167
		Jan 2027	\$71,167
		Jan 2028	\$71,167
		Jan 2029	\$71,167
		Jan 2030	\$71,167
		Jan 2031	\$71,167
		Jan 2032	\$71,167
		Jan 2033	\$71,167
		Jan 2034	\$71,167



2 Loten Dr, Windsor Locks

Key Financial Metrics



Consent Agenda Slides

Agenda Item #4c(i)

Thunderbird CHP Project

CHP Project Policy and Program Status



Policy

Green Bank administered 3-year pilot program, established as a result of PA 11-80, section 103, has expired as of Feb. 27, 2015. Legislation allowed for up to 50 MW of projects, up to 5 MW in size.

Program

To date, Board approval has been granted for 6 projects totaling 4.62 MW in size. If approved today's CHP project will be the 7th and will add an additional 2 MW to the CHP installed capacity base.

Total capital cost of all these projects \$19M. Green Bank's investment through grants & loans up to \$2.5M



CHP Project New Britain



Project Summary

Project proposal submitted by Thunderbird, LLC under CHP pilot program (PA 11-80, section 103)

2 MW Combined Heat & Power

System to provide majority of heat & power to large CT manufacturer

Long term 15-year Energy Services Agreement (ESA) with host facility

System will produce ~ 14,500 MWh of electricity and 23,000 MMBtu of heat annually

System to incorporate a 400 ton absorption chiller that will enable existing electric chillers to be used as backup – resulting in 1,000,000 kWh of avoided electricity usage

This project is phase I of a proposed microgrid project



CHP Project New Britain



Project Funding Sources

Projects total capital cost estimate \$6M

Thunderbird, LLC, US Grid Company, and Blue Earth will combine to provide the projects equity stake \$5M (83% of CapEx)

Requested loan from Green Bank \$1M (15 year, 2% interest) – no project senior debt

Ownership & Partners

New Britain Heat and Power, LLC

 SPE owned/managed by Thunderbird, LLC

Blue Earth

 Equity / co-owner

 EPC / turnkey contractor

 O&M services

US Grid Company

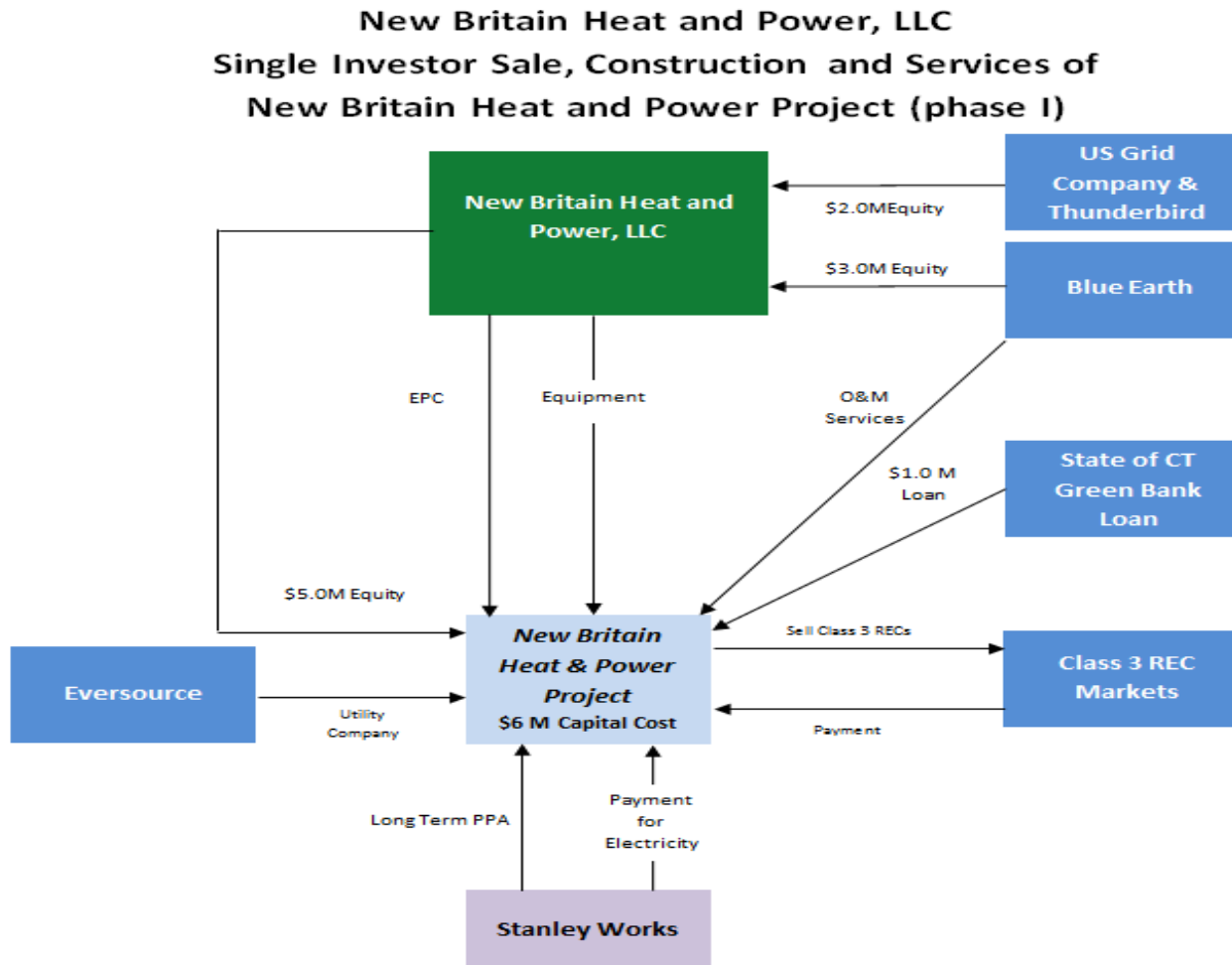
 Equity / co-owner

 Lead system integrator (microgrid)



CHP Project New Britain

Capital Flow Diagram



CHP Project New Britain



Investment Overview

What is the worst case that can happen – Assuming our rights are adequately protected in loan documents to be executed, our ultimate loss exposure is repayment of outstanding principal (\$1.0M) and interest

What is the financial impact – The Green Bank loan has helped the developer attract private investment in the form of project equity

How can Green Bank be made whole – Adequate cash flow as forecasted, however, in the event of a default, Green Bank can be made whole to the extent that proceeds from liquidated assets are enough to satisfy our outstanding principal and interest as the lender of debt

What is the project objective function – 237 kWh and 365,000 Btu per dollar of ratepayer funds at risk

What is percent of capital allocation to the project? – 0.85% of Green Bank's balance sheet (~\$120 million)



CHP Project New Britain



Recommendations

Recommend to the Deployment Committee that the Green Bank execute documentation to provide \$1,000,000 in long-term debt to this project

Recommend to the Deployment Committee that approval of this selection and investment be conditioned upon the completion of all remaining due diligence review, inclusive of all project documentation



Deployment Committee of the Connecticut Green Bank

Draft Minutes – Special Meeting

Monday, August 17, 2015

9:30-10:00 p.m.

A special meeting of the Deployment Committee of the Board of Directors of the **Connecticut Green Bank** was held on July 14, 2015 at the office of the Green Bank, 845 Brook Street, Rocky Hill, CT.

1. Call to order:

Bryan Garcia called the Deployment Committee of the Connecticut Green Bank meeting to order at 9:32 a.m. Deployment Committee members participating: Pat Wrice (by phone) Reed Hundt (by phone), Katie Dykes (by phone), and Bettina Ferguson (by phone).

Staff Attending: Brian Farnen, Bert Hunter (by phone), Genevieve Sherman, Anthony Clark, Nickolas Zuba, Cheryl Samuels, and Mike Yu (by phone).

Absent:

2. Public Comments

There were no public comments.

3. Approval of Special Meeting Minutes for July 14, 2015*

Reed Hundt suggested that there needs to be a change in the way that the meetings are run regarding the discussions of the C-PACE transactions. Bryan Garcia suggested that in the future we create a consent agenda item for C-PACE transactions since there is a standard for materials submitted for review and approval by the Board. If there are irregular C-PACE transactions, then those transactions will not be included on the consent agenda. Bryan Garcia stated that he will work with Reed Hundt and Genevieve Sherman on this for future Deployment Committee meetings.

Bryan Garcia proposed resolutions be made on 1 through 6 then discussion ensued.

A motion was made by Bettina Ferguson and seconded by Pat Wrice. The committee voted unanimously in favor to approve the meeting minutes.

Resolution #1

Motion to approve the minutes of the Deployment Committee for July 14, 2015 Special Meeting.

4. Commercial and Industrial Sector Program Updates and Recommendations

a. C-PACE Transactions*

Genevieve Sherman provided an overview on C-PACE transactions.

i. Danbury – C-PACE Transaction

Genevieve Sherman explained that this is a high school and that the savings to investment ratio has been identified by our technical advisor as high risk. She stated that this risk is mostly driven by large cost items. She stated that the property owner and contractor are presenting the maximum financing that the project can support and this will be contingent on an additional technical review.

