



Board of Directors of the
Connecticut Green Bank
Meeting Minutes

Friday, October 26, 2018
9:00 - 11:00 a.m.

A regular meeting of the Board of Directors of the **Connecticut Green Bank (the “Green Bank”)** was held on October 26, 2018 at the office of the Connecticut Green Bank, 845 Brook Street, Rocky Hill, CT, in the Colonel Albert Pope Board Room.

Board members participating: Bettina Bronisz, Eric Brown (by phone), Betsy Crum (by phone), John Harranty, Rob Klee and Gina McCarthy (by phone).

Board Members Absent: Thomas Flynn, Kevin Walsh, Matt Ranelli and Catherine Smith

Staff Attending: Bryan Garcia, Cheryl Samuels, Mackey Dykes (by phone), Brian Farnen, Dale Hedman, George Bellas, Kim Stevenson, John D’Agostino, Fiona Stewart, Anthony Clark, Alex Kovtunencko, Alysse Buzzelli, Craig Connolly, Eric Shrago, Nick Zuba, Barbara Waters, Mike Yu (by phone), Mackey Dykes (by phone) and Bert Hunter.

Others (from IPC): Ben Healey (by phone) and Chris Magalhaes

1. Call to order

Rob Klee call the meeting to order at 9:07 am

2. Public Comments

None

3. Consent Agenda

Commissioner Klee called for any public comments. No public comments.
Klee discusses the Consent Agenda and that Bryan Garcia walks through details.

Mr. Garcia mentioned the Tax Revenue Generation Methodology- approval of the methodology to estimate sales, individual and corporate income tax generation from clean energy investment. Eric Shrago worked with the department of revenues team and Navigant to develop the estimated sales for personal incorporate tax revenue generation for clean energy production.

Mr. Garcia refreshed the board's memory on the Loan Loss Reserve decision framework – Q1 Report Back in June it was approved, we didn't have any losses this quarter.

Mr. Garcia highlighted the FY 2019 Progress to targets memos on the consent agenda and mentioned that for the first quarter, the organization is ahead of its targets.

Mr. Hunter gave a quick update on the Bridgeport Thermal Loop Project.

Bryan Garcia pointed out that the Green Bank Impact report FY 2012 through FY 2018 was included in the consent agenda.

Finally, he reminded the Board about the Nissan Leaf Special offer, telling them, "If you are in the market for a new car, we are continuing our partnership with Nissan offering a \$5,000 rebate off vehicles."

With a motion by Commissioner Klee and a second by John Harrity, the Board approved the following resolutions to approve the consent agenda:

Resolution #1

Motion to approve the meeting minutes of the Board of Directors for August 21, 2018 and September 18, 2018.

Resolution #2

WHEREAS, in July of 2011, the Connecticut General Assembly passed Public Act 11-80 (the Act), "AN ACT CONCERNING THE ESTABLISHMENT OF THE DEPARTMENT OF ENERGY AND ENVIRONMENTAL PROTECTION AND PLANNING FOR CONNECTICUT'S ENERGY FUTURE," which created the Connecticut Green Bank (the "Green Bank") to develop programs to finance and otherwise support clean energy investment per the definition of clean energy in Connecticut General Statutes Section 16-245n(a);

WHEREAS, the Act directs the Green Bank to develop a comprehensive plan to foster the growth, development and commercialization of clean energy sources, related enterprises and stimulate demand clean energy and deployment of clean energy sources that serve end use customers in this state;

WHEREAS, on July 22, 2016, the Board of Directors of the Connecticut Green Bank approved a Comprehensive Plan for FY 2017 and FY 2018, including an annual budget and targets for FY 2018, which were revised on December 15, 2017 per a Sustainability Plan as a result of the legislative sweeps; and

WHEREAS, on July 27, 2018, the Board of Directors of the Connecticut Green Bank approved of the draft Program Performance towards Targets for FY 2018 memos for the Infrastructure, Residential, Commercial, Industrial, and Institutional sectors.

NOW, therefore be it:

RESOLVED, that Board has reviewed and approved the restated red-line Program Performance towards Targets for FY 2018 memos dated October 26, 2018, which provide an overview of the performance of the Infrastructure, Residential, Commercial, Industrial, and Institutional sectors with respect to their FY 2018 targets.

