CONNECTICUT
GREEN BANK℠

Board of Directors

Meeting Date

January 22, 2021

Board of Directors

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

CONNECTICUT
GREEN BANK

January 15, 2021

Dear Connecticut Green Bank Board of Directors:

We have a meeting of the Board of Directors scheduled for **Friday, January 22, 2021 from 9:00–11:00 a.m.**

Please take note that this will be an online meeting only! Given the need to continue to maintain "social distancing" in the face of COVID-19, we are holding this meeting online only.

For the agenda, we have the following:

- **Consent Agenda** – we have approval of Meeting Minutes for December 18, 2020, and some general report-outs, including:

    - Under $100,000 and No More in Aggregate than $500,000 Staff Transaction Restructurings
    - FY2020 Compensation Time and Tuition Reimbursement Report Out

- **Committee Updates and Recommendations** – we have several proposed revisions from the Budget, Operations, and Compensation Committee (BOC Committee), including

    - FY2021 Targets and Budget Revisions
    - Comprehensive Plan Revisions

    And we also will be providing an overview of the asset management functions in development at the Green Bank as well.

- **Investment Updates and Recommendations** – we have a number of investment updates that we are bringing forth, including:

    - **Historic Cargill Falls** – update and proposal for increased investment in the mixed-use development (materials will be provided close of business Tuesday 1/19)
    - **Fuel Cell Energy Groton Subbase Update** – change in senior lender structure.

- **Financing Programs Updates and Recommendations** – we have several recommendations, including:

    - **C-PACE Program Guidelines** – proposed revision to modify the guidelines to allow the Green Bank to collect benefit assessments
    - **COVID-19 Restructurings** – restructuring proposals for C-PACE project in Meriden and Solar PPA project in Hartford (materials will be provided close of business Tuesday 1/19)

- **Incentive Programs Update** – an update on the recent straw proposal issued by PURA in Docket No. 17-12-03RE03 (Electric Storage) on the Green Bank and EDCs jointly implementing an energy storage program.

- **Other Business** – if we have any time, we will leave it open for other business.

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

Until then, continue to be safe, be well, and enjoy the upcoming holiday weekend!

Sincerely,

Bryan Garcia
President and CEO

AGENDA

Board of Directors of the
Connecticut Green Bank
845 Brook Street
Rocky Hill, CT 06067

Friday, January 22, 2021
9:00 a.m.– 11:00 a.m.

Dial (224) 501-3412
Access Code: 365-494-245

Staff Invited: Sergio Carrillo, Mackey Dykes, Brian Farnen, Bryan Garcia, Bert Hunter, Jane Murphy, Selya Price, and Eric Shrago

1. Call to order

2. Public Comments – 5 minutes

3. Consent Agenda – 5 minutes

    a. Meeting Minutes from December 18, 2020
    b. Others

4. Committee Updates and Recommendations – 45 minutes

    a. Budget, Operations, and Compensation Committee

        i. Proposed Revisions to FY 2021 Targets and Budget
        ii. Proposed Revisions to Comprehensive Plan – Green Bonds US

    b. Overview of Asset Management

5. Investment Updates and Recommendations – 15 minutes

    a. Historic Cargill Falls – Update and Recommendation
    b. Fuel Cell Energy Groton Project – Update

6. Financing Programs Updates and Recommendations – 25 minutes

    a. C-PACE Program Guideline Amendment
    b. COVID-19 Restructuring Recommendation(s)
        i. C-PACE Project (Meriden)
        ii. Solar PPA Project (Hartford)

7. Incentive Programs Updates and Recommendations – 10 minutes

   a. Docket No. 17-12-03RE03 – Battery Storage (Update)

8. Other Business – 5 minutes

9. Adjourn

Join the meeting online at https://global.gotomeeting.com/join/365494245

Or call in using your telephone:
Dial (224) 501-3412
Access Code: 365-494-245

Next Regular Meeting: Friday, March 26, 2021 from 9:00-11:00 a.m.
Connecticut Green Bank, 845 Brook Street, Rocky Hill, CT

RESOLUTIONS

Board of Directors of the
Connecticut Green Bank
845 Brook Street
Rocky Hill, CT 06067

Friday, January 22, 2021
9:00 a.m.– 11:00 a.m.

Dial (224) 501-3412
Access Code: 365-494-245

Staff Invited: Sergio Carrillo, Mackey Dykes, Brian Farnen, Bryan Garcia, Bert Hunter, Jane Murphy, Selya Price, and Eric Shrago

1. Call to order

2. Public Comments – 5 minutes

3. Consent Agenda – 5 minutes

    a. Meeting Minutes from December 18, 2020

Resolution #1

Motion to approve the meeting minutes of the Board of Directors for December 18, 2020.

    b. Others

4. Committee Updates and Recommendations – 45 minutes

    a. Budget, Operations, and Compensation Committee

        i. Proposed Revisions to FY 2021 Targets and Budget

Resolution #2

WHEREAS, staff have reviewed progress to targets made year to date and are more able to make forecasts on our current operating environment;

WHEREAS, Budget, Operations & Compensation Committee has reviewed these updates and the members of the committee are supportive of them;

RESOLVED, Connecticut Green Bank Board of Directors approve the fiscal year 2021 budget and target adjustments outlined in the accompanying memorandum and in Attachment A. They also direct staff to extend or amend professional service agreements with the strategic partners in accordance with the terms mentioned in the accompanying memorandum.

Second. Discussion. Vote

ii. Proposed Revisions to Comprehensive Plan – Green Bonds US

Resolution #3

RESOLVED, the Connecticut Green Bank Board of Directors approve the proposed revisions to the Comprehensive Plan – Green Bonds US outlined in Attachment B;

RESOLVED, the staff work to further develop the Evaluation Framework by identifying metrics and methodologies for measuring impacts on equity, including, but not limited to income and race, from investments in and deployment of clean energy in vulnerable communities.

b. Overview of Asset Management

5. Investment Updates and Recommendations – 15 minutes

a. Historic Cargill Falls – Update and Recommendation

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 Board of Directors ("Board") of the Green Bank previously approved a construction and term loan, secured by a C-PACE benefit assessment, not-to-exceed amount of $6,200,000 along with a $300,000 increase (the "Approved Loan Amount") to Historic Cargill Falls Mill, LLC and Putnam Green Power LLC (collectively, the "Borrower"), the property owner of 52 and 58 Pomfret Street, Putnam, Connecticut, to finance the construction of specified clean energy and energy conservation measures (the "Project") in line with the State's Comprehensive Energy Strategy and the Green Bank's Strategic Plan;

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

WHEREAS, the Green Bank now seeks approval to increase the Approved Loan Amount to the Borrower to provide up to $600,000 in additional funding (the "Loan Amendment") 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 the Loan Amendment 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) $300,000, with terms and conditions consistent with the memorandum submitted to the Board dated January 17, 2020, plus (iii) $600,000, with the terms and conditions consistent with the memorandum submitted to the board dated January 19, 2021 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 January 22, 2021; 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. Fuel Cell Energy Groton Project – Update

6. Financing Programs Updates and Recommendations – 25 minutes

a. C-PACE Program Guideline Amendment

Resolution #5

WHEREAS, Conn. Gen. Stat. Section 16a-40g (the "Authorizing Statute") authorizes the Commercial Property Assessed Clean Energy Program ("C-PACE") and designates the Connecticut Green Bank ("Green Bank") as the state-wide administrator of the program; and

WHEREAS, the Authorizing Statute charges Green Bank to develop program guidelines governing the terms and conditions under which state and third-party financing may be made available to C-PACE.

NOW, therefore be it:

RESOLVED, the Green Bank Board of Directors (the "Board") approves the updated C-PACE program guidelines (the "Program Guidelines"), substantially in the form of attached to that certain memo to the Board dated January 15, 2021. The Program Guidelines shall then go through a thirty-day public comment period in accordance with Conn. Gen. Stat. Section 1-120 et seq.

RESOLVED, If, after the expiration of public comment period, Green Bank staff considers that any substantive changes are needed to the Program Guidelines as currently drafted, then Green Bank staff will seek an updated approval from the Board. If no substantive changes result from the public comment process, then the final form of the Program Guidelines, as may be edited by Green Bank staff, shall be deemed approved by the Board and Green Bank staff will proceed with implementation of such Program Guidelines.

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 Program Guidelines.

b. COVID-19 Restructuring Recommendation(s)

i. C-PACE Project (Meriden)

Resolution #6

WHEREAS, pursuant to Section 16a-40g of the Connecticut General Statutes (as amended, the "Act"), the Connecticut Green Bank ("Green Bank") established a commercial sustainable energy program for Connecticut, known as Commercial Property Assessed Clean Energy ("C-PACE");

WHEREAS, pursuant to the Act and its Bylaws, Green Bank entered into that certain Financing Agreements dated May 24th, 2013 and May 4th, 2015 (as amended, the "Loan") with 290 Pratt Street LLC, the building owners of 290 Pratt Street, Meriden CT, to finance the construction of certain clean energy measures through C-PACE;

WHEREAS, on April 24, 2020, the Green Bank Board of Directors ("Board") approved the Loan Loss Decision Framework and Process, set forth in that certain memo to the Board dated April 24, 2020, which established the process of dealing with COVID-related restructurings for assets on Green Bank's balance sheet; and

WHEREAS, Green Bank staff seeks Board approval to restructure the Loan as described in that certain memorandum submitted to the Board dated January 19, 2021 (the "Memo").