Resolution #2

WHEREAS, pursuant to Section 16a-40g of the Connecticut General Statutes, as amended, (the “Act”), the Connecticut Green Bank (the “Green Bank”) 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 Green Bank Board of Directors (the “Board”) has approved a \$40,000,000 C-PACE construction and term loan program;

WHEREAS, the Green Bank seeks to provide a \$879,377 construction and (potentially) term loan under the C-PACE program to the Bridgeport Roman Catholic Diocesan Corporation, the building owner of 73 Southern Boulevard, Danbury, Connecticut (the 2 "Loan"), to finance the construction of specified clean energy measures in line with the State’s Comprehensive Energy Strategy and the Green Bank’s Strategic Plan; and

WHEREAS, the Green Bank may also provide a short-term unsecured loan (the “Feasibility Study Loan”) from a portion of the Loan amount, to finance the feasibility study or energy audit required by the Act, and such Feasibility Study Loan would become part of the Loan and be repaid to the Green Bank upon the execution of the Loan documents.

NOW, therefore be it:

RESOLVED, that the President of the Green Bank and any duly authorized officer of the Green Bank is authorized to execute and deliver the Loan in an amount not to be greater than one hundred ten percent of the Loan amount with terms and conditions consistent with the memorandum submitted to the Deployment Committee dated August 10, 2015, and as he or she shall deem to be in the interests of the Green Bank and the ratepayers no later than 120 days from the date of authorization by the Deployment Committee;

RESOLVED, that before executing the Loan, the President of the Green Bank and any other duly authorized officer of the Green Bank shall receive confirmation that the CPACE transaction meets the statutory obligations of the Act, including but not limited to the savings to investment ratio and lender consent requirements; and

RESOLVED, that the proper the Green Bank 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 instruments.

ii. Newtown – C-PACE Transaction

Genevieve Sherman stated that this is a large transaction. The LTV exceeds 80% and will take up to a 90% LTV. Genevieve stated that staff will underwrite to that higher threshold based on the underwriting criteria of a registered C-PACE capital providers that is considering financing the transaction pursuant to our recent RFP.

Bettina Ferguson suggested that this transaction could be used as a marketing tool for Green Energy. Genevieve Sherman stated that the building is in need of significant capital improvements and that they are switching from fuel oil to natural gas. She stated that the property owner is also doing a solar project with it. Genevieve agreed that the property owner and the Green Bank can utilize each other for marketing.

Resolution #3

WHEREAS, pursuant to Section 16a-40g of the Connecticut General Statutes, as amended, (the “Act”), the Connecticut Green Bank (the “Green Bank”) 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 Green Bank Board of Directors (the “Board”) has approved a \$40,000,000 C-PACE construction and term loan program;

WHEREAS, the Green Bank seeks to provide a \$2,500,000 construction and (potentially) term loan under the C-PACE program to Curtis Packaging Corporation, the building owner of 44 Berkshire Road, Newtown, Connecticut (the "Loan"), to finance the construction of specified clean energy measures in line with the State’s Comprehensive Energy Strategy and the Green Bank’s Strategic Plan; and

WHEREAS, the Green Bank may also provide a short-term unsecured loan (the “Feasibility Study Loan”) from a portion of the Loan amount, to finance the feasibility study or energy audit required by the Act, and such Feasibility Study Loan would become part of the Loan and be repaid to the Green Bank upon the execution of the Loan documents.

NOW, therefore be it:

RESOLVED, that the President of the Green Bank and any duly authorized officer of the Green Bank is authorized to execute and deliver the Loan in an amount not to be greater than the Loan amount with terms and conditions consistent with the memorandum submitted to the Deployment Committee dated August 10, 2015, and as he or she shall deem to be in the interests of the Green Bank and the ratepayers no later than 120 days from the date of authorization by the Deployment Committee;

RESOLVED, that before executing the Loan, the President of the Green Bank and any other duly authorized officer of the Green Bank shall receive confirmation that the CPACE transaction meets the statutory obligations of the Act, including but not limited to the savings to investment ratio and lender consent requirements; and

RESOLVED, that the proper the Green Bank 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 instruments.

iii. Norwalk – C-PACE Transaction

Genevieve Sherman explained that this transaction exceeds 80% LTV. She stated that the building was recently purchased out of foreclosure by a property management company with a track record in turning around distressed properties and has partnered with CBRE to lease the building. They expect that new tenants will be added bringing the LTV to under 80%. She stated that they anticipated that a registered C-PACE capital provider (the capital provider that won the recent RFP) will be financing this project and staff has established that the capital provider is comfortable with the approach to estimating the LTV.

Bettina Ferguson had a concern with so much empty space. She questioned if the Green Bank had done financing such as this in the past. Genevieve Sherman explained that yes, this type of financing had been done in the past. She stated that the expectation is that the building will lease up. She stated that it is common for an appraiser to make assumptions on what they think will occur in a period of time. She stated that there is a very detailed analysis that has been done and that staff is comfortable with the analysis which demonstrates even at existing lease contracts in place an adequate debt service coverage ratio. Genevieve Sherman also stated that this is the line of business for the owner of the building.

Katie Dykes questioned how the low occupancy factors into the savings. Genevieve Sherman stated that the program requires contractors to create an energy model as if the location were occupied. She stated that the analysis needs a baseline for energy consumption. Genevieve Sherman stated that staff uses existing billing data and in a fully vacant facility they use the existing code as a standard to the baseline model. She stated that anything over and above that they would weigh the financing to that.

Reed Hundt asked if Genevieve Sherman could discuss the savings to investment ratios. He questioned if the range was random. Genevieve Sherman stated that it is a random assortment. The energy cost savings have to pay for the investment over the life of the measures. Some property owners have a goal to improve the cash flow by retrofitting. Other property owners have a goal of maxing out potential C-PACE financing (under the SIR) to implement needed capital improvements. She stated that the varying cost of energy upgrades also results in a range. For example, solar projects will see a range because not all installers have the same cost.

Resolution #4

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”), the Connecticut Green Bank (Green Bank) 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 Green Bank Board of Directors (the “Board”) has approved a \$40,000,000 C-PACE construction and term loan program;

WHEREAS, the Green Bank seeks to provide a \$549,223 construction and (potentially) term loan under the C-PACE program to Matrix Norwalk LLC, the building owner of 535 Connecticut Ave, Norwalk, Connecticut (the "Loan"), to finance the construction of specified clean energy measures in line with the State’s Comprehensive Energy Strategy and the Green Bank’s Strategic Plan; and

WHEREAS, the Green Bank may also provide a short-term unsecured loan (the “Feasibility Study Loan”) from a portion of the Loan amount, to finance the feasibility study or energy audit required by the C-PACE authorizing statute, and such Feasibility Study Loan would become part of the Loan and be repaid to the Green Bank upon the execution of the Loan documents.

NOW, therefore be it:

RESOLVED, that the President of the Green Bank and any other duly authorized officer of the Green Bank is authorized to execute and deliver the Loan and, if applicable, a Feasibility Study Loan in an amount not to be greater than one hundred ten percent of the Loan amount with terms and conditions consistent with the memorandum submitted to the Deployment Committee dated August 10, 2015, and as he or she shall deem to be in the interests of the Green Bank and the ratepayers no later than 120 days from the date of authorization by the Deployment Committee; and

RESOLVED, that before executing the Loan, the President of the Green Bank and any other duly authorized officer of the Green Bank shall receive confirmation that the CPACE transaction meets the statutory obligations of the Act, including but not limited to the savings to investment ratio and lender consent requirements, and that the lease on the property does not impact the Green Bank’s ability to foreclose on the building.

iv. Stamford – C-PACE Transaction

Genevieve Sherman explained that this is a high school and that the savings to investment ratio has been identified as high risk. She stated that this risk is mostly driven by large cost items. She stated that they are presenting the maximum financing that the project can support and this will be contingent on an additional technical review.

Resolution #5

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”), the Connecticut Green Bank (Green Bank) 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 Green Bank Board of Directors (the “Board”) has approved a \$40,000,000 C-PACE construction and term loan program;

WHEREAS, the Green Bank seeks to provide a \$448,036 construction and (potentially) term loan under the C-PACE program to The Bridgeport Roman Catholic Diocesan Corporation, the building owner of 914 Newfield Avenue, Stamford, Connecticut (the "Loan"), to finance the construction of specified clean energy measures in line with the State’s Comprehensive Energy Strategy and the Green Bank’s Strategic Plan; and

WHEREAS, the Green Bank may also provide a short-term unsecured loan (the “Feasibility Study Loan”) from a portion of the Loan amount, to finance the feasibility study or energy audit required by the C-PACE authorizing statute, and such Feasibility Study Loan would become part of the Loan and be repaid to the Green Bank upon the execution of the Loan documents.