RESOLVED, that Board has also reviewed and approved the Investment and Public Benefit Performance memo dated October 26, 2018.

Resolution #3

Motion to approve the Regular Meeting Schedules for 2019 for the Board of Directors, ACG Committee, B&O Committee, and Deployment Committee.

This resolution was unanimously approved.

Resolution #4

WHEREAS, the Connecticut Green Bank and the Connecticut Department of Revenues Services working with Navigant Consulting to assess tax revenue generation from investments in clean energy deployment;

WHEREAS, DRS has demonstrated support for the tax revenue generation methodology as a reasonable estimation; and

WHEREAS, the Audit, Compliance, and Governance Committee at a meeting on October 10, 2018, reviewed and now recommends that the Board of Directors (the "Board") approve the proposed Connecticut Green Bank and DRS Evaluation Framework – Societal Perspective – Tax Revenue Generation Methodology documentation;

NOW, therefore be it:

RESOLVED, that the Board approves the proposed Connecticut Green Bank and DRS Evaluation Framework – Societal Perspective – Tax Revenue Generation Methodology documentation to be used for reporting, communication, and other purposes as deemed necessary.

Klee: moves to consent agenda, John Harrity seconded – none opposed, none abstained, approved.

Klee turns over to Brian Farnen to explain "late breaking news". Mr. Farnen explained that there was a determination in the lawsuit filed against the state from various clean energy advocates and contractors as it relates to the energy sweeps that occurred last legislative session—

The plaintiffs motion for summary judgement to recoup the energy funds lost under the sweeps from last year was denied. Mr. Farnen was impressed with the plaintiffs and their legal counsel on their novel legal approach in the arguments that they set forth. The judge bought into much of the analysis of the plaintiffs but did not buy into the ultimate outcome. This outcome is in "the eye of the beholder" – it could potentially embolden those who approved sweeps and on the other hand, for those who did not approve act now have a path to potentially revise the applicable statutes to protect the funds from future sweeps. Plaintiffs have not yet decided whether or not to appeal. Klee requests to have an easily digestible overview of the outcome which Mr. Farnen offered to provide by close of business.

4. Cash Flow Update of the Connecticut Green Bank

George Bellas gave the Board an update on cash projections. He highlighted:

- Cash flow model presented to Board in May has been updated with actual data through September.
- Total unrestricted cash balance as of September 30th was \$15.4 million. Current cash balance is \$15.0 million.
- \$6 million of the available \$16 million short term LOC secured by SHREC revenues has been drawn down as of September 30th. Included in cash flow.
- Cash flow projections reflect the planned securitization of SHREC revenues in November. Portion of proceeds will be used to repay the short term LOC and purchase the Hannon CPACE portfolio.
- The Board requested that an actual to variance be included in future reports

Bert Hunter mentioned that the Green Bank has issued an RFP for a new line of credit and expect to close on it after the SHREC securitization. Bettina Bronisz agreed this was a good idea.

5. Committee Recommendations and Updates

- A. Audit, Compliance, and Governance Committee
 - i. Comprehensive Annual Financial Report

George Bellas, on behalf of the Audit Compliance and Governance Committee presented their recommendation of the FY2018CAFR and the audited financials by Blum Shapiro. He first thanked his team and Eric's team for their hard work. George then highlighted:

- Unmodified "clean" audit opinion will be issued.
- Report on internal control and compliance at the Financial Statement level will be issued to the Board.
- No material weaknesses or significant deficiencies in internal controls were identified.
- No instances of noncompliance with internal controls over financial reporting were identified.
- A report will be issued to the Board with required Auditor Communications
- No transactions were entered into during the year for which there is a lack of authoritative guidance or consensus.
- All significant transactions have been recognized in the financial statements in the proper period.
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- Blum Shapiro informed the ACG Committee that they did not encounter significant difficulties in dealing with management in performing and completing the audit.
- Blum Shapiro did not inform the ACG of any other audit findings or issues that required their attention. As they do every year, they offered their contact information directly to the board in the case that any member of the board have questions. Audit team contact information:
 - Ronald W. Nossek, CPA Engagement Partner 401-330-2743
rnossek@blumshapiro.com
 - Jessica Aniskoff, CPA Engagement Manager 860-570-6451
janisoff@blumshapiro.com

George also discussed the new liability on the financials of \$25 in retirement healthcare (OPEB) expenses allocated to the Green Bank. He said that he and Bert had been working with lenders so that they could better explain it. In response to John Harrity, George said that this CAFR does not include Inclusive Prosperity Capital (IPC) and the spin out as that occurred this fiscal year. He also responded to a question from Bettina with regard to IPC needing to do a CAFR stating that they do not as they are not a governmental entity. Bettina mentioned that this is the best CAFR she has ever seen.