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 any amendment, restatement or modification of the Loan, with terms and conditions consistent with the Memo, 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 this Board meeting; 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 affect the above-mentioned legal instruments.

ii. Solar PPA Project (Hartford)

7. Incentive Programs Updates and Recommendations – 10 minutes

   a. Docket No. 17-12-03RE03 – Battery Storage (Update)

8. Other Business – 5 minutes

9. Adjourn

Join the meeting online at https://global.gotomeeting.com/join/365494245

Or call in using your telephone:
Dial (224) 501-3412
Access Code: 365-494-245

Next Regular Meeting: Friday, March 26, 2021 from 9:00-11:00 a.m.
Connecticut Green Bank, 845 Brook Street, Rocky Hill, CT

ANNOUNCEMENTS

- **Mute Microphone** – in order to prevent background noise that disturbs the meeting, if you aren't talking, please mute your microphone or phone.

- **Chat Box** – if you aren't being heard, please use the chat box to raise your hand and ask a question.

- **Recording Meeting** – per Executive Order 7B (i.e., suspension of in-person open meeting requirements), we need to record and post this board meeting.

- **State Your Name** – for those talking, please state your name for the record.

Board of Directors Meeting

January 22, 2021

Online Meeting

CONNECTICUT GREEN BANK

Board of Directors

Agenda Item #1

Call to Order

Board of Directors

Agenda Item #2

Public Comments

Board of Directors

Agenda Item #3

Consent Agenda

Consent Agenda
Resolution #1

1. **Meeting Minutes** – approve meeting minutes of December 18, 2020

- **Under $100,000 and No More in Aggregate than $1,000,000** – COVID-19 impacted borrower
- **FY2020 Compensation Time and Tuition Reimbursement Report** – per amended Bylaws, BOC Committee report out

Board of Directors

Agenda Item #4ai

Committee Updates and Recommendation

BOC Committee

Proposed Revisions to FY 2021 Targets and Budget

Comprehensive Plan
FY 2021 Incentive Programs Targets – Proposed Revisions

Program / Product	Projects	Total Investment ($MM's)	Installed Capacity (MW)	Ann. GHG Emissions Avoided (TCO2)
Residential Solar Investment Program	3,177-4,706	$96.7-$143.2	27-40	16,995-25,178
Solar for All Program	177-416	$4.3-$10.1	1.2-2.7	724-1,700
Equitable Modern Grid	0-100	$0.0-$0.9	0-5	-
EnergizeCT Smart-E Loan	270-740	$3.6-$9.8	3-10	1,972-3,911
Total	3,447-5,581	$100.3-153.0	27.3-41.5	19,691-30789

To support between **3,447-5581 projects**
requiring investment of between **$100.3 and $153 million ~~$92 and 153 million~~**
to deploy at least **27.3 and 41.5 MW ~~26.1 and 46 MW~~** of clean energy

REFERENCES

1. FY 2020 YTD – through Q2 (December 31, 2020)

Comprehensive Plan
FY 2021 Financing Programs Targets – Proposed Revisions

CONNECTICUT GREEN BANK

Program / Product	Projects	Total Investment ($MM's)	Installed Capacity (kW)	Ann. GHG Emissions Avoided (TCO2)
Commercial PACE	33-48	$15.2-$23.3	5.3-7.1	1,452-1,641
Green Bank Solar PPA	30-58	$4.0-$6.8	6.2-15.4	3,400-9,668
Small Business Energy Advantage	1,203	$20.4	-	-
Multifamily Predevelopment Loan	1	$0.1	-	-
Multifamily Term Loan	2	$0.2	0.1	68
Multifamily Health & Safety	1	$0.1	-	-
EV Offset Program	-	-	-	17,770
Strategic Investments	3	$7.8	-	-
Total	1,267-1,273	$46.1-$69.2	10.9-20.7	6,800 -13,100

To support between **1,267-1,273 projects ~~1,267 – 1,309 projects~~**
requiring investment of between **$46.1 and $69.2 million ~~$46.1 and 74 million~~**
to deploy at least **10.9 and 20.7 MW ~~10.9 and 18.1 MW~~** of clean energy

REFERENCES

1. FY 2020 YTD – through Q2 (December 31, 2020)

Budget
Overall Changes

Revenues (increase of $1.1Million)
- RECs trued up to actual activity
- Greater than forecast RGGI auction prices and Utility Remittances

Expenses (increase of $154K)
- Increased Program Administration costs related to increased volume
- Additional expenses around supporting the smooth and orderly transition of RSIP
- Greater than expected Consulting expenses related to RSIP project close out

Expenses Budget to Actual
- Compensation and Benefits running under due to hiring and not operationalizing Merit
- Marketing running under budget but campaigns launch in January
- Battery Storage Expenses to continue in second half of the year

Resolution #2

- **WHEREAS**, staff have reviewed progress to targets made year to date and are more able to make forecasts on our current operating environment;

- **WHEREAS**, Budget, Operations & Compensation Committee has reviewed these updates and the members of the committee are supportive of them;

- **RESOLVED**, Connecticut Green Bank Board of Directors approve the fiscal year 2021 budget and target adjustments outlined in the accompanying memorandum and in Attachment A. They also direct staff to extend or amend professional service agreements with the strategic partners in accordance with the terms mentioned in the accompanying memorandum.

Board of Directors

Agenda Item #4aii

Committee Updates and Recommendation

BOC Committee

Proposed Revisions to Comprehensive Plan


Hartford Area
Habitat

Comprehensive Plan
Proposed Revisions

- **Justice, Equity, Diversity and Inclusion (JEDI)**
  1. Vision Statement – “a planet protected by the love of humanity”
  2. Definition – vulnerable communities
  3. Goal #2 – “…, especially vulnerable communities,…”
  4. Incentive Program Target – no less than 40% of the investment and benefits by 2025
  5. Financing Program Target – no less than 40% of the investment and benefits by 2025

- **Other Proposed Revisions**
  - Incentive Programs – progress to target, COVID-19 impacts on SOD leading to RSIP-E, and “Solarize Storage”
  - Green Liberty Bonds
  - Various Other Clean-Ups – Patronicity, E4 Evaluation Framework, and updated reports (i.e., FY20 CAFR, FY20 annual report)

Vulnerable Communities

Statutory Definition – Public Act 20-05

Vulnerable communities means populations that may be disproportionately impacted by the effects of climate change, including, but not limited to, low and moderate income communities, environmental justice communities pursuant to section 22a-20a, **communities eligible for community reinvestment pursuant to section 36a-30 and the Community Reinvestment Act of 1977, 12 USC 2901 et seq., as amended from time to time**, populations with increased risk and limited means to adapt to the effects of climate change, or as further defined by the Department of Energy and Environmental Protection in consultation with community representatives

Resolution #3

Resolution #3

RESOLVED, the Connecticut Green Bank Board of Directors approve the proposed revisions to the Comprehensive Plan – Green Bonds US outlined in Attachment B;

RESOLVED, the staff work to further develop the Evaluation Framework by identifying metrics and methodologies for measuring impacts on equity, including, but not limited to income and race, from investments in and deployment of clean energy in vulnerable communities.