NOW, therefore be it:

RESOLVED, that the Deployment Committee the Connecticut Green Bank is authorized to execute and deliver the Loan in an amount not to be greater than one hundred ten percent of the Loan amount with terms and conditions consistent with the memorandum submitted to the Deployment Committee dated August 10, 2015, and as he or she shall deem to be in the interests of the Green Bank and the ratepayers no later than 120 days from the date of authorization by the Deployment Committee;

RESOLVED, that before executing the Loan, the President of the Green Bank and any other duly authorized officer of the Green Bank shall receive confirmation that the CPACE transaction meets the statutory obligations of the Act, including but not limited to the savings to investment ratio and lender consent requirements; and

RESOLVED, that the proper the Green Bank 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.

v. Vernon – C-PACE Transaction

Resolution #6

WHEREAS, pursuant to Section 16a-40g of the Connecticut General Statutes, as amended, (the “Act”), the Connecticut Green Bank (the “Green Bank”) 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 Green Bank Board of Directors (the “Board”) has approved a \$40,000,000 C-PACE construction and term loan program;

WHEREAS, the Green Bank seeks to provide a \$514,640 construction and (potentially) term loan under the C-PACE program to 777 Realty LLC, the building owner of 777 Talcotville Road, Vernon, Connecticut (the "Loan"), to finance the construction of specified clean energy measures in line with the State’s Comprehensive Energy Strategy and the Green Bank’s Strategic Plan; and

WHEREAS, the Green Bank may also provide a short-term unsecured loan (the “Feasibility Study Loan”) from a portion of the Loan amount, to finance the feasibility study or energy audit required by the Act, and such Feasibility Study Loan would become part of the Loan and be repaid to the Green Bank upon the execution of the Loan documents.

NOW, therefore be it:

RESOLVED, that the President of the Green Bank and any duly authorized officer of the Green Bank is authorized to execute and deliver the Loan in an amount not to be greater than one hundred ten percent of the Loan amount with terms and conditions consistent with the memorandum submitted to the Deployment Committee dated August 10, 2015, and as he or she shall deem to be in the interests of the Green Bank and the ratepayers no later than 120 days from the date of authorization by the Deployment Committee;

RESOLVED, that before executing the Loan, the President of the Green Bank and any other duly authorized officer of the Green Bank shall receive confirmation that the CPACE transaction meets the statutory obligations of the Act, including but not limited to the savings to investment ratio and lender consent requirements; and **RESOLVED**, that the proper the Green Bank 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 instruments.

vi. Hartford – C-PACE Transaction – revision

Genevieve Sherman explained that that there is no material change to the previously approved project, however the memo has been changed to clarify that the solar component of the project is not being financed through the C-PACE program or by the Connecticut Green Bank but rather through a PPA from a separate capital provider.

IS THERE A RESOLUTION TO NOTE THE CHANGE?

b. C-PACE Transactions – Extension of Resolutions

Genevieve Sherman stated that some of the transactions that have been previously approved need more time to close. She stated that there are a variety of reasons for this, but it’s a good learning curve. She stated that an example is 77 Leibert Road, Hartford, the utility did not approve the original interconnection. They required a new study be done. She stated that a lot is not in the control of C-PACE.

A motion to approve the extension resolutions was made by Reed Hundt and seconded by Bettina Ferguson. The Committee voted unanimously in favor.

Resolution #7

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”), the Connecticut Green Bank (“Green Bank”) is directed to, amongst other things, establish a commercial sustainable energy program for Connecticut, known as Commercial Property Assessed Clean Energy (“C-PACE”);

WHEREAS, pursuant to the C-PACE program the Green Bank Board of Directors (the “Board”) or the Connecticut Green Bank Deployment Committee (the “Deployment Committee”) has approved and authorized the President of the Green Bank to execute financing agreements for the five (5) C-PACE projects described in the Memo submitted to the Board on August 10, 2015 (collectively, the “Finance Agreements”);

WHEREAS, the Finance Agreements were authorized to be consistent with the terms, conditions, and memorandums submitted to the Board or the Deployment Committee and shall be executed no later than 120 days from the date of Board or Deployment Committee approval; and

WHEREAS, due to delays in fulfilling pre-closing requirements for the C-PACE transactions listed above the Green Bank will need more time to execute the Finance Agreements.

NOW, therefore be it:

RESOLVED, that the Deployment Committee extends authorization of the Finance Agreements to no later than 120 days from August 17, 2015 and consistent in every other manner with the original Board or Deployment Committee authorization for each Finance Agreement.

c. Timeliness Reserve – Proposed Revisions

Bert Hunter provided an overview of the Timeliness Reserve. He stated that C-PACE has successfully closed the second sell down and that approximately \$8 million in capital is being returned to the Green Bank over about 20 transactions. He stated that the only issue with the bond structure the Green Bank and Clean Fund (the buyer of the Class A bonds) is that occasionally there are delays in the receipt of payment – sometime owing to a delay in payment by the property owner and in other cases due to delays in the municipality forwarding payments to the Green Bank in time for payments to be made to the bond holders. With the delay of receipt of payment, sometimes the Green Bank needs to utilize the Timeliness Reserve to ensure timely payment to bond holders while awaiting payments from property owners or municipalities. Bert Hunter explained that the Green Bank did utilize the reserve approved by the Board to the extent of \$278,000 of the \$300,000 available, utilizing pretty much near the full amount of the reserve. He stated that the amount outstanding today is about \$113,000, which all relates to two transactions under payment arrangements with the property owner. He stated that the property owner is making the scheduled payments.

Bert Hunter stated that it’s prudent to increase the reserve so that the bond structure stays intact. He stated that they are requesting the reserve be bumped to \$1 million instead of \$300,000. Reed Hundt questioned why it was such a large increase. Bert Hunter stated that with the existing bonds that are outstanding against the \$18 million that has been sold, about \$800,000 is required to satisfy 100% payment failure against the A Bonds. He stated that the \$1 million reserve would provide a little cushion in case some of the reserve is utilized for workout situations. Reed Hundt questioned if they feel that there would be 100% failure and wanted to know how they were coming to the \$1 million. Bert Hunter stated that it’s just a worst case scenario. He stated that since four transactions in the first sell down utilized just under \$300,000 of the reserve that it’s too close to the threshold to cover additional

delayed payments. He stated that staff bumped the reserve up to an amount where there is no issue to bother the committee or the Board for approval for an increase, although utilization of the reserve would still be subject to approval by staff, the Deployment Committee or the Board depending upon the amount utilized. Reed Hundt disagreed. He stated that he wants it to be a reflection of risk. Bert Hunter stated that staff does a report when they utilize the reserve, and has previously reported utilization of the reserve to the Deployment Committee. Reed Hundt stated that on an as needed basis, staff should approach the Committee. Bert Hunter stated that it would need to be done on very short notice since in many cases it is not known until quite close to the bond payment date whether adequate funds have been received or not from the property owners and municipalities. Genevieve Sherman explained that tax collectors have a certain number of days in which to remit funds. In a case where the last day is utilized to remit the funds, she explained that the Green Bank could be in a situation where they're expecting funds, but waiting for that to occur. She stated that if the municipalities are a day late etc., the Green Bank would draw on the reserve. She stated that every six months there are additional projects that start to rebill, and occasionally there are delays associated with this process, delaying payment to the Green Bank. Bert Hunter explained that it's more of a failure to receive funds in a timely manner than 100% failure of the portfolio. He stated that the proposed reserve is approximately 5% of an \$18 million portfolio. He stated that the delays could be a cash flow or a timeliness issue.

Reed Hundt suggested that they should vote for the absolute minimum before the next Committee meeting. Pat Wrice asked for clarification. Bert Hunter stated that there are times when the property owner does not receive a bill and then payment is not made to the municipality, or property owners for one reason or another don't pay on time, or the municipality (for reasons noted by Ms. Sherman) is delayed in remitting funds to the Green Bank. He stated that this causes a delay in remitting the payment to the trustee and then to the holders of the A Bonds. Pat Wrice questioned if this has happened. Bert Hunter stated that yes, it has happened for a small amount (\$278,000 in total).

Bryan Garcia questioned if Bert Hunter could recommend a reduction to get to the next meeting. Bert Hunter stated that he will suggest a lower amount, but that \$300,000 is too low. He stated that it should be made somewhere in the vicinity of \$700,000 to be proportional to the amount originally approved in respect of the first \$8 million of bonds. He stated that staff doesn't expect to utilize it, but if a need for more than \$300,000 arose, staff would have to come to the Committee prior to use.

Reed Hundt suggested that they discuss monitoring ideas. He stated that they should discuss how to monitor and how to react. He stated that this should be done in the next meeting. Bert Hunter noted that there already is a process in place for monitoring payments, which is what the Loan Administrator does, and that staff would present at the next Deployment Committee meeting a review of this process. Bryan Garcia stated that he will take comments and suggestions from Bert Hunter. Bert Hunter suggested that for the present time a \$500,000 level be considered, but that staff would subsequently propose a higher level for approval by the Deployment Committee. Bryan Garcia proposed that they change the resolution from \$1 million to \$500,000 and add that the Deployment Committee recommends that the staff come

back with information on how they are currently monitoring and estimating utilization of the timeliness reserve, as well as, request additional funds if necessary.