With a motion by Klee, seconded by Bettina, the Board unanimously approved the following resolution:

Resolution #5

WHEREAS, Article V, Section 5.3.1(ii) of the Connecticut Green Bank (“Green Bank”) Operating Procedures requires the Audit, Compliance, and the Governance Committee (the “Committee”) to meet with the auditors to review the annual audit and formulation of an appropriate report and recommendations to the Board of Directors of the Green Bank (the “Board”) with respect to the approval of the audit report;

WHEREAS, the Committee met on October 10, 2018 and recommends to the Board the approval of the proposed draft Comprehensive Annual Financial Report (CAFR) and draft Federal Single Audit Report contingent upon no further adjustments to the financial statements or additional required disclosures which would materially change the financial position of the Green Bank as presented.

NOW, therefore be it:

RESOLVED, that the Board approves of the proposed draft Comprehensive Annual Financial Report (CAFR) and draft Federal Single Audit Report contingent upon no further adjustments to the financial statements or additional required disclosures which would materially change the financial position of the Green Bank as presented.

II. Auditors of Public Account (APA) – Severance Issues

Bryan Garcia discussed the findings of the APA in their latest audit. The Auditors of Public Account (“APA”) suggest that the Green Bank have all Severance Agreements reviewed and approved by the full Board of Directors. Bryan explained that central to the issue is that the Green Bank eliminated three positions in the audit period while providing maximum severance equal to 26 weeks totaling about \$150,000. He noted that these employees served the State of Connecticut for more than 35 years. Their separation was part of an effort to restructure an entire department to focus it on the new direction of the organization. He noted that the Bylaws allow the Budget & Operations Committee to manage and oversee the policies related to the separation and severance of employees, including the “just and fair treatment of all employees”. The APA expressed an opinion that the severance payments may not have been a prudent use of resources. Mr. Garcia noted that as a result of the severance and the restructuring of the Green Bank, that the organization was actually reducing costs. APA’s Recommendation was to revise the Bylaws to require separation agreements to be approved by the Board of Directors based on the recommendation of the B&O Committee.

Upon consultation with Mr. Farnen, and after hearing opinions from Bettina, Gina, and Betsy, Mr. Klee expressed the sentiment of the Board that going forward if there are severances involving more than one person or one package with more than \$125K, then they should be

brought through the Budget and Operations committee for a review and recommendation with final approval and authorization by the Board of Directors.

III. Governance Transitions

Bryan Garcia reminded the Board that there are potential transitions due to gubernatorial changes. The Board meeting for January is being moved to February for next year to give time to set up new positions.

Brian Farnen stated that the staff might reach out to Commissioner Klee to discuss Designees that are currently on staff so there is coverage during this transition period. Garcia also mentioned that Reed Hundt's vacancy still needs to be filled.

6. Investment Business Recommendations

a. Cargill Falls Hydro Project – From MacArthur Foundation to C-PACE

Kim Stevenson reminded the Board of the details of Cargill Falls Hydro Project. Ben Healey explained the opportunity to utilize C-PACE financing for the project while preserving limited MacArthur Foundation multifamily energy efficiency PRI funds for other uses.