Board of Directors

Agenda Item #4b

Committee Updates and Recommendation

BOC Committee

Overview of Asset Management

Asset Management

Overview

- **<u>Personnel:</u>**
  - Hired Karl Johnson as our Assistant for Asset Management and Compliance on 3/13/2020. Responsible for building asset management process and tools
  - Sara Pyne is transitioning to a new role to focus on the asset management process for SHREC projects
- **<u>Tools/Infrastructure</u>**
  - <u>Data Sources</u> – connecting data sources to track details of agreements, payment histories, generation forecasts, generation performance
  - <u>FloQast</u> – tracker for deliverables (compliance)
  - Reports

Asset Management
Overview

- **Process:**
  - Generation Oversight – regular comparison of forecasts vs. actual performance on solar assets. Controls implemented to ensure systems vs. performance guarantees.
  - Financial Performance – financial oversight of project level savings/cashflows for PPA projects.
  - Compliance – establishing a library of deliverables and tracking through FloQast
  - Portfolio Return – ability to track returns to the Green Bank vs. investment targets
  - Reporting – defining reporting requirements. BOD to start receiving reports later this year
  - Others

Board of Directors

Agenda Item #5a

Investment Updates and Recommendations

Historic Cargill Falls

EXECUTIVE SESSION

Board of Directors

Agenda Item #5b

Investment Updates and Recommendations

Fuel Cell Energy Groton Subbase Project

FCE Groton Project

Update

	Revised Structure				Further Revised Structure			
	Amount	Term (Yrs)	Rate	Interest Only	Amount	Term (Yrs)	Rate	Interest Only
Liberty Bank (Sr-1)	$ 6,000,000	7	4%	None	$ 6,000,000	7 / 10 Amort	TBD	None
Amalgamated Bank (Sr-2)	$ 6,000,000	14 *	5%	None	$ 6,000,000	7 / 10 Amort *	TBD	None
Green Bank (Subordinated)	$ 8,000,000	20 **	8%	7 Years	$ 8,000,000	20 **	8%	7 Years
Tax Equity	$ 15,000,000				$ 15,000,000			
FCE Equity	$ 18,650,000				$ 18,650,000			
Total Sources	$ 53,650,000				$ 53,650,000			

* Forecasted repayment in 10 years

** Forecasted repayment in 15 years

** Forecasted repayment in 15 years

	Revised Structure	Further Revised Structure
Project Cost	$ 44,300,000	$ 44,300,000
Initial Reserves	$ 8,600,000	$ 8,600,000
Closing Costs	$ 750,000	$ 750,000
Total Uses	$ 53,650,000	$ 53,650,000

Board of Directors

Agenda Item #6a

Financing Programs Updates and Recommendations

C-PACE Program Guideline Amendment

C-PACE Process

CONNECTICUT GREEN BANK

Municipal Billing

Municipalities bill property owners, receive their payments, and remit to the Green Bank who then remits to lien holders.

- 90 tax collectors with 90 versions of software and 90 levels of competency generate 300 bills on 90 different printers.
- Neither Green Bank, servicer, nor investor have insight into what is paid, when, and whether the municipality will responsibly transfer the funds
- Information black hole drives frustration and prolongs collection period.

Administrator Billing

Green Bank bills property owners, receives their payments, and remits to lien holders.

- Uniform billing and timing.
- Payments to Green Bank collection account are either received on time or not. Cash is in hand or delinquent.
- No information vacuum.

Benefits of Admin Billing

CONNECTICUT GREEN BANK

Green Bank

- Accurate bills.
- Prompt access to funds.
- Maximized efficiency.
- Enhanced Capital Provider satisfaction.
- Enhanced professionalism.
- Enhanced reputation.
- Significant man-hours saved.
- Save about $50k per year.

Capital Provider

- Accurate, trustworthy billing.
- Quick access to funds.
- Reliable information supporting informed planning.
- Significant time savings per collection cycle

Resolution #5

- **NOW**, therefore be it:
- **RESOLVED**, the Green Bank Board of Directors (the "Board") approves the updated C-PACE program guidelines (the "Program Guidelines"), substantially in the form of attached to that certain memo to the Board dated January 15, 2021. The Program Guidelines shall then go through a thirty-day public comment period in accordance with Conn. Gen. Stat. Section 1-120 et seq.
- **RESOLVED**, If, after the expiration of public comment period, Green Bank staff considers that any substantive changes are needed to the Program Guidelines as currently drafted, then Green Bank staff will seek an updated approval from the Board. If no substantive changes result from the public comment process, then the final form of the Program Guidelines, as may be edited by Green Bank staff, shall be deemed approved by the Board and Green Bank staff will proceed with implementation of such Program Guidelines.
- **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 Program Guidelines.

Board of Directors

Agenda Item #6bi

Financing Programs Updates and Recommendations

COVID-19 Restructuring – C-PACE (Meriden)

COVID-19 Restructuring
Meriden Enterprise Center

- The Meriden Enterprise Center, a two-phase C-PACE project involving EE and solar improvements, has requested an additional deferment involving the following:
  - Extend deferment of C-PACE repayment from six months (originally approved by staff level authority 6/25/20 from July 2020 to January 2021) to one year (from July 2020 to July 2021) and extend repayment term from 22 to 23 years;
  - Sculpted repayment of $43,000 for July 2021 and October 2021; and
  - Resume repayment of nearly $65,000 per repayment period in January 2022.
- The Meriden Enterprise Center continues to experience financial hardship due to COVID-19, namely through providing rent relief to their tenants. They are seeking to increase revenues through attracting tenants and lowering their costs.

Resolution #6

- **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 any amendment, restatement or modification of the Loan, with terms and conditions consistent with the Memo, 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 this Board meeting; 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 affect the above-mentioned legal instruments.

CONNECTICUT GREEN BANK

Board of Directors

Agenda Item #6bii

Financing Programs Updates and Recommendations

COVID-19 Restructuring – Solar PPA (Hartford)

RESOLVED

CONNECTICUT GREEN BANK

Board of Directors

Agenda Item #7

Incentive Programs

Docket No. 17-12-03RE03 – Battery Storage

Docket No. 17-12-03RE03

PURA Investigation Into Distribution System Planning of the Electric Distribution Companies – Electric Storage

- On May 2020, PURA issued a Request For Proposal Design (RFPD)
- On July 31, 2020, the Green Bank filed its “Solarize Storage” proposal
  - PURA received 8 responses
- On January 5, PURA issued a Notice of Issuance of Straw Electric Storage Program Design
  - Comments due January 26
- PURA is targeting March 22 for the Issuance of Draft Decision

Docket No. 17-12-03RE03

Key Aspects of Straw Proposal

- Program Size and Length
  - 9-year program
  - Phase-In approach contemplates the deployment of 290MW of battery storage capacity for Residential customers and another 290MW of battery storage capacity for C&I customers – for total of 580 MW
- Eligibility
  - Any customer within Eversource or UI territory is eligible
  - Coupled with solar or stand-alone
  - Behind-The-Meter (BTM) and Front-Of-The-Meter (FOM) storage
- Compensation Structure – joint administration (i.e., Program Administrators)
  - An upfront incentive administered by the CGB
    - Declining block structure
  - A performance-based incentive administered by the EDC

Docket No. 17-12-03RE03
Key Aspects of Straw Proposal

- Ownership Model
  - Homeowners
  - Third Party Owners (TPOs)
  - Utilities
- Operational Control Model
  - Initial setup of dispatch modes – “set it and forget it” (i.e., ISO-NE summer peak period)
  - Ability to dispatch batteries

Docket No. 17-12-03RE03
Potential Role of Green Bank

CONNECTICUT GREEN BANK

- Program administrator
- Program enrollment
- Installation, municipal approval, interconnection approval, testing and commissioning, enrollment in dispatch platform, Project inspection
- Incentive calculation and payments
- Performance measurement and reporting (EM&V)
- Dispatch and performance monitoring

Docket No. 17-12-03RE03
Potential Role of Green Bank

- Program marketing (SolarizeCT, Solar for All, Sustainable CT, EnergizeCT, GoSolarCT, etc)
- Data collection and sharing
- PURA Review Process
- Benefit-Cost Analysis
- Data Privacy and Security Plan
- Customer identification and prioritization
- Other Program Design Considerations – LMI and medical hardship, grid edge (e.g., pilot for electric vehicles), critical facilities, and emission reductions

Docket No. 20-07-01

PURA Implementation of Section 3 of P.A. 19-35, Renewable Energy Tariffs and Procurement Plans

- On June 30, 2020, PURA initiated proceedings in this Docket
- In late October and throughout November, we filed with PURA a series of written comments, responses to interrogatories, and participated in technical meetings.
- On January 20, PURA issued a Proposed Interim Decision
- To be effective January 1, 2022

Docket No. 20-07-01

Renewable Energy Tariffs

- 10% Rate of Return (e.g., tariff rate equivalent to $0.29/kWh)
- Low income (i.e., <60% AMI) adder ($0.0250/kWh) and distressed communities adder ($0.0125/kWh)
- HES requirement
- Direct payment to third parties (i.e., enable financing)
- Data transparency from EDCs
- Battery storage incentives from Docket No. 17-12-03RE03 will be added to the tariffs.