Bert Hunter stated that if the Committee agrees to \$500,000 level that would work and they can approve a larger amount at the next meeting. Brian Farnen stated that this should be brought to the next Committee meeting for approval. Pat Wrice stated that they should look at steps and what triggered the concern at the next meeting.

A motion to approve the resolution was made by Pat Wrice and seconded by Bettina Ferguson. The Committee voted unanimously in favor of the resolution.

Resolution #8

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

WHEREAS, Green Bank established the \$40 million C-PACE Warehouse Facility in support of the C-PACE program to fund C-PACE transactions approved at the requisite authorization level by staff, the Deployment Committee or the Board of Directors (the "C-PACE Warehouse Facility");

WHEREAS, the Board of Directors directed staff to sell down such funded C-PACE transactions to private capital providers in order to continually replenish funding capacity for the C-PACE program on an ongoing basis;

WHEREAS, at its November 15, 2013 meeting, the Board of Directors authorized the sale of C-PACE assets from the C-PACE Warehouse Facility to a private capital provider through a competitive bid process, as well as the creation of an initial timeliness reserve to support this asset sale at a not-to-exceed level of \$300,000; and

WHEREAS, staff's request for an increase to the timeliness reserve is consistent with Green Bank's comprehensive plan and budget for FY 2015 with respect to anticipated budget investments for the C-PACE program and other program requirements.

NOW, therefore be it:

RESOLVED, that the Deployment Committee recommends to the Green Bank Board of Directors an increase, from \$300,000 to \$500,000, in the not-to-exceed amount of the timeliness reserve associated with the C-PACE asset sale previously authorized by the Board of Directors on November 15, 2013;and

RESOLVED, that the Deployment Committee directs staff of the Green Bank to bring back and present to the Deployment Committee at its next meeting a description of the current process and monitoring of the timeliness reserve for C-PACE.

5. Adjourn

A motion to adjourn the meeting was made by Pat Wrice and seconded by Bettina Ferguson at 10:17 a.m.

Respectfully submitted,

Reed Hundt, Chairperson

DRAFT

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541 Eastern Point Road: A C-PACE Project in Groton, CT

Address	541 Eastern Point Road, Groton, CT 06340	
Owner	Ice Cube Building, LLC	
Proposed Assessment ¹	\$337,225	
Term (<i>years</i>)	10	
Term Remaining (<i>months</i>)	Pending construction completion	
Annual Interest Rate	5.0%	
Annual C-PACE Assessment	\$43,264 ¹	
Savings-to-Investment Ratio (SIR)	1.64	
SIR Risk Rating	B (Medium Risk); 95% Confidence Interval Range 1.57 – 1.73	
Average Debt-Service Coverage Ratio	██████████	
Lien-to-Value	████	
Loan-to-Value	████	
Projected Energy Savings (mmBTU)		EE
	Over term of loan:	14,935
	Per year (avg):	1,494
Projected Cost Savings (incl. ZRECs and tax benefits)	Over term of loan:	\$708,105
	Per year (avg):	\$70,811
Objective Function	44.29 kBTU / ratepayer dollar at risk	
Location	Town of Groton, CT	
Type of Building	Commercial	
Year of Build	1993	
Building Size (<i>sf</i>)	26,500	
Year Acquired by Current Owner	2015	
Appraised Value ²	██████████	
Status of Mortgage Lender Consent	████████████████████	
Proposed Project Description	Updated boilers, RTUs, electric & gas lines	
Est. Date of Construction Completion	Pending closing	
Current Status	Awaiting deployment committee approval	
Energy Contractor	████████████████████	
Notes	██ ██ ██	

¹ Amount taken from the financial model, which is calculated using semi-annual compounding/repayment, as opposed to the SRS report, which calculates repayment monthly (and thus leading to a slightly different Annual C-PACE Assessment value)

2 Loten Drive: A C-PACE Project in Windsor Locks, CT

Address	2 Loten Drive, Windsor Locks, CT 06096	
Owner	Jin Hospitality, LLC	
Proposed Assessment	\$822,500	
Term (<i>years</i>)	20	
Term Remaining (<i>months</i>)	Pending construction completion	
Annual Interest Rate	6.0%	
Annual C-PACE Assessment	\$71,167	
Savings-to-Investment Ratio	1.06	
Average Debt-Service Coverage Ratio	█	
Lien-to-Value	█	
Loan-to-Value	█	
Projected Energy Savings (mmBTU)	Per year	RE
	Over term of loan	19,608
Estimated Cost Savings (incl. ZRECs and tax benefits)	Per year	980
	Over term of loan	\$1,502,207
Estimated Cost Savings (incl. ZRECs and tax benefits) Objective Function	23.84 kBTU / ratepayer dollar at risk	\$75,110
Location	City of Windsor Locks, Hartford	
Type of Building	Hotel	
Year of Build	1990 with renovations in 2009-10	
Building Size (<i>sf</i>)	48,210	
Year Acquired by Current Owner	2012	
Appraised Value	█	
Status of Mortgage Lender Consent	█	
Proposed Project Description	240 kW roof mount Solar PV	
Est. Date of Construction Completion	Pending closing	
Current Status	Awaiting Deployment Committee Approval	
Energy Contractor	█	
Notes	█	



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New Britain Heat and Power Project (New Britain)

Due Diligence Package

September 15, 2015



Document Purpose: This document contains background information and due diligence on the New Britain Heat and Power project and the stakeholders involved, including New Britain Heat and Power, LLC, parent company, Thunderbird, LLC, project developer, Blue Earth, project equity provider as well as O&M provider, US Grid Company, project equity provider as well as lead system integrator, Eversource utility company, and the host manufacturer Redacted. This information is provided to the Board of Directors and the Deployment Committee for the purposes of reviewing and approving recommendations made by the staff of the Connecticut Green Bank ("Green Bank").

In some cases, this package may contain among other things, trade secrets, and commercial or financial information given to the Green Bank in confidence and should be excluded under C.G.S. §1-210(b) and §16-245n(D) from any public discourse under the Connecticut Freedom of Information Act. If such information is included in this package, it will be noted as confidential.

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Project Qualification Memo

To: Deployment Committee

From: Bryan Garcia, President & CEO, Bert Hunter, EVP & CIO, Dale Hedman, Managing Director, Statutory & Infrastructure Programs and Rick Ross, Associate Director, Statutory & Infrastructure Programs

Date: September 15, 2015

Re: New Britain Heat and Power Project – Combined Heat & Power Project \$1.0 million, 15-year Subordinated Term Loan Facility

Summary

Background

The Connecticut Green Bank (“Green Bank”) has received a project proposal from Thunderbird, LLC, for a 2 MW combined heat and power plant “New Britain Heat and Power,” to be built on the property at Redacted, New Britain, under the statutorily mandated Combined Heat & Power Pilot Program, as defined in PA 11-80, Section 103. This program is a key component of the Green Banks comprehensive plan and budget for FY 2016.

Thunderbird, LLC, a limited liability company, is the project entity developing this Combined Heat & Power (“CHP”) project, phase one of a much larger microgrid project, to be built in the City of New Britain. The microgrid build-out will ultimately deliver more efficient, higher power quality and more reliability to the host manufacturer, as well as, provide an economic development engine through the creation of a microgrid in an urban industrial complex setting. The microgrid will use modern distributed generation technology to upgrade and replace existing, but idle, on-site generation and fully repower Connecticut’s only existing large scale microgrid on the 53 acre complex.

The Green Bank has maintained its commitment to the successful program development and execution of the 3-year Combined Heat & Power Program pursuant to Section 103 of Public Act 11-80. The Green Bank has budgeted \$2M/year for the program in FY 2014, 2015 and 2016 per the statute.

Introduction to Thunderbird, LLC

Thunderbird is a Connecticut based company created by its members for the purpose of creating a high value, technology based, adaptive re-use of the former division at the industrial complex in New Britain. Thunderbird members are a group of experienced professionals with years of related expertise in the adaptive reuse of industrial space, property management, complex data centers, environmental regulation

and remediation, multiple forms of power generation systems, electric utility operation, management, and financing; advanced large-scale data center design and construction; and extensive knowledge of the existing utilities and systems serving this site.

Introduction to Blue Earth

Blue Earth (BBLU) is an independent power producer that develops, designs, finances, builds and maintains technologies such as renewable energy and combined heat and power (CHP) for alternative energy projects. BBLU also provides integrated demand side services through energy efficiency solutions including energy management systems, energy audits and energy reduction through retrofits of commercial and industrial lighting, refrigeration and HVAC. Strategic acquisitions of energy management services and alternative/renewable energy technology companies have been and are expected to continue to be an integral part of their development.

Introduction to US Grid Company

US Grid Company specializes in transforming today's power delivery systems through paving the way to the utility of the future – a secure, reliable, resilient, efficient and low-carbon power system – in a way that customers can afford. They provide their customers with lower-risk and lower-cost transition to the future utility model, centered on distributed energy resources, customer choice and critical system assets, in a manner that protects the utilities' financial health so that they can serve the needs of all segments of society.