Upon a motion from Klee and a second from Bettina, the Board unanimously approved the following resolution:

Resolution #6

WHEREAS, the Board of Directors ("Board") of the Connecticut Green Bank ("Green Bank") previously approved a C-PACE benefit assessment with a not-to-exceed amount of \$4,700,000 to Historic Cargill Falls Mill, LLC ("HCFM"), the property owner of 58 Pomfret Street, Putnam, CT to finance the construction of specified clean energy measures (the "Project") in line with the State's Comprehensive Energy Strategy and the Green Bank's Strategic Plan;

WHEREAS, the Project is part of a larger property redevelopment effort (the "Mill Redevelopment") that requires gap financing in the amount of \$1,500,000 to achieve closing on approximately \$30,000,000 in total funds;

WHEREAS, the Mill Redevelopment includes numerous energy conservation measures that align with the goals and priorities of the Green Bank's multifamily housing program;

WHEREAS, the Green Bank continues to find that the Project will enjoy a savings-to-investment ratio greater than 1.0x, as required by statute; and

WHEREAS, the Green Bank now seeks to amend its outstanding C-PACE financing agreement ("Financing Agreement") with HCFM to provide up to \$1,500,000 in new money for the Mill Redevelopment effort, inclusive of finalizing the existing Project work.

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 an amended Financing Agreement in a total amount not to exceed the sum of (i) the existing C-PACE benefit assessment, plus any and all interest accrued, plus (ii) \$1,500,000, with terms and conditions consistent with the memorandum submitted to the Board dated October 19, 2018, and as he or she shall deem to be in the interests of the Green Bank and the ratepayers no later than 180 days from October 26, 2018; and

RESOLVED, that the proper 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.

b. Canton Hydro Project

Bert Hunter asked Ben Healey to present. Ben gave the overview of the proposed Canton Hydro Project where the Green Bank is being asked to support a 1 MW Run of river hydro, employing Kaplan turbine with an expected average annual production of 4.3 GWh, with the developer sourced by the Town of Canton through a competitive bid process. This includes the construction of a fishway passage and low level fish guidance barrier. The project is expected to cost \$6.5 million.

After a motion by John Harrity and a second from Bettina Bronisz, the Green Bank Board of Directors approved the following resolution, with Commissioner Klee abstaining due to DEEP's involvement in the project as both regulator and customer:

Resolution #7

WHEREAS, in accordance with (1) the statutory mandate of the Connecticut Green Bank ("Green Bank") to foster the growth, development, and deployment of clean energy sources that serve end-use customers in the State of Connecticut, (2) the State's Comprehensive Energy Strategy and (3) Green Bank's Comprehensive Plan for Fiscal Years 2015 and 2016 (the "Comprehensive Plan"), Green Bank continuously aims to develop financing tools to further drive private capital investment into clean energy projects;

WHEREAS, Canton Hydro, LLC ("Developers") was awarded exclusivity by the Town of Canton to redevelop a 1 MW hydroelectric facility located at the Upper Collinsville Dam ("Dam"), on the Farmington River, in Canton, Connecticut (the "Project") and has requested financing support from the Green Bank;

WHEREAS, Green Bank staff recommends that the Green Bank Board of Directors ("Board") approve subordinate debt financing in an amount to exceed \$1,200,000 along with an unfunded guaranty, in an amount not to exceed \$500,000 to support the Project.

NOW, therefore be it:

RESOLVED, that the Green Bank Board of Directors hereby authorize staff to execute definitive documentation materially based on the term sheet and the terms and conditions set forth in this due diligence package dated October 26, 2018 for financial support in the form of a subordinate debt financing in an amount not to exceed \$1,200,000 and a guaranty in an amount not to exceed \$500,000;

RESOLVED, that the proper 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. Green Solar PPA with IPC

Bert Hunter and Ben Healey of IPC discussed the continued offering of a PPA product by the Green Bank. They explained that this is a modification and extension of the previously approved investment in a new PPA fund that will operate in conjunction with the extended

arrangement with Onyx. This investment will be between \$5 and 15 million and will serve underserved markets in the state (and will ultimately be part of IPC's greater solar PPA fund). It is in line with the sustainability plan.

After a motion by Klee and a second from John Harrity, the Board unanimously approved the following resolution:

Resolution #8

WHEREAS, the Connecticut Green Bank ("Green Bank") is uniquely positioned to continue developing a commercial solar PPA pipeline through local contractors in response to continued demand from commercial-scale off-takers;

WHEREAS, the market for commercial solar PPA financing continues to evolve, as various financing providers are entering the small commercial solar financing space with the ability to provide long-term financing for projects originated by the Green Bank;

WHEREAS, there is still demonstrated need for flexible capital to continue expanding access to financing for commercial-scale customers looking to access solar via a PPA, while both bolstering project returns for investors and enhancing project savings profiles for customers; and

WHEREAS, the Green Bank is implementing a Sustainability Plan that invests in various clean energy projects and products to generate a return to support its sustainability in the coming years.