Docket No. 20-07-01

Role of Green Bank

- Support the EDCs in developing the Residential Tariff program rules, guidelines, and other documents and procedures, where possible and appropriate.
- Work with the EDCs to develop a full list of data fields to be collected and/or recorded and to share appropriate data release clauses for use in Residential Tariff program documents.
- Continue to function as a resource for renewable energy developers, officially serving as a consultant with the Authority's Office of Education, Outreach, and Enforcement (EOE) addressing renewable energy contractor and developer questions, auditing submitted customer disclosure forms, and
- Perform other duties related to the education and oversight of renewable energy contractors participating in the Residential Tariff program…lead promotion and communication of battery storage incentive per Docket No. 17-12-03RE03

Board of Directors
Agenda Item #8
Other Business

Transportation Initiatives

- **PURA Docket 17-12-03(RE04)** – Devise complementary offerings, given expectation PURA allows utility-run EV charger programs
- **Transit / School Bus Financing** – Await market activity while encouraging community demand and removing barriers
- **Charge Up CT Buildings** – C-PACE promotional campaign
- **Carbon Offset Credits** – see subsequent slides

Offsets Ambition

CLIMATE LEADERSHIP AWARDS 2019
Innovative Partnerships Certificate Recipient

CONNECTICUT GREEN BANK

Partners under contract,
more in development

VOLTA blink PROTERRA EV STRUCTURE


CleanTechnica

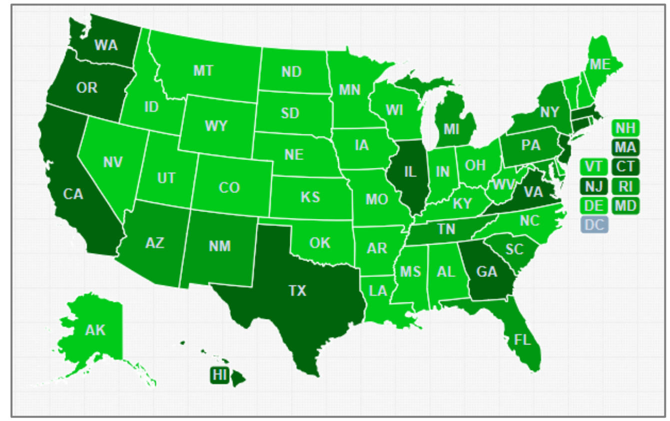
Carbon Offset Project Partners With EV Charging System Providers

December 11th, 2020 by Carolyn Fortuna

Connecticut Green Bank and its partners announced a carbon offset collaboration this week that is registered under the new methodology for electric vehicle (EV) charging systems. That methodology includes monitoring parameters to quantify emission reductions and also establishes default factors for the estimation of certain parameters for projects located in the US and Canada as an alternative to project-specific calculations.

Image provided by Connecticut Green Bank

Enrolled EV charger concentrations



Level 2 Chargers	917
DC Fast Chargers	34
Total outside CA	74%

Reviewed by:

VERRA SCSglobal SERVICES Setting the standard for sustainability™

Carbon Offset Credits Partner Process

- Engage community to reduce GHGs?
- Secure new private capital $?
- Accelerate EV charging deployment?

"Do we commit?"

Phone conversations to review:

- Tailored carbon business case
- Eligibility checklist, e.g.,
  - Line-of-sight on kWh data
  - Line-of-access to credit ownership
  - No regional carbon cap conflict

- Good-faith MOU with the Green Bank
- Confirm "all systems go" including:
  - Optimal project design
  - Networks included (yours? your partners'?)

- Share data for carbon credit certification
  - Streamlined "tick box" tools/template with support
- Formal biz agreement for Green Bank to certify/sell credits on your behalf

Verified Carbon Standard

- Green Bank stewards certification diligence with Verified Carbon Standard

- CTGB sells issued credits and returns 75% proceeds, as dollars or credits

Board of Directors

Agenda Item #5a

Investment Updates and Recommendations

Historic Cargill Falls

EXECUTIVE SESSION

Historic Cargill Falls Mill Project Update

- **Project Background:** mill redevelopment to mixed-use residential and commercial space, 2 hydro electric turbines (~900 kW total capacity) and energy conservation measures
  - Total Funding $32M: Connecticut Department of Housing (DOH), state and historic tax credit equity investors, and developer equity
  - Current Green Bank funding: $6.2 million approved and lent, $300,000 approved by Board
- **Project Update**: Residential occupancy at 84% but slow uptake in commercial lease-up
- **Hydro Update**:
  - Hydro for smaller turbine not completed. Pending: Department of Transportation Permit and environmental studies with FERC
  - FERC Deadline: third extension from FERC to complete the Hydro Project, current deadline July 31, 2021. Must at least show good faith efforts to complete construction by deadline

Historic Cargill Falls Mill Hydro Update and Request

- **Request:** (1) $600,000 in additional funding to finalize hydro
  (2) Same interest rate: 6.50%
  (3) Maturity extended to 30 years (EUL of hydro of 40+ years)
- Green Bank to disburse to Haynes Construction, Stephen Doret or contractors.
- SIR (for entire loan amount): 1.03 (subject to final technical review)
- All Green Bank funds secured C-PACE, only hard debt. Repayment supported by healthy operating revenues anticipated from real estate and Hydro Project. Average DSCR of 1.28x.

Years	Years 1-5	Years 6-10	Years 11-15	Years 16 - 20	Years 21 - 25	Years 26 - 30
Total Rental Revenue	6,929,485	7,913,310	8,880,841	9,967,983	11,189,672	12,562,722
Total Bad Debt	(10,243)	(11,266)	(12,439)	(13,733)	(15,163)	(16,741)
Total Other Income	1,657,676	1,235,903	344,531	355,254	367,094	186,966
Commercial Revenue	181,000	368,000	368,000	368,000	368,000	368,000
Sweep draw	-	59,303	87,291	-	-	-
Total Revenue	**8,757,918**	**9,565,250**	**9,668,224**	**10,677,504**	**11,909,603**	**13,100,947**
Total Expenses	**4,768,047**	**5,684,433**	**6,377,610**	**7,046,681**	**7,786,528**	**8,798,708**
Net Operating Income	**3,989,871**	**3,880,817**	**3,290,614**	**3,630,823**	**4,123,075**	**4,302,239**
Total Debt Service	2,941,984	3,268,872	3,268,872	3,268,872	3,268,872	3,268,872
DSCR	**1.36**	**1.19**	**1.01**	**1.11**	**1.26**	**1.32**
Cash Flow After Debt Service	**1,047,886**	**611,946**	**21,743**	**361,951**	**854,204**	**1,033,368**

Historic Cargill Falls Mill Capital Stack Update

- Increase in costs: $3.6M (equivalent to ~11% of the total original budget of $31.8M) due to:
  - Historic nature of buildings, limited information about structure
  - Hydro designer, engineer and contractors have changed leading to delays and challenges documenting Project costs
- Construction overrun costs (not including Hydro Project) have been absorbed by Haynes Construction (the general contractor).
  - Haynes working out arrangement with owner, in the meantime Haynes filed a mechanics lien on the property
- Funding plan:
  - Urban Act Funds request - $1.85M + $500,000 increase (for a total of $2.35M)
  - DOH: supportive of the $1.85M request, encouraging owner to seek a $500,000 grant from the State Housing Tax Credit Contribution and owner absorb $480,000 additional funds.

3,632,903	Funding Gap Identified
	Sources
1,850,000	Urban Act Original Ask (July)
500,000	HTCC Funding (potential)
800,000	Green Bank
482,903	Project Owner
3,632,903	**Total Sources**

Resolution #4

- **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 Amendment 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) $300,000, with terms and conditions consistent with the memorandum submitted to the Board dated January 17, 2020, plus (iii) **<u>$600,000, with the terms and conditions consistent with the memorandum submitted to the board dated January 19, 2021</u>** 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 January 22, 2021; 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.

Board of Directors
Agenda Item #9
Adjourn

BOARD OF DIRECTORS OF THE
CONNECTICUT GREEN BANK
Regular Meeting Minutes

Friday, December 18, 2020
9:00 a.m. – 11:00 a.m.

A regular meeting of the Board of Directors of the **Connecticut Green Bank (the "Green Bank")** was held on December 18, 2020.

Due to COVID-19, all participants joined via the conference call.

Board Members Present: Eric Brown, Binu Chandy, John Harrity, Michael Li, Steve Meier, Matthew Ranelli, Lonnie Reed, Kevin Walsh

Board Members Absent: Thomas Flynn, Brenda Watson

Staff Attending: Alysse Buzzelli, Sergio Carrillo, Mackey Dykes, Brian Farnen, Bryan Garcia, Bert Hunter, Matt Macunas, Jane Murphy, Selya Price, Cheryl Samuels, Eric Shrago, Ariel Schneider, Alex Kovtunenko, Nicholas Zuba, Christina Tsitso

Others present:

1. Call to Order

- Lonnie Reed called the meeting to order at 9:01 am.

2. Public Comments

- No public comments.

3. Consent Agenda
a. Meeting Minutes of October 23, 2020

<u>**Resolution #1**</u>

Motion to approve the meeting minutes of the Board of Directors for October 23, 2020.

Upon a motion made by Eric Brown and seconded by Matthew Ranelli, the Board of Directors voted to approve Resolution 1. None opposed or abstained. Motion approved unanimously.

b. Job Description – Executive Vice President of Finance and Administration

- Bryan Garcia summarized the promotion of Jane Murphy to Executive Vice President of Finance and Administration.
    - Eric Brown asked if this was a new position and about the status of her current position. Bryan Garcia clarified that it is not a new position, and that there will not be a replacement of her old position, that this was a promotion.
    - Matthew Ranelli and Lonnie Reed complimented Jane and congratulated her.

Resolution #2

Motion to approve the position descriptions for Executive Vice President of Finance and Administration.