Project Structure

Strategic Plan

Is the project proposed, consistent with the Board approved Comprehensive Plan and Budget for the fiscal year?

The New Britain Heat and Power project has submitted a proposal under the statutorily mandated CHP pilot program, as defined in PA 11-80, Section 103, which is a key component of the Green Bank comprehensive plan and budget for FY 2015/2016. The project as proposed meets all of the criteria of the program and therefore is consistent with the Green Bank's Comprehensive Plan. Statutorily, the Green Bank is permitted to use its resources for expenditures (i.e. grants, loans, and PPA's) that promote investment in clean energy in accordance with the Green Bank's Comprehensive Plan – support for this project is in the form of a loan.

Ratepayer Payback

How much clean energy is being produced (i.e. kWh over the projects lifetime) from the project versus the dollars of ratepayer funds at risk?

The CHP system will produce approximately 237,000,000 kWh of electricity and 365,000 MMBtu of thermal energy over the 15-year term of the Green Bank financial loan agreement.

The project developer has requested a loan from the Green Bank in the amount of \$1,000,000 representing 18 percent of the overall project's capital expense.

The objective function for this project is 237 kWh per \$1 of ratepayer funds at risk for clean electricity produced and 365,000 Btu per \$1 of ratepayer funds at risk for clean thermal energy produced.

Terms and Conditions

What are the terms and conditions of ratepayer payback, if any?

The project developer has requested a loan from the Green Bank in the amount of \$1,000,000, at a 2% interest rate for 15 years. The outstanding principal and interest amount shall be payable monthly commencing on the first scheduled payment date of the loan. Debt service coverage for the proposed Green Bank loan ranges from Redacted of the project (see project debt service coverage pro forma later in this package).

See loan term sheet attached.

Capital Expended

How much of the ratepayer and other capital that the Green Bank manages is being expended on the project?

A loan not to exceed \$1,000,000.

Risk

What is the maximum risk exposure of ratepayer funds for the project?

The maximum ongoing exposure would be the principal and any accrued interest payments on the Loan from the date of disbursement to the anticipated repayment in 15 years.

Capital Flow Diagram
REDACTED

Target Market

Who are the end-users of the project?

New Britain Heat and Power, LLC is planning on selling the electricity to Redacted through a long term power purchase agreement (PPA). Phase II of the project includes the microgrid upgrade and build-out.

Green Bank Role, Financial Assistance & Selection/Award Process

Public Act 11-80, Section 103, statutorily mandated that the Green Bank develop and administer a 3-year CHP pilot program, on or before March 1, 2012, to be funded at \$2M/year.

The Green Bank per the statute has developed the CHP program and has now issued 3 rounds of request for proposals ("RFP") to attract projects offering the lowest cost to ratepayers considering deployment of the eligible resource/technology, probability of project completion and feasibility, and the best public and unique ratepayer benefits. The Green Bank opened up the third round of solicitations as a rolling RFP to help project developer's time their proposal submissions to be consistent with their project development and capital funding commitment timelines. This move has significantly paid off for the Green Bank allowing us to develop a pipeline of credible projects.

This CHP project proposal was reviewed by the project review team through the Green Bank's due-diligence review process, in accordance with the criteria as defined in the RFP and statute PA 11-80, Section 103.

Regulatory Framework

As noted above the New Britain Heat and Power project serves to implement the Public Act 11-80, section 103, requiring the Green Bank to establish a three-year pilot program to support projects through loans, grants or power purchase agreements sustainable practices and economic prosperity of Connecticut businesses by using high efficiency cogeneration to generate electricity and heat. As part of the pilot program, the authority may approve no more than 50 MW of projects, each of which shall have a maximum size of 5 MW at a cost of up to \$450 per kilowatt.

Project Partners

New Britain Heat and Power, LLC

Thunderbird, LLC

Blue Earth Inc.

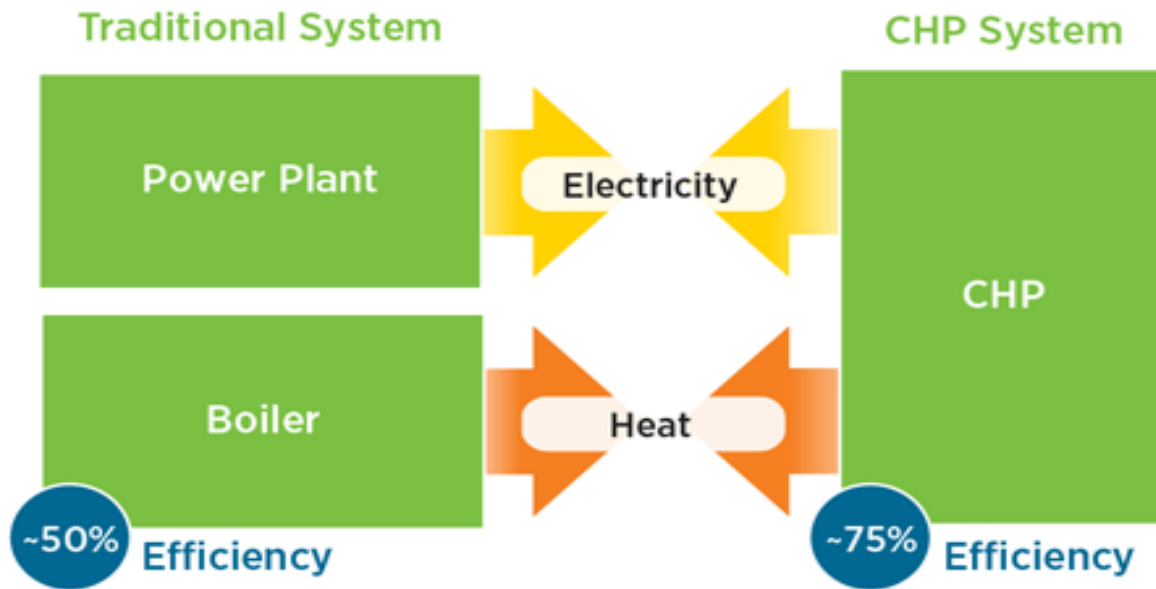
US Grid Company

Eversource

Redacted

Project Detail

Overview

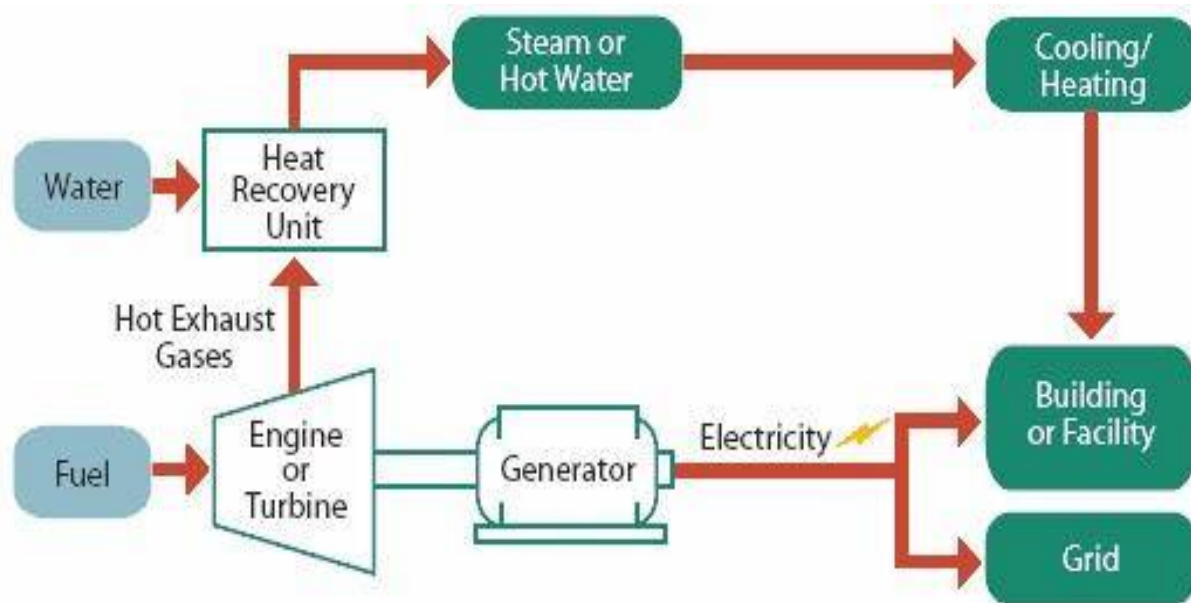


New Britain Heat and Power, LLC ("New Britain Heat and Power") and affiliates will design, build, and operate a combined cooling heat and power plant to meet almost all of the energy needs of a major manufacturing plant and complex, the operations of the Redacted Division that is currently operating on the site ("Redacted"). Redacted will enter into a long term (15 -year) Energy Services Agreement (ESA) or equivalent financial instrument with New Britain Heat and Power for the energy from the power plant. The project is anticipated to consist of a 2 MW natural gas CHP reciprocating engine. The power plant has been sized and designed to meet the power and reliability needs of the complex, as well as the thermal needs of Redacted. The heating and cooling load will be used in the manufacturing processes of the plant and provided through absorption chillers using as much of the existing heating and cooling loops, air handling units and other control equipment as meets the engineer's efficiency guidelines. Since the plant will use the waste heat from the CHP system for the new 400 ton absorption chiller, the plant will save approximately 1,000,000 kWh annually from avoided electricity usage by the existing electric chillers. The CHP plant will produce about 14,500,000 kWh of electricity and 23,000 MMBtu of heat annually.