NOW, therefore be it:

RESOLVED, that the Board of Directors approves funding, in a total not-to-exceed amount of \$15 million in new money, subject to budget constraints, for the continued development of commercial-scale solar PV PPA projects, to be utilized for the following purposes pursuant to market conditions and opportunities:

1. Development capital;
2. Construction financing; and
3. Financing one or more 3rd-party ownership platforms, in the form of sponsor equity and/or debt.

RESOLVED, that the President of Green Bank; and any other duly authorized officer of Green Bank, is authorized to execute and deliver, any contract or other legal instrument necessary to continue to develop and finance commercial PPA projects on such terms and conditions as are materially consistent with the memorandum submitted to the Green Bank Board on October 19, 2018; 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 the above-mentioned legal instrument.

- d. FuelCell Energy – CMEEC / Groton Naval Sub Base Project

Bert Hunter gave an overview of a proposed engagement where financing by the Green Bank and IPC has been sought. Ultimately the Green Bank will lend and advise on raising additional capital for a 7.4 MW fuel cell for the Groton Naval Sub Base. The Green Bank will provide up to \$5 million in subordinated debt to finance the fuel cell and provide advisory services alongside IPC to Groton. Bert, and Chris Magalhaes of IPC highlighted the project's economics including a 20-year PPA and class 1 recs.

After a motion from Klee, seconded by Bettina, the Board unanimously approved the following resolution:

Resolution #9

WHEREAS, in accordance with (1) the statutory mandate of the Connecticut Green Bank ("Green Bank") to foster the growth, development, and deployment of clean energy sources that serve end-use customers in the State of Connecticut, (2) the State's Comprehensive Energy Strategy ("CES") and Integrated Resources Plan ("IRP"), and (3) Green Bank's Comprehensive Plan for Fiscal Years 2018 and 2019 (the "Comprehensive Plan") in reference to the CES and IRP, Green Bank continuously aims to develop financing tools to further drive private capital investment into clean energy projects;

WHEREAS, FuelCell Energy, Inc., of Danbury, Connecticut ("FCE") has used previously committed funding (the "Bridgeport Loan") from Green Bank to successfully develop a 15 megawatt fuel cell facility in Bridgeport, Connecticut (the "Bridgeport Project"), and FCE has operated and maintained the Bridgeport Project without material incident, is current on payments under the Bridgeport Loan, and has received approval from the Green Bank for funding from the Green Bank (the "Triangle Loan") to develop a 3.7 megawatt high efficiency fuel cell project in Danbury, Connecticut (the "Triangle Project");

WHEREAS, FCE has requested financing support from the Green Bank to develop a 7.4 megawatt fuel cell project in Groton, Connecticut located on the U.S. Navy submarine base and supported by a power purchase agreement ("PPA") with the Connecticut Municipal Electric Energy Cooperative ("CMEEC") (the "Project");

WHEREAS, staff has considered the merits of the Project and the ability of FCE to construct, operate and maintain the facility, support the obligations under the Loan throughout its 15-year term, and as set forth in the due diligence memorandum dated October 26, 2018, has recommended this support be in the form of a term loan not to exceed \$5,000,000, secured by all project assets, contracts and revenues as well as a and limited payment guarantee of FCE (the "Credit Facility");

WHEREAS, Green Bank staff recommends that the Green Bank Board of Directors ("Board") approve of the Credit Facility, in an amount not to exceed \$5,000,000.