Upon a motion made by Matthew Ranelli and seconded by Eric Brown, the Board of Directors voted to approve Resolution 2. None opposed or abstained. Motion approved unanimously.

c. C-PACE Project Re-Approval – Brookfield

- This update is to extend the transaction so that it can be completed. Bryan Garcia also clarified the project was initially above $500,000, which does not fall under Staff approval, but with time it has dropped in value to under $400,000. After talking with Staff, it was decided to bring it to the Board just to be sure everything is covered well.
- Mackey Dykes clarified the location and type of project, which is a solar PV system.

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 $393,337 construction and (potentially) term loan under the C-PACE program to 1106 Federal Road, LLC., the building owner of 1106 Federal Road, Brookfield, 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 other 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 Committee dated December 15, 2019, 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 affect the above-mentioned legal instruments.

Upon a motion made by Binu Chandy and seconded by John Harrity and Steven Meier, the Board of Directors voted to approve Resolution 3. None opposed or abstained. Motion approved unanimously.

- Bryan Garcia asked if there were any further thoughts from the Board on approvals or process changes due to the project value reduction. John Harrity commented that since the cost was going down, the Staff should be able to approve it. Matthew Ranelli, Secretary of the Board also agreed that even though it was previously approved at a higher value by the Board, it makes sense it would be re-approved at the staff level pursuant to the approved staff authorization policy if the project now falls under $500,000 in value so long as there were no substantial changes or defects in the project. Bryan Garcia stated he and staff would review whether any revision in the "Under $500,000 and No More in Aggregate than $1,000,000" staff approval procedures are necessary to clarify these changes to present to the Board at a later meeting. Brian Farnen also commented that in general, staff try to be overly cautious about bringing matters to the Board in these types of situations.

4. Investment Updates and Recommendations

a. Inclusive Prosperity Capital – Working Line of Credit

- Bert Hunter summarized IPC's history, establishment, relationship to the Green Bank, and then highlighted that there is a revolving line of credit that was initiated for start-up costs and that these costs – as explained in the memorandum to the Board – far exceeded $150,000 (actually more than $1 million). He then explained the revised terms for the revolving line of credit, increasing it from $150,000 to $1,000,000, which falls in line with their higher start-up expenses, growth, and would allow them to access additional resources. Advances under the revolving line of credit would be repaid from cash flow from operations with the ability to re-advance. The details and limitations of the revolving line of credit were then reviewed including security for the facility being the fees paid by the Green Bank to IPC for services under various professional services agreements (PSAs) and that the availability under the facility would decrease over time as the remaining amounts of fees decreased in the future.
    - Kevin Walsh asked for clarification about increasing the amount, how the Green Bank expects to be fully repaid as it is a drastic increase. He asked for more clarification in terms of repayment coverage. Bert Hunter clarified that IPC has been building their portfolio of investments and are attracting new capital often, and so the new forms of repayment are from three sources: (1) refinancings from other lines of credit financing those investments, (2) cash flow from operations

(including returns from these portfolio investments) and (3) the security from the fees payable by the Green Bank under the PSAs. Previously IPC have been using their working capital to fund these investments, but the proceeds from new lines of credit, such as from the New York Green Bank, should be able to fund many of these investments going forward. Bert Hunter also clarified that the Green Bank has established security for the revolving line of credit (the PSA fees) in the case of late repayment as well, and IPC has been performing well with the PSAs that are in place.

- Kevin Walsh asked about any established criteria regarding the revolving-style line of credit to demonstrate that IPC has the means to repay it at that time. Bert Hunter stated staff has not worked out the specifics yet but listed several attributes that will be monitored by the Green Bank before distributing funds. Bert Hunter also reassured Kevin Walsh that he is also on the Board of Directors for IPC, so he would be aware of any major changes or projects IPC is considering. Kevin Walsh stated he just wanted to be sure that IPC could not simply draw on the credit without certain criteria in place and Bert Hunter noted the concern and confirmed that there would be an acceptable criteria drafted in the loan documentation.
- John Harrity commented that IPC's establishment and success has become vital to the Green Bank and believes the increase is important, clarifying that it was not a remark against Kevin Walsh's concerns. Kevin Walsh also confirmed that his comments were not directed at IPC's performance, but in the interest of confirming that any advances to IPC be done prudently since this would be a meaningful increase in the line of credit. Lonnie Reed added that Kevin Walsh's concerns are valid and appreciated.
- Matthew Ranelli asked if there could be a more detailed briefing as to IPC's projects and progress since their establishment, as many are not as close to them as Bert Hunter. Bryan Garcia further clarified IPC's progress and work but agreed that a look-back with IPC would be beneficial. Bert Hunter commented that IPC does regularly report in at the Green Bank senior staff meetings as part of their PSAs, which keeps all senior staff informed and communication open.
- Binu Chandy asked about clarification about the step-down availability. Bert Hunter stated that as of 12/31/2022 IPC would not be allowed to have more than $850,000 outstanding, with further decreases each quarter until any loans outstanding to IPC are fully repaid by 6/30/2024.

Resolution #4

WHEREAS, the Connecticut Green Bank ("Green Bank") has an existing partnership with Inclusive Prosperity Capital, Inc. ("IPC") to lessen the burden of government, and to protect, promote and preserve the environment by, among other things, furthering the purpose of the Green Bank as described in Connecticut General Statute Section 16-245n(d)(1)(B);

WHEREAS, on June 13, 2018, the Green Bank Board of Directors ("Board") approved a Memorandum of Understanding ("MOU") governing the Green Bank's partnership with IPC as part of Green Bank's long-term sustainability plan;

WHEREAS, the MOU included a Revolving Line of Credit ("RLC") intended to support IPC startup and operational costs for an amount not to exceed $150,000 outstanding and with a maturity date of June 30, 2021;

WHEREAS, since August 2020, IPC has drawn on and kept outstanding $150k of the original RLC, and has remained current and in good-standing on all repayments associated therewith;

WHEREAS, IPC is seeking to expand and extend the maturity date of the RLC up to $1,000,000 outstanding and with a maturity date of June 30, 2024 (the "Amended Maturity Date") to facilitate smoothing out continued expenditures associated operations and growth, as more fully explained in a memorandum to the Board dated December 18, 2020 (the "Board Memo");

WHEREAS, staff of the Green Bank, having fully considered the proposed uses by IPC for the RLC facility and the sources and likelihood for repayment of the RLC facility not later than the Amended Maturity Date, recommend the expanded and extended RLC to the Board for approval, as more fully explained in the Board Memorandum;

NOW, therefore be it:

RESOLVED, that the Board approves of the expanded and extended RLC for up to $1,000,000 outstanding and with a maturity date of June 30, 2024 consistent with the Board Memo and recommendations by the Board for inclusion of criteria for borrowing under the RLC as discussed during the meeting of the Board on December 18, 2020;

RESOLVED, that the proper Green Bank officers are authorized and empowered to do all other acts and negotiate and deliver all other documents and instruments as they shall deem necessary and desirable to affect the above-mentioned legal instruments.

Upon a motion made by Kevin Walsh, with inclusion of criteria as discussed, and seconded by Matthew Ranelli, the Board of Directors voted to approve Resolution 4. None opposed or abstained. Motion approved unanimously.

b. FuelCell Energy – Groton Project

- Bert Hunter explained the history behind the U.S. Navy Submarine Base at New London and then summarized the overview of the FuelCell Energy Groton Project, then explained that when the nuclear submarines dock at the submarine base, there is a huge draw on the energy grid in New London and Groton. To enable the subbase to be better prepared for any potential utility grid outages, the FuelCell Energy project was developed in partnership with the U.S. Navy and the Connecticut Municipal Electric Energy Cooperative (CMEEC). The project costs, cashflows, and other specifications were then explained as well as the project and loan structure and the Green Bank's position as a subordinate lender.
- Bert Hunter explained the risk mitigation measures that have been taken for this project, including the Green Bank's subordinated position. He stated that interest has been secured in all project assets, collateral has been assigned for all project cashflows (PPA and RECs), reviewed the debt service coverage ratio, and the other mitigation efforts.
- Bert Hunter reviewed the upcoming project milestones leading to the closing of senior and subordinated debt in mid-late February 2021. He also noted that FuelCell Energy had a substantial equity raise managed by JP Morgan which enabled FCE to entirely retire their funding from Orion Energy Partners raised in the previous year. This was critical to sustaining project development for FuelCell Energy, and beneficially the stock

price for FuelCell Energy has recovered substantially. As a result, FCE is sitting on a large sum of unrestricted cash to help deal with the massive project pipeline they are developing, so the project is very secure. He further explained FuelCell Energy's financial position.