This CHP project is phase I of the larger overall microgrid build-out plan. New Britain Heat and Power has teamed up with US Grid Company who will be responsible for ensuring that the integration of the CHP system is done such that it doesn't compromise the integrity, reliability or power quality of the microgrid system. Phase II of the project, which will be separately funded, will include upgrading the existing 100 year old microgrid feeding the industrial facility, with new modern more robust technology. The project in its simplest terms can be described as a repowering of an existing commercial "grid embedded microgrid" to provide a sustainable economic development incentive of lower cost, higher power quality, and cleaner

more efficient power for both the existing manufacturer as well as the redevelopment of the urban industrial complex. It is also expected to help attract new innovative base businesses and support mission critical support services for Connecticut's manufacturing, bioscience, entertainment, research, insurance, financial and IT and internet based industry. By upgrading an existing and time tested system, it is believed this microgrid will provide an economic development engine for repowering this significant urban industrial complex while creating new economy jobs.

The Technology



The proposed CHP project will provide a substantial majority of the electricity, heating and cooling requirements of the existing manufacturing operations of the Redacted Division that is currently operating on the site. Based on historical data, the existing load requirements for the Redacted manufacturing operations are 17,500,000 kWh per year of electricity and 22,300 MMBtu per year thermal.

The CHP project will consist of a 2 MW natural gas reciprocating engine with heat recovery from the exhaust and jacket water. This hot water will be used in the winter months for space heating and in the summer months as the input to a new 400 ton absorption chiller. They anticipate using the existing steam heating system for supplemental and back-up heating when needed. Because they will be installing a new absorption chiller that will use the heat produced by the genset to produce chilled water, the electric load of the facility will be reduced by an estimated 1,000,000 kWh per year to an expected load of 16,500,000 kWh per year.

The current estimates for the output from the 2 MW genset plant assume a 95% availability and a 90% utilization producing approximately 15,000,000 kWh per year. The terms of the ESA are anticipated to require the provision of nearly 100% of the heating and cooling requirements of the facility. As a result, the facility is planning on getting supplemental power to the facility from the grid of approximately 1,500,000 kWh per year utilizing the existing electric distribution assets and substation on the site.

The benefits of the new CHP system include:

- Provide lower cost energy to the large manufacturing facility
- Reduction in greenhouse gas emissions
- Support microgrid infrastructure
- Reduced reliance on the local utility transmission grid
- Facility to provide equivalent power for up to 2,000 homes

Risks and Mitigation Strategies

The major risks of this project are that the facility is unable to perform at a profitable level throughout the life of the Loan. Given such an occurrence, the Green Bank's mitigating strategy is to monitor the ongoing performance of the facility closely and to work proactively with the facility owners, should there be issues with repayment, in order to maximize the likelihood of a full recovery of the outstanding loan principal.

Resolutions

WHEREAS, in early 2013, Connecticut Green Bank ("Green Bank") released a rolling Request for Proposals (RFP) for combined heat and power projects to participate in a statutorily mandated CHP Pilot program pursuant to Section 103 of Public Act 11-80;

WHEREAS, the RFP is aimed at promoting the development of new combined heat and power projects in Connecticut that are below five megawatts in capacity size, to help promote economic prosperity of businesses by allowing them to use more efficient on-site generation to produce electricity and heat;

WHEREAS, New Britain Heat and Power, LLC submitted the CHP project proposal in response to develop, in the City of New Britain, a 2.0MW combined heat and power cogeneration project and, after a thorough review, was selected as a project that is consistent with the Green Bank's Comprehensive Plan and in the best interests of ratepayer;

NOW, therefore be it:

RESOLVED, that the Green Bank Deployment Committee approves and authorizes the Green Bank staff to execute definitive loan documentation materially based on the term sheet set forth in this due diligence package dated September 15, 2015 for financial support in the form of a \$1,000,000 loan financing; and

RESOLVED, that this Deployment Committee action is consistent with Section 103 of Public Act 11-80; and.

RESOLVED, that the proper Green Bank officers are authorized and empowered to do all other acts and execute and deliver all other documents as they shall deem necessary and desirable to effect these Resolutions.

Connecticut Green Bank – New Britain Heat and Power, LLC Facility
Summary of Terms and Conditions for Proposed
Term Loan Facility

This Non-Binding Term Sheet summarizes the primary terms and conditions for the Connecticut Green Bank ("Green Bank") to provide funding (the "Loan") for term financing of a Combined Heat & Power facility to be located in New Britain, CT (the "Project") and to be owned by New Britain Heat and Power, LLC (or "Borrower").

This summary of terms and conditions (the "Term Sheet") is intended as an outline of certain material terms of the proposed Credit Facilities being considered by the Green Bank. It does not include descriptions of all of the terms, conditions and other provisions that would be contained in the definitive documentation relating to the Credit Facilities. This Term Sheet is not a contract to extend financing nor an offer to enter into a contract for such financing nor a commitment to obligate Green Bank in any way with respect to any financing proposal summarized herein and the parties to the proposed transactions should not rely upon it as such. Notwithstanding the foregoing, unless all relevant definitive documentation for the transactions contemplated hereunder is executed on or before December 31, 2015 (the "Expiration Date"), this Term Sheet shall expire with an option to extend the Expiration Date at the sole discretion of the Green Bank.

This Term Sheet is delivered to you on the understanding that any of the terms of substance hereunder shall not be disclosed, directly or indirectly, to any other person except your investors, officers, agents and advisors who are directly involved in the consideration of this matter unless prior written consent has been given by the Green Bank. The transactions contemplated by this Summary of Terms and Conditions is subject to all necessary Green Bank approvals, including its board of directors.

Borrower: A Special Purpose Entity, New Britain Heat and Power, LLC will own and operate a 2 MWAC combined heat & power energy project located in New Britain, Connecticut (the "Project").

Guarantors: [TO BE IDENTIFIED] ("Guarantors") and any additional guarantors as required by the Green Bank.

Senior Lender(s) None

Sole Purpose: To provide permanent debt financing for the proposed 2 MWAC combined heat & power energy Project.

Lender: Green Bank and any participating lenders on or after the Closing of the Credit Facilities (collectively, the "Lenders").

Credit Facility: Not to exceed \$1,000,000 Secured Term Loan (the "Loan"). The Green Bank may reduce the principal amount of the Loan if the minimum proforma debt service coverage ratio ("DSCR") is not maintained based on projected Project economics agreed between Green Bank and Borrower as a condition to the Advances.

Maturity: Up to fifteen (15) years from the date of closing and fully amortizing level payments of principal and interest (mortgage-style basis).

Repayment and payment: The monthly accrued interest, and the outstanding principal amount of the Loan shall be payable monthly commencing one month following the permanent financial close.

Pre-payment Penalty: No Pre-payment Penalty.

Advance: A single payment in the full principal amount of the Loan will be made at Commercial Operation Date (COD).

Interest Rates and Fees: Two Percent (2%) per Annum.

Calculation of Interest and Fees: All calculations in respect of interest shall be made on the basis of actual number of days elapsed in a 360 day year.

Collateral:

The loan provided by the Green Bank will be secured at all times by a continuing first priority lien on and security interest (the "Security Interest") in all of the Borrower's right, title and interest in and to

- (i) any and all project agreements, including any agreements to sell electrical energy from the Project to power purchaser(s) and the purchasers of any alternative energy credits or environmental attributes available for sale including any proceeds from such agreements, agreements with equipment suppliers, EPC agreements, operation and maintenance agreements
- (ii) a pledge of 100% of Borrower's interest in all future cash flows from the Project
- (iii) all cash, money, currency, and liquid funds, wherever held, in which the Borrower now or hereafter acquires any right, title, or interest including, but not limited to a debt service reserve account for the benefit of the Lender and such other bank accounts of the Borrower or the Project;
- (iv) a perfected lien on substantially all existing and subsequently acquired assets and real properties, including, but not limited to, receivables, inventory, equipment, furniture, fixtures, improvements, material owned real property, material contracts, assignment of leases, general intangibles, and leasehold mortgages, as determined by the Lender;
- (v) a perfected lien on 100% of the capital stock of the Borrower and the Borrower's present and subsequently acquired domestic subsidiaries and affiliates; and,
- (vi) all Proceeds of each of the foregoing and all accessions to, and replacements for, each of the foregoing (the "Collateral").