NOW, therefore be it:

RESOLVED, that the Green Bank Board of Directors hereby approves the Credit Facility in an amount not to exceed \$5,000,000 for the Project, as a strategic selection and award pursuant to Green Bank Operating Procedures Section XII; and

RESOLVED, that the President of the Green Bank and any other duly authorized officer is authorized to take appropriate actions to provide the Credit Facility to FCE (or a special purpose entity wholly-owned by FCE) in an amount not to exceed \$5,000,000 with terms and conditions

consistent with the memorandum submitted to the Board dated October 26, 2018, and as he or she shall deem to be in the interests of the Green Bank and the ratepayers no later than 180 days from the date of authorization by the Board of Directors; and

RESOLVED, that the proper 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 Term Loan.

e. C-PACE Transaction – Norwalk

Nick Zuba discussed a C-PACE transaction in Norwalk for approximately \$1 million.

After a motion by Klee, seconded by John Harrity, the board unanimously approved the following resolution:

Resolution #10

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 **\$1,024,636** construction and (potentially) term loan under the C-PACE program to 310 Wilson Avenue LLC., the building owner of 310 Wilson Avenue, 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 Board dated October 19, 2018, 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 Board of Directors;

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.

f. **Small Business Energy Advantage**

Anthony Clark updated the Board on the progress made bringing in market capital to fund the Small Business Energy Advantage program for Eversource. Anthony highlighted that this new proposal is a lot easier from a CGB administrative perspective than some of the previous ones. Through a joint RFP process, the Green Bank identified Amalgamated Bank to provide up to \$50 million of debt and the Green Bank will supply \$5 million in subordinated debt as a credit enhancement. This includes a 3-year commitment with Amalgamated.

The Board discussed this progress and congratulated staff on getting to this solution after much efforts. Upon a motion from Klee, seconded by Bettina, the Board then unanimously approved the following resolution:

Resolution #11

WHEREAS, pursuant to Conn. Gen. Stat. Section 16-24n the Connecticut Green Bank (“Green Bank”) has a mandate to develop programs to finance clean energy investment for small business, industrial, and municipal customers in the State;

WHEREAS, recapitalizing the Small Business Energy Advantage (“SBEA”) program with private sector capital is a recognized priority in the Green Bank’s Comprehensive Plan and is a goal of the CT Energy Efficiency Board and Green Bank Joint Committee;

WHEREAS, The Connecticut Light and Power Company d/b/a Eversource Energy and The United Illuminated Company (together, the “Utilities”) have requested the Green Bank’s assistance sourcing low cost private sector capital;

WHEREAS, the Green Bank released a Request for Proposals for Small Business Energy Advantage Program Alternative Financing Solutions (the “RFP”) on May 2, 2018;

WHEREAS, Amalgamated Bank responded to the RFP with a comprehensive and flexible solution offering the lowest cost capital to recapitalize the SBEA program;

WHEREAS, Green Bank staff, together with Utility staff and the EEB, has selected Amalgamated’s proposal to recapitalize the SBEA program and now recommends that the Green Bank support the recapitalized SBEA Loan Purchase Facility by committing \$5 million to the facility structure; and

WHEREAS, Eversource will continue to make funding available from the Connecticut Energy Efficiency Fund (“CEEF”) to reimburse loan losses and administrative costs associated with the recapitalized SBEA program.

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 agreements with the relevant parties (including but not limited to Amalgamated, the Utilities, and CEEF) to invest in the SBEA Loan Purchase Facility with terms and conditions materially consistent within the memorandum submitted to the Board dated October 26, 2018, and as he or she shall deem to be in the interests

of the Green Bank and the ratepayers no later than 270 days from the date of authorization by the Board; and

RESOLVED, that the proper 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.

7. Incentive Business Updates and Recommendations

a. SHREC Update

Mike Yu gave an update on the progress made towards the SHREC securitization. Mike informed the board that the Independent engineer's report is close to completion and is an essential part of 3rd party verification of production estimates. Mike mentioned that the Rating agency review is underway by Kroll.

He stated that the "Agreed upon Procedures Audit" provider (KPMG) has been appointed and that they will sample 125 systems across two tranches, review of third party supporting documentation. Staff still expects a Mid-December Execution and placement.

Commissioner Klee thanked the team for this update and highlighted that it is breaking a lot of new ground.

8. Executive Session – Personnel Matters

With a motion made by Klee, the Board then moved to executive session at 10:51 for personnel related matters.

9. Adjourn

Upon a motion made by Mr. Klee and seconded by Bettina the meeting was adjourned at 11:05.

Respectfully submitted,

Rob Klee, Vice Chairperson