- Matthew Ranelli recused himself as he is representing some of the parties within the project.
- Kevin Walsh asked about the senior lender's decrease in the project. Bert Hunter stated that this was related to Liberty Bank not wanting to have funding outstanding after the date of the first restack of the fuel cell modules after 7 years.
- Kevin Walsh asked about the pricing for electricity. Bert Hunter stated it is fixed at $0.05 with an escalator, though the fuel is a pass-through.
- Kevin Walsh asked if there was an arrangement so the cost of the restack is fixed and Bert Hunter said there will be.
- Eric Brown asked about the relationship between the Groton Public Utilities and CMEEC and the offload of energy or possible economic disruption that this project may instill. For example, if Groton Public Utilities has this base as a customer now, could the shift to CMEEC cause Groton Public Utilities to lose customer income. Bert Hunter explained that the subbase currently gets its power from Groton Public Utilities (GPU) which is under the umbrella of CMEEC organization and that the subbase will continue to get the power from GPU/CMEEC after the fuel cell project starts commercial operations. The power purchase agreements (PPA) is between the FuelCell Energy project company and GPC/CMEEC, thus they are not losing a customer.
- Eric Brown asked where the project is in the permitting process in terms of its resiliency due to storms, etc. Bert Hunter stated there is an sloping rise from the Thames river to the site of the project, so it is not subject to any sea-level rise or concern. As far as the permitting process is concerned, there are none outstanding that are required for the fuelcell portion of the project, though there may be some necessary for the microgrid (which will commence construction after the fuel cell commences operations). However, the fact that the microgrid is not complete will not affect the ability of the fuel cell project to derive revenue from GPU/CMEEC. Permitting requirements for the microgrid are being addressed by the submarine base and Groton Public Utilities.
- Eric Brown asked for clarification regarding the lack of natural gas risk, asking if the infrastructure and volumetric capacity is already in place. Bert Hunter stated that it is already set but cannot speak specifically about what source this may be displacing. To his knowledge, Bert Hunter stated he is not aware of a local provider of energy for GPU/CMEEC, and thus the fuel cell is not displacing any other power generator on the gas service line. However, Bert Hunter continued to note that the fuel cell project is displacing some power being acquired by CMEEC from various services within the New England Independent Service Operator network, though he does not know the specifics.
- Lonnie Reed noted that it is nice to see CMEEC's new rating of AA- after their previous issues. Bert Hunter also commented that they have a new CEO as of January 2020.
- Michael Li asked about the characterization of the Green Bank's funds rate. Bert Hunter explained the position further – that the rate the Green Bank is lending to the project is not concessional or subsidized and stated the Green Bank is comfortable in a subordinated position with the interest rate pricing agreed.
- John Harrity commented that this project seems in support of a pledge from the

state of Connecticut to save the submarine base and it is great to see it finally happening.

- Binu Chandy also abstained from the vote as DECD is a lender to FCE.

Resolution #5

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 (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;

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 "Navy Project");

WHEREAS, staff has considered the merits of the Navy Project and the ability of FCE to construct, operate and maintain the facility, support the obligations under the Loan throughout its 20-year term, and as set forth in the due diligence memorandum (the "Board Memo") dated December 18, 2020, has recommended this support be in the form of a term loan not to exceed $8,000,000, secured by all project assets, contracts and revenues as well as a pledge of revenues from an unencumbered project as explained in the Board Memo (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 $8,000,000;

WHEREAS, Green Bank staff recommends that the Green Bank Board of Directors ("Board") approve of a participation by Inclusive Prosperity Capital, Incorporated ("IPC") in the Credit Facility, in an amount not to exceed $3,000,000;

NOW, therefore be it:

RESOLVED, that the Green Bank Board of Directors (the "Board") hereby approves the Credit Facility in an amount not to exceed $8,000,000 for the Navy Project, as a strategic selection and award pursuant to Green Bank Operating Procedures Section XII; and

RESOLVED, that the Board hereby approves of a participation by IPC in the Credit Facility, in an amount not to exceed $3,000,000;

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 $8,000,000 with terms and conditions consistent with the memorandum submitted to the Board dated December 18, 2020, 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 affect the above-mentioned Term Loan.

Upon a motion made by John Harrity and seconded by Michael Li, the Board of Directors voted to approve Resolution 5. None oppose, but Matthew Ranelli and Binu Chandy abstained. Motion approved.

Kevin Walsh had to leave the meeting after the vote on Resolution 5.

5. Financing Programs Updates and Recommendations
   a. Lead by Example – Update
   b. Solar MAP – Update

- Mackey Dykes gave an update to the success of the Solar MAP program which has been renamed and remarketed as the Marketplace Assistance Program. He then reviewed the program guidelines and objectives. He stated the Green Bank is on track to for 3.5 MWs of municipal projects in Round 1 goal and the goals was 1 MW. Many have stated that their projects would not have been possible without the Solar MAP program. PPAs are expected to be executed by early January 2021.
- Mackey Dykes stated Round 2 outreach has begun and 15 projects are currently being considered. He quickly summarized the total projects size and estimated savings cost to the state.
    - Matthew Ranelli complimented the Lead by Example program and asked for Solar MAP, if an incentive for single-use panels could be considered for gathering energy late in the day. Mackey Dykes agreed to look at it for future projects.

6. Incentive Programs Updates and Recommendations
   a. Regulatory Updates
      i. Docket No. 17-12-03REG09 – Small ZREC
      ii. Docket No. 20-07-01 – Renewable Energy Tariff

- Sergio Carrillo summarized Docket No. 20-07-01 and its objectives which is expected to be effective January 1, 2022. He also discussed the Green Bank’s involvement with PURA in the development of the renewable tariffs and docket. PURA draft decision in this docket is due on December 23, 2020. Bryan Garcia highlighted the transition from net metering to a tariff-based format.

7. Other Business
   a. Other Business

- Bryan Garcia noted that the Board packet included a draft of the 2020 Annual Report

which focuses on a build back better confronting climate change theme in the face of COVID-19.
- Bryan Garcia highlighted the release of the Clean Energy Industry Report for 2020.
- Bert Hunter commented on the success of the Green Liberty Bonds and its recognition by The Bond Buyer for the Innovative Bond of the Year award as well as nomination for the Deal of the Year award. Lonnie Reed complimented Bert Hunter on his presentation during the award ceremony, though the Green Bank did not win Deal of the Year.
- Matthew Ranelli complimented the Green Bank staff, current and prior, for their efforts and continued impact. He noted that former Board Member Gina McCarthy was nominated as the Climate Czar for President Biden and acknowledged her service to the State of Connecticut.

8. Adjourn

Upon a motion made by Eric Brown and seconded by John Harrity, the Board of Directors Meeting adjourned at 10:43 am.

Respectfully submitted,

____

Lonnie Reed, Chairperson

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

CONNECTICUT
GREEN BANK

Memo

To: Board of Directors of the Connecticut Green Bank – Deployment Committee of the Connecticut Green Bank

From: Bryan Garcia (President and CEO)

Date: January 22, 2021

Re: Approval of Restructure/Write-Offs Requests below $100,000 and No More in Aggregate than $500,000 – Update

---

At the June 13, 2018 Board of Directors (BOD) meeting of the Connecticut Green Bank ("Green Bank") it was resolved that the BOD approves the authorization of Green Bank staff to evaluate and approve loan loss restructurings or write-offs for transactions less than $100,000 which are pursuant to an established formal approval process in an aggregate amount not to exceed $500,000 from the date of the last Deployment Committee meeting. At the April 24, 2020 BOD meeting of the Green Bank, it was resolved that the BOD approves the authorization of Green Bank staff to evaluate and approve a semi-annual (or two quarterly periods) repayment modification of various transaction types in light of the COVID-19 pandemic.[1] And at the June 26, 2020 BOD meeting of the Green Bank, it was resolved that the BOD approves of the framework applying to subsidiaries of the Green Bank.

During this period, 1 project was evaluated and approved for payment restructure in an aggregate amount of approximately $15,000. If members of the board or committee would be interested in the internal documentation of the review and approval process Green Bank staff and officers go through, then please request it.

Project Name: [redacted]

Repayment Amount:

Comprehensive Plan: **CPACE COVID-19 Restructure**

Description

[redacted]

[1] The Board also approved accommodation for one year for C-PACE transactions in certain towns where C-PACE assessments are collected annually.

[redacted]

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

CONNECTICUT GREEN BANK

Memo

To: Connecticut Green Bank Board of Directors

From: Bryan Garcia (President and CEO), and Eric Shrago (Managing Director of Operations)

Date: January 15, 2021

Re: FY2020 Compensation Time Usage and Tuition Reimbursement

As part of the update in bylaws and the addition of compensation oversight to the formal remit of the Budget, Operations and Compensation Committee last summer, the committee is responsible for an annual review of compensation time awarded and tuition assistance provided by the Green Bank. Due to timing this year, staff agreed to provide a summary for FY2020 directly to the board.

I. Compensation Time

No Compensation time was awarded in FY2020.

II. Tuition Reimbursement

List of staff receiving tuition reimbursement:

- Isabelle Hazlewood – Master of Business Administration (University of New Haven)
- Matt Macunas - Certificate in Financing and Deploying Clean Energy (Yale)
- Robert Schmitt - Master of Business Administration (University of Massachusetts)

In addition, staff participated in numerous other training opportunities.