The Borrower will not assign any accounts or other Collateral to any person other than the Green Bank or any participating lenders (together, the "Secured Parties"), nor create or permit to be created any lien, encumbrance or security interest of any kind on any Collateral other than for the benefit of the Secured Parties or either of them, nor grant or permit to be granted any corporate guaranty other than for the benefit of the Secured Parties, unless authorized by the Secured Parties in writing, except for the security interests contemplated herein in connection with granting of the loans evidenced by the Credit Agreement and the Note.

Voluntary Reductions:

Commitments under the Credit Facility may be reduced or terminated, in whole or in part, at the Borrower's option, upon five business days prior notice. Voluntary

reductions of commitments under the Credit Facility shall be in minimum amounts to be agreed upon.

The Borrower may prepay amounts outstanding under the Credit Facility in whole or in part (in minimum amounts to be agreed upon), with prior notice but without premium or penalty. Prepayments of the Credit Facility shall be applied pro rata against all remaining scheduled installments. Voluntary prepayments of the Loan may not be re-borrowed.

Mandatory Reductions: Subject to exceptions to be further negotiated, the following mandatory commitment reductions and/or prepayments shall be required:

100% of the net cash proceeds of any additional debt.

100% of the net proceeds of any equity issuance subsequent to permanent financing, subject to mutually agreeable carve-outs for Tax Equity Investments and Company Equity Investments.

100% of the proceeds of asset sales outside the ordinary course of business, to the extent such proceeds have not been reinvested in the business within 180 days.

100% of the proceeds from any casualty loss of any of the collateral to the extent such proceeds have not been reinvested in the business within 180 days.

Mandatory prepayments will be first applied to reduce the Loan in the inverse order of maturity.

All prepayments (including voluntary prepayments) shall be accompanied by payment of accrued interest on the amount prepaid to the date of prepayment.

Representations and Warranties:

Organization and qualification; capitalization and ownership; use of proceeds; subsidiaries and affiliates; solvency; power and authority; validity, binding effect and enforceability; no conflict; absence of material litigation; accuracy of financial statements; margin stock; full disclosure; payment of taxes; consents and approvals;

no Event of Default; compliance with instruments; patents, trademarks, copyrights, and licenses; insurance; indebtedness; security interest and mortgage liens; compliance with laws; material contracts; environmental matters; senior debt status; and other Representations and Warranties considered appropriate by the Lender.

Conditions Precedent to Lending: Usual and customary for transactions of this nature, including, but not limited to, the following:

The negotiation, execution and delivery of definitive loan and security documentation for the Credit Facilities (the "Loan Documents") satisfactory to the Lender, in the Collateral for the Credit Facilities and all Connecticut state contracting provisions required by statute.

Execution of the project documents;

Evidence of equity funding commitments by Equity Investor (Tax Equity Investor if applicable) and all conditions precedent required in respect of any advances from the Equity Investor (other than any conditions precedent related to advances of the Loan) shall have been satisfied;

Evidence of compliance with tax credit requirements for safe harbor status;

Delivery of satisfactory opinion(s) of counsel to the Company and the Guarantors.

Closing certificate as to accuracy of Representations and Warranties, compliance with covenants, and absence of an Event of Default or potential Event of Default.

Certified resolutions, incumbency certificate, and corporate documents.

All regulatory approvals and licenses, absence of any legal or regulatory prohibitions or restrictions.

No material litigation. Specifically, there are no actions, suits, proceedings, claims or disputes pending or, to the knowledge of the Borrower after due and diligent investigation, threatened or contemplated, at law, in equity, in arbitration or before any Governmental Authority, by or against the Borrower or against any of its properties or revenues that (a) relate to this Agreement or any other Loan Document, or any of the transactions contemplated hereby, and (b) either individually or in the aggregate, if determined adversely, could reasonably be expected to have a Material Adverse Effect.

Receipt of a projection model in form and substance satisfactory to the Lender.

) Completion of Lender's final due diligence.

Evidence of required insurance.

Payment of all fees and expenses of the Lender which are subject to reimbursement, including but not limited to all filing and legal fees.

No material adverse change in or affecting the business, operations, property, condition (financial or otherwise) or prospects of the Company or the Guarantors.

Other Conditions Precedent to Lending as appropriate.

Affirmative Covenants: Usual and customary for financing transactions of this nature and for this transaction in particular, including, but not limited to:

Maintenance of books, records and inspections.

Maintenance of insurance.

Payment of taxes.

Preservation of existence, rights and authority.

Maintenance of properties and equipment.

Compliance with statutes, including environmental laws.

Compliance with all obligations under the project documents;

Any material subsidiary created or acquired subsequent to the closing of the Credit Facilities will be added as a guarantor and appropriate stock pledges and other security interests will be obtained.

Use of proceeds.

Other Affirmative and Negative Covenants as appropriate.

Reporting
Requirements:

The Borrower will provide:

Within 45 days after each fiscal quarter a consolidated balance sheet and consolidated statements of income, retained earnings, and cash flow, together with a Certificate of Compliance from the Chief Financial Officer of the Borrower.

Within 120 days after each fiscal year end consolidated audited balance sheet and consolidated reviewed statements of income, retained earnings, and cash flow, together with (i) a report of an independent certified public accountant reasonably satisfactory to the Agents, (ii) any management letters of such accountants addressed to the Borrower, and (iii) a Certificate of Compliance from the Chief Financial Officer of the Borrower.

The annual budget for the upcoming year within 30 days after each fiscal year end.

Notice of default.

Other information as reasonably requested.

Other Reporting Requirements as appropriate.

Negative Covenants: Usual and customary for transactions of this nature, including, but not limited to, the following: dividends, change of control, asset divestitures, investments, liens, leases, transactions with affiliates, prepayment of other indebtedness, restriction on mergers and acquisitions, and additional indebtedness.

Other Negative Covenants as appropriate.

Financial Covenants: Financial covenants, including, but not limited to, the following:

(to be negotiated)

Events of Default: Customary for facilities of this nature, including but not limited to:

Payment default;

Cross-defaults to other indebtedness and other material obligations;

Failure to perform any covenant or agreement;

Breach of representations and warranties;

Loss of custody or control of property;

Discontinuance of business;
Insolvency or bankruptcy;
Material adverse change;
Judgment defaults; and
Change in control.

Assignments and Participations: (to be negotiated)

Governing Law: Connecticut

Lender's Counsel: TBD

Miscellaneous / Proposal not an Offer to Lend Funds, Approvals, Etc.: This Term Sheet does not include all of the terms that would be included in definitive documentation. The terms and conditions of the Credit Facility will be further developed and expanded during the due diligence, negotiation, approval and documentation process. The transactions contemplated by this summary of terms are expressly contingent upon and subject to, among other things, (i) satisfactory completion of Green Bank's due diligence, (ii) the negotiation, execution and delivery of the Loan Documents satisfactory to Green Bank, (iii) all representations and warranties of the Borrower and, as may apply, Borrower's subsidiaries, affiliates and representatives in connection with the proposed Credit Facility being complete and correct in all material respects and not containing any untrue statement of any material facts or omitting any material facts, (iv) the satisfaction of the conditions precedent to be contained in the Loan Documents and (v) approval of the Credit Facility by Green Bank's Board of Directors. Green Bank reserves the right to cease all discussions and negotiations at any time prior to entering into the Loan Documents without any liability whatsoever to the parties to the proposed transactions.

Enabling Statute and State Contracting Green Bank is subject to the requirements outlined in Sections 16-245n of the Connecticut General Statutes and Borrower will be responsible for complying with

Provisions: applicable state contracting requirements.

Expenses: The Borrower shall pay (a) all reasonable out-of-pocket expenses of the Lender associated with the Credit Facilities, including the preparation, execution, delivery and administration of the credit documentation and any amendment or waiver with respect thereto (including the reasonable fees, disbursements and other charges of counsel) and (b) all out of pocket expenses of the Lender(s) (including the fees, disbursements and other charges of counsel) in connection with the enforcement of the credit documentation.

Debt Service Pro Forma

An overview debt service pro forma is shown below. Full project pro forma is available as separate attachment.

REDACTED

Thunderbird, LLC

Background

Thunderbird, LLC, is a Connecticut entity that was established for the purpose of creating a high value, technology based, adaptive re-use of the former industrial complex in New Britain. Thunderbird members are a group of experienced professionals with years of related expertise in the adaptive reuse of industrial space, property management, complex data centers, environmental regulation and remediation, multiple forms of power generation systems, electric utility operation, management, and financing; advanced large-scale data center design and construction; and extensive knowledge of the existing utilities and systems serving this site.

Strategic Interest in the Project

Thunderbird, LLC believes that by providing a sustainable economic development incentive of lower cost, higher power quality, and cleaner more efficient power, will attract new innovative base businesses and support mission critical support services for Connecticut's manufacturing, bioscience, entertainment, research, insurance, financial and IT and internet based industry. This CHP system will add generation capacity and resiliency that will be needed to support the larger project of upgrading the existing microgrid system (phase II).