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

CONNECTICUT GREEN BANK

Memo

To: Connecticut Green Bank Board of Directors

From: Bryan Garcia (President and CEO), Jane Murphy (Executive Vice President of Finance and Administration), and Eric Shrago (Managing Director of Operations)

Date: January 7, 2021

Re: Proposed updates to FY2021 Targets and Budget

Staff presented the below requests to members of the Budget, Operations, and Compensation Committee. The Committee members were supportive of the below updates to target and budget, but the committee did not have a quorum to formally make a recommendation to the Board of Directors**.**

I. Targets

After two quarters of assessing program performance and market conditions, the Green Bank staff has proposed the following adjustments to the best guess targets for this fiscal year:

- Increasing the lower end of the targets for overall target for the Green Bank Solar PPA to 33 projects, $25,750,000 in capital deployment, and 15.4 MW of installed capacity. This is reflective of the current pipeline of projects.
- Increasing the lower end of the RSIP target by 353 projects, $10,740,000 capital deployment, and 3 MW of installed capacity due to higher than expected volume in the first two quarters.
- The busier than expected first two quarters is also causing staff to propose increased lower band targets for Solar for All (low income leases) by 239 projects, $5.8 million in capital deployment and 1.5MW installed capacity.
- Similarly, it was busy fall for Smart-E that was also bolstered by the special offer. Staff propose increasing the target by 470 projects, $6.2 million of capital deployment, and .7MW of installed capacity.
- Staff are proposing removing the Battery Storage from the lower band of the targets for FY 2021 as the Battery storage program that has been reviewed by PURA is not going to launch this fiscal year. An update will be provided at the next board meeting.

Overall, targets for the organization are summarized in the following tables:.

Table 1. Proposed FY 2021 Targets for the Incentive Programs Business Unit

Program / Product	Projects	Total Investment ($MM's)	Installed Capacity (kW)	Ann. GHG Emissions Avoided (TCO2)
Residential Solar Investment Program[1]	3,177-4,706	$96.7-$143.2	27,000-40,000	16,995-25,178
Solar for All Program	177-416	$4.3-$10.1	1,200-2,700	724-1,700
Equitable Modern Grid[2]	0-100	$0.0-$0.9	0-500	-
EnergizeCT Smart-E Loan	270-740	$3.6-$9.8	300-1,000	1,972-3,911
Total[3]	**3,447-5,581**	**$100.3-153.0**	**27,300-41,500**	**19,691-30789**

Table 2. Proposed FY 2021 Targets for the Financing Programs Business Unit

Program / Product	Projects	Total Investment ($MM's)	Installed Capacity (kW)	Ann. GHG Emissions Avoided (TCO2)
Commercial PACE	33-48	$15.2-$23.3	5,300-7,100	1,452-1,641
Green Bank Solar PPA	30-58	$4.0-$6.8	6,200-15,400	3,400-9,668
Small Business Energy Advantage	1,203	$20.4	-	-
Multifamily Predevelopment Loan	1	$0.1	-	-
Multifamily Term Loan	2	$0.2	0.1	68
Multifamily Health & Safety	1	$0.1	-	-
EV Offset Program	-	-	-	17,770
Strategic Investments	3	$7.8	-	-
Total	**1,267-1,273**	**$46.1-$69.2**	**10,900-20,700**	**6,800 -13,100**

II. Proposed Changes to the Green Bank Investment and Operating Budgets

The overall net proposed budget represents an increased spend of $154.087 and an increase in revenue of $1,156,149. The proposed updated budget differs from the original, approved budget in the following ways:

[1] Including RSIP-E

[2] The Connecticut Green Bank will be submitting a proposal into Docket No. 17-12-03(RE03) – Electric Storage. Should the Request for Proposed Designs ("RFPD") be accepted by PURA, then the Green Bank would anticipate administering an upfront electric storage incentive program beginning January 1, 2021.

[3] The total does not count Solar for All projects separately because all Solar for All projects are also RSIP projects and therefore already counted.

Incentive Programs
Staff proposes $152,920 additional expenses that are offset by an increase of $182,525 in operating income in the Incentive Programs.

- Revenues from RECs have been updated and are what are driving the entire $182,525 increase vs. the original budget. (This is noted as Adjustment B in Attachment B)
- The expense changes are composed of the following:
  - Program Administration (Adjustment C in the attachment):
    - Increase of RSIP inspections budget by $35,000 to match the increased volume and to ensure the smooth and orderly market transition as the program hits its statutory cap (This is cost recoverable);
    - Increase of Smart-E inspections budget by $10,000 to support the increased volume;
    - Reduction of technical support by $100,00 based on the likelihood the program will use those funds this year to develop the next stage of our asset management platform.
  - EMV – a proposed increase of $100,000 to support the regulatory work in which the Green Bank has been involved (This is cost recoverable. This is Adjustment D in the attachment);
  - Consulting and Professional Fees (proposed increase of $107,920 which is cost recoverable. This is Adjustment E in the attachment):
    - Increase of $20,000 as a contingency if the review of the next tranche of systems for the next SHREC bond issuance does not go as planned and we need further support from the outside engineer;
    - Increase of $87,920 that covers the support from 2 former interns and a consultant who are working through a backlog of closeouts of completed RSIP systems. This will also cover a PSA with Selya who will continue to provide support after she leaves the organization in February.

Financing Programs
The Green Bank is proposing adjusting the Financing Programs revenue upward by $973,624 based on higher than expected income from Utility Customer Assessments (This is Adjustment A in the attachment) and RGGI auction Proceeds (This is part of Adjustment B in the attachment).

Staff also proposes additional expenses of $1,167 in the Financing Programs related to the build out of our new office. This is the fiscal year's amortization of an additional $14,000 to be spent this year on a new IT room in the new facility. Staff also are proposing a reallocation $28,000 from our original budget for furniture to leasehold improvements. (This is Adjustment F in the attachment).

III. Strategic Partners Updates

Staff request the below updates to our strategic partners:

- **Blum Shapiro** – We need to increase the not to exceed amount of this partner by $69,850 to cover the audits of SL2 and SL3 as well as the final bill from our SOC II certification. The total Not-to-Exceed Amount (NTE) of Blum Shapiro will be

$194,850 and most of this was awarded as the result of RFP’s. We also need to adjust the PSA’s to include the new name of CliftonLarsonAllen, as Blum was acquired by them in December.

- **Guidehouse** – We are requesting the board approve of increasing the NTE for Guidehouse with whom we have been working on our battery storage program to $300,000 as we build out this program. Guidehouse was approved in an RFP in FY 2017.
- **Also Energy –** Staff is requesting to increase the NTE to $1.12 Million to cover the cost of all scopes of work to be performed with this vendor. An RFP was performed in 2020.

We look forward to our meeting this week and to discussing these with you at that time.