Blue Earth

Background

Blue Earth (BBLU) is an independent power producer that develops, designs, finances, builds and maintains technologies such as renewable energy and combined heat and power (CHP) for alternative energy projects. BBLU also provides integrated demand side services through energy efficiency solutions including energy management systems, energy audits and energy reduction through retrofits of commercial and industrial lighting, refrigeration and HVAC. Strategic acquisitions of energy management services and alternative/renewable energy technology companies have been and are expected to continue to be an integral part of their development.

Financial Strength

Blue Earth

Strategic Interest in the Project

Blue Earth builds and operates combined heat and power plants for larger manufacturing and processing facilities.

US Grid Company

Background

US Grid Company specializes in transforming today's power delivery systems through paving the way to the utility of the future – a secure, reliable, resilient, efficient and low-carbon power system – in a way that customers can afford. They provide their customers with lower-risk and lower-cost transition to the future utility model, centered on distributed energy resources, customer choice and critical system assets, in a manner that protects the utilities' financial health so that they can serve the needs of all segments of society.

Financial Strength

US Grid Company, a power distribution business, is currently in talks with financial institutions to raise \$1 billion for its power distribution projects, including microgrids.

Strategic Interest in the Project

US Grid Company understands the need for an energy future with an intelligent, distributed infrastructure that provides reliable power and consumer choice. They believe that the way to deliver this vision is through the creation of microgrids. They are working towards accelerating the development and deployment of microgrids throughout North America. Their microgrid innovation team is designing cost-effective, more efficient and highly reliable distributed energy systems for customers with critical needs. US Grid Company will also Redacted.

Eversource Energy

Background

Eversource Energy (formerly known as Northeast Utilities) is a publicly traded, Fortune 500, energy company headquartered in Hartford, Connecticut and Boston, Massachusetts, with several regulated subsidiaries offering retail electricity and natural gas service to more than 3.6 million customers in Connecticut, Massachusetts, and New Hampshire.

Following its 2012 merger with Boston-based NSTAR, NU has more than 4,270 circuit miles of electric transmission lines, 72,000 pole miles of distribution lines, and 6,459 miles of natural gas pipeline in New England.

On February 2, 2015, Northeast Utilities and all its subsidiaries rebranded themselves as "Eversource Energy".

Strategic Interest in the Project

Eversource Energy will be the local utility servicing the customer's facility. They will provide the distribution infrastructure that will eventually support the microgrid that will provide the economic development engine for repowering this significant urban industrial complex.

Financial Strength

NORTHEAST UTILITIES AND SUBSIDIARIES CONSOLIDATED BALANCE SHEETS

(Thousands of Dollars)	As of December 31,	
	2014	2013
ASSETS		
Current Assets:		
Cash and Cash Equivalents	\$ 38,703	\$ 43,364
Receivables, Net	856,346	765,391
Unbilled Revenues	211,758	224,982
Taxes Receivable	337,307	16,629
Fuel, Materials and Supplies	349,664	303,233
Regulatory Assets	672,493	535,791
Prepayments and Other Current Assets	226,194	197,659
Total Current Assets	2,692,465	2,087,049
Property, Plant and Equipment, Net	18,647,041	17,576,186
Deferred Debits and Other Assets:		
Regulatory Assets	4,054,086	3,758,694
Goodwill	3,519,401	3,519,401
Marketable Securities	515,025	488,515
Other Long-Term Assets	349,957	365,692
Total Deferred Debits and Other Assets	8,438,469	8,132,302
Total Assets	\$ 29,777,975	\$ 27,795,537
LIABILITIES AND CAPITALIZATION		
Current Liabilities:		
Notes Payable	\$ 956,825	\$ 1,093,000
Long-Term Debt - Current Portion	245,583	533,346
Accounts Payable	868,231	742,251
Regulatory Liabilities	235,022	204,278
Other Current Liabilities	828,720	702,776
Total Current Liabilities	3,134,381	3,275,651
Deferred Credits and Other Liabilities:		
Accumulated Deferred Income Taxes	4,467,473	4,029,026
Regulatory Liabilities	515,144	502,984
Derivative Liabilities	409,632	624,050
Accrued Pension, SERP and PBOP	1,638,558	896,844
Other Long-Term Liabilities	874,387	923,053
Total Deferred Credits and Other Liabilities	7,905,194	6,975,957
Capitalization:		
Long-Term Debt	8,606,017	7,776,833
Noncontrolling Interest - Preferred Stock of Subsidiaries	155,568	155,568
Equity:		
Common Shareholders' Equity:		
Common Shares	1,666,796	1,665,351
Capital Surplus, Paid In	6,235,834	6,192,765
Retained Earnings	2,448,661	2,125,980
Accumulated Other Comprehensive Loss	(74,009)	(46,031)
Treasury Stock	(300,467)	(326,537)
Common Shareholders' Equity	9,976,815	9,611,528
Total Capitalization	18,738,400	17,543,929
Commitments and Contingencies (Note 11)		
Total Liabilities and Capitalization	\$ 29,777,975	\$ 27,795,537

The accompanying notes are an integral part of these consolidated financial statements.

Attachment 1 – Project Pro Forma
REDACTED



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Memo

To: Connecticut Green Bank Deployment Committee

From: Ben Healey, Assistant Director, Clean Energy Finance; Chris Magalhaes, Manager, Clean Energy Finance

CC: Bryan Garcia, President and CEO; Bert Hunter, EVP and CIO; Brian Farnen, General Counsel and CLO; Kerry O'Neill, Director of Residential Programs; Kim Stevenson, Associate Director for Multifamily Programs

Date: September 15, 2015

Re: LIME Loan Modification Report

BACKGROUND

At its April 25, 2014 meeting, the Connecticut Green Bank ("Green Bank") Board of Directors approved the initial capitalization of the Multifamily Permanent Energy Loan Program ("MPEL") for the purposes of helping multifamily properties in the state of Connecticut move forward with energy upgrades by bridging a market gap between electric and gas utility incentives and the costs of recommended upgrades. The MPEL program was conceived of by the Connecticut Housing Investment Fund ("CHIF"), a private, nonprofit organization established to finance affordable housing and neighborhood revitalization projects throughout Connecticut, and it envisioned the MPEL program as a tool to make energy upgrades affordable via low-cost, long-term financing.

When we jointly created the program, the Green Bank tasked CHIF, as the MPEL administrator, with originating, underwriting, and servicing unsecured energy upgrade loans for affordable multifamily properties. The loans are governed by safeguards to ensure adequate savings, debt service coverage, and the acquisition of targeted customers (housing properties serving low and moderate income households), and as a financing plug intended to fill the market gap between utility incentives and project costs.

In a Memo to the Green Bank Board of Directors titled "Capitalizing CHIF Multifamily Permanent Energy Loan Program - \$1,000,000", and dated April 17, 2014, a direct link was drawn between loan terms and the effectiveness of those loans given market conditions:

"...However, to the extent that a longer amortization will help improve the cash flow profile of a given project, staff requests that CEFIA capital be available under the MPEL for terms of up to 12 years in length, with a 50 basis point increase in the interest rate over that offered to a 9-10 year borrower." (p.2)

MARKET OVERVIEW

Since approval of the MPEL, Green Bank staff has come to understand this market even better, and financing partners including CHIF have identified a disconnect between Estimated Useful Life's ("EULs") of recommended energy upgrades (which can be upwards of 15 and 20 years) and the tenors of loans available in programs such as the MPEL. As more potential borrowers look to pursue projects with longer EULs, such as solar PV installations, longer amortizations are needed to help improve cash flow profiles. By allowing MPEL loans the flexibility to have longer tenors, the program is staying true to its original intent in its ability to make energy upgrades for multifamily homeowners affordable via low-cost, long-term financing.

To clarify the need for longer amortization periods, the Green Bank and CHIF are currently working with a potential project sponsor that would act in an origination capacity with CHIF, the MSL Group, Inc. Of the 29 potential projects in the sponsor's pipeline that could be candidates for a program loan, 21 have a solar PV system as one of the intended energy upgrades, with total project values ranging to over \$300,000, and longer tenors of up to 20 years will be critical in ensuring a cash flow positive outcome for the various affordable multifamily properties likely to receive financing.

GREEN BANK STAFF APPROACH

Extending loan terms out to meet the increasing EULs of energy upgrades provide the flexibility needed to improve the cash flow profiles of certain projects, and therefore the ability to serve the affordable multifamily housing market in the state of Connecticut. To be clear, the suggestion of increasing the interest rates associated with loan tenors above 9-10 years, as referenced in the original program memo, will be an option but not a requirement, in order to provide the greatest flexibility in project origination.

Thus, together with CHIF, the Green Bank will be allowing tenors out to 15 – 20 years, to match the EUL of recommended energy upgrades, and decisions regarding interest rate will not be automatically linked to loan tenor, but rather considered independently on a project by project basis. And despite potential changes to loan terms, all appropriate safeguards relating to project savings, debt service coverage, and addressing target markets shall remain in place.