Connecticut Green Bank

Fiscal Year Budget - Recast vs. Original

	TOTAL CONNECTICUT GREEN BANK			INCENTIVE PROGRAMS			FINANCING PROGRAMS		
	Recast Budget	Original Budget	Variance	Recast Budget	Original Budget	Variance	Recast Budget	Original Budget	Variance
Revenue									
Operating Income									
Utility Customer Assessments	25,080,817	24,772,400	308,417 (a)	-	-	-	25,080,817	24,772,400	308,417 (a)
RGGI Auction Proceeds-Renewables	4,945,407	4,280,200	665,207 (b)	-	-	-	4,945,407	4,280,200	665,207 (b)
CPACE Closing Fees	144,000	144,000	-	-	-	-	144,000	144,000	-
REC Sales	10,341,132	10,158,607	182,525 (b)	10,341,132	10,158,607	182,525 (b)	-	-	-
Grant Income-Federal Programs	30,000	30,000	-	-	-	-	30,000	30,000	-
PPA Income	626,000	626,000	-	-	-	-	626,000	626,000	-
LREC/ZREC Income	285,000	285,000	-	-	-	-	285,000	285,000	-
Total Operating Income	41,452,356	40,296,207	1,156,149	10,341,132	10,158,607	182,525	31,111,224	30,137,600	973,624
Interest Income	5,952,998	5,952,998	-	70,500	70,500	-	5,882,498	5,882,498	-
Interest Income, Capitalized	228,115	228,115	-	-	-	-	228,115	228,115	-
Other Income	442,092	442,091	-	-	-	-	442,091	442,091	-
Total Revenue	**48,075,561**	**46,919,411**	**1,156,149**	**10,411,632**	**10,229,107**	**182,525**	**37,663,928**	**36,690,304**	**973,624**
Operating Expenses									
Compensation and Benefits									
Employee Compensation	5,000,218	5,000,218	-	1,483,788	1,483,788	-	3,516,430	3,516,430	-
Employee Benefits	4,186,775	4,186,775	-	1,238,016	1,238,016	-	2,948,760	2,948,760	-
Total Compensation and Benefits	9,186,993	9,186,993	-	2,721,804	2,721,804	-	6,465,190	6,465,190	-
Program Development & Administration	3,459,515	3,514,515	(55,000) (c)	2,536,424	2,591,424	(55,000) (c)	923,090	923,090	-
Program Administration-IPC Fee	1,366,219	1,366,219	-	270,837	270,837	-	1,095,382	1,095,382	-
Marketing Expense	1,318,042	1,318,042	-	344,346	344,346	-	973,696	973,696	-
E M & V	675,000	575,000	100,000 (d)	450,000	350,000	100,000 (d)	225,000	225,000	-
Research and Development	71,000	71,000	-	-	-	-	71,000	71,000	-
Consulting and Professional Fees									
Consulting/Advisory Fees	904,420	796,500	107,920 (e)	396,420	288,500	107,920 (e)	508,000	508,000	-
Accounting and Auditing Fees	258,350	258,350	-	-	-	-	258,350	258,350	-
Legal Fees & Related Expenses	385,000	385,000	-	150,000	150,000	-	235,000	235,000	-
Bond Issuance Costs	1,125,000	1,125,000	-	1,125,000	1,125,000	-	-	-	-
Total Consulting and Professional Fees	2,672,770	2,564,850	107,920	1,671,420	1,563,500	107,920	1,001,350	1,001,350	-
Rent and Location Related Expenses									
Rent/Utilities/Maintenance	339,998	339,998	-	101,298	101,298	-	238,700	238,700	-
Telephone/Communication	91,099	91,099	-	27,142	27,142	-	63,957	63,957	-
Depreciation & Amortization	615,021	613,854	1,167 (f)	33,416	33,416	-	581,605	580,438	1,167 (f)
Total-Rent and Location Related Expenses	1,046,118	1,044,951	1,167	161,856	161,856	-	884,262	883,095	1,167
Office, Computer & Other Expenses	1,226,607	1,226,607	-	296,222	296,222	-	930,384	930,384	-
Total Operating Expenses	**21,022,264**	**20,868,177**	**154,087**	**8,452,909**	**8,299,989**	**152,920**	**12,569,354**	**12,568,187**	**1,167**
Program Incentives and Grants									
Financial Incentives-CGB Grants	100,000	100,000	-	-	-	-	100,000	100,000	-
Program Expenditures-Federal Grants	30,000	30,000	-	-	-	-	30,000	30,000	-
EPBB/PBI/HOPBI Incentives	16,716,539	16,716,539	-	16,716,539	16,716,539	-	-	-	-
Total Program Incentives and Grants	**16,846,539**	**16,846,539**	**-**	**16,716,539**	**16,716,539**	**-**	**130,000**	**130,000**	**-**
Operating Income/(Loss)	**10,206,758**	**9,204,696**	**1,002,062**	**(14,757,816)**	**(14,787,421)**	**29,605**	**24,964,574**	**23,992,117**	**972,457**
Non-Operating Expenses									
Interest Expense	2,825,917	2,825,917	-	2,515,114	2,515,114	-	310,803	310,803	-
Provision for Loan Loss	2,478,750	2,478,750	-	-	-	-	2,478,750	2,478,750	-
Interest Rate Buydowns-ARRA	1,592,491	1,592,491	-	1,592,491	1,592,491	-	-	-	-
Total Non-Operating Expenses	**6,897,158**	**6,897,158**	**-**	**4,107,605**	**4,107,605**	**-**	**2,789,553**	**2,789,553**	**-**
Net Revenues Over (Under) Expenses	**3,309,600**	**2,307,538**	**1,002,062**	**(18,865,420)**	**(18,895,026)**	**29,605**	**22,175,021**	**21,202,564**	**972,457**

See budget memo for details of adjustments (a) through (f).

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

CONNECTICUT GREEN BANK

Memo

To: Connecticut Green Bank Board of Directors

From: Bryan Garcia (President and CEO)

Cc: Sergio Carrillo (Director of Incentive Programs), Mackey Dykes (Vice President of Financing Programs), Brian Farnen (General Counsel and CLO), Bert Hunter (EVP and CIO), Jane Murphy (EVP of Finance and Administration), and Eric Shrago (Managing Director of Operations)

Date: January 6, 2021 (Revised January 15, 2021)

Re: Proposed Revisions to Comprehensive Plan – Recognition of the Need to Increase Investment in Vulnerable Communities and Other Proposed Changes

---

Background

The Comprehensive Plan of the Connecticut Green Bank ("Green Bank") called "Green Bonds US," serves as the foundation from which the Green Bank implements its statutory purpose.[1]

Over the past five years, the Green Bank has made a concerted effort to (1) "attract and deploy private capital investment," (2) "implement strategies that bring down the cost of clean energy in order to make it more accessible and affordable to customers," and (3) "support affordable and healthy buildings in low-to-moderate income and distressed communities" through investments that are potentially eligible for the Community Reinvestment Act ("CRA")[2] – see Table 1.[3]

Table 1. Total Investment ($MM's) in Clean Energy Projects with Focus on CRA-Eligible Locations (FY16-FY20)

	2016	2017	2018	2019	2020	Total
Total Investment	$346.1	$218.2	$262.4	$370.0	$339.1	$1,535,8
CRA-Eligible Investment	$77.3	$77.2	$76.0	$113.5	$89.8	$433,8
% Investment CRA Eligible	22%	35%	29%	31%	26%	28%

It is no secret that low-and-moderate-income ("LMI") households spend a larger percentage of their income on energy than that of higher income households. Preserving energy affordability, through the investment in and deployment of clean energy (e.g., renewable energy, energy efficiency) that avoids these unnecessary energy expenditures, is critical to the ability of these

---

[1] https://www.ctgreenbank.com/wp-content/uploads/2016/01/Financial-and-Gov._-CT-Green-Bank-Resolution-of-Purpose.pdf

[2] Projects are potentially compliant with CRA if they are qualifying activities located in below 80% of the Metropolitan Statistical Area's Adjusted Median Income (AMI) level.

[3] It should be noted, that of the $129.9 MM of funds received from the Clean Energy Fund ("CEF") and $16.9 MM of funds received from the Regional Greenhouse Gas Initiative ("RGGI"),[3] that this $146.8 MM has been leveraged ten times by mobilizing private investment in Connecticut's green economy.

LMI households to not only meet basic needs (e.g., food, education, healthcare, etc.), but to also build wealth. There is an aggregate energy affordability gap (i.e., difference between actual and affordable energy expenditures) of $444 million in Connecticut, resulting in a gap of $1,010 for households earning less than 60% of state median income – adversely impacting the state's urban areas of Bridgeport, Hartford, New Haven, and Waterbury.[4]

It is also clearer that communities of color (i.e., Black and Hispanic families) are more likely to be infected by and die from COVID-19 in comparison to their White neighbors.[5] And issues of environmental justice around the siting of polluting facilities causes respiratory disease and other ailments that result in higher rates of asthma and other pulmonary illnesses – resulting in greater adverse impacts from pandemics such as COVID-19.[6]

Continuing to increase the investment in and deployment of clean energy not only in LMI households, but also in historically underserved communities of color (i.e., Black and Hispanic), is important to ensure that the growth of the green economy benefits those that need it the most.

For proposed "redline" revisions to the Comprehensive Plan – see Attachment A.

Proposed Revisions to Comprehensive Plan Involving Vulnerable Communities
For the period of FY2020 and beyond, the Comprehensive Plan includes a vision statement, mission statement, and goals, along with annual targets (i.e., projects, investment, deployment, and GHG emissions avoided) and annual budget to support its Incentive Programs, Financing Programs, and Investments. As part of the FY21 target and budget revision process, this memo proposes to revise the Comprehensive Plan to recognize the importance of increasing investment in vulnerable communities.

Definition of Vulnerable Communities
Per Public Act 20-05 "An Act Concerning Emergency Response by Electric Distribution Companies, the Regulation of Other Public Utilities and Nexus Provisions for Certain Disaster-Related or Emergency-Related Work Performed in the State," supporting DEEP, the Green Bank broadened the definition of vulnerable communities to include CRA so as to communicate the importance of increasing private investment:

> *Vulnerable communities means populations that may be disproportionately impacted by the effects of climate change, including, but not limited to, low and moderate income communities, environmental justice communities pursuant to section 22a-20a, **communities eligible for community reinvestment pursuant to section 36a-30 and the Community Reinvestment Act of 1977, 12 USC 2901 et seq., as amended from time to time**, populations with increased risk and limited means to adapt to the effects of climate change, or as further defined by the Department of Energy and Environmental Protection in consultation with community representatives*

[4] "Mapping Household Energy & Transportation Affordability in Connecticut" research by Justine Sears and Leslie Badger of VEIC for the Connecticut Green Bank (October 2020)
[5] "Racial Disparities Persist in Connecticut's COVID-19 Outbreak, Prompting Concern About Effects of Potential Second Wave" in the Hartford Courant by Alex Putterman (July 13, 2020).
[6] "Connecticut Passed an Environmental Justice Law 12 Years Ago, but Not That Much Has Changed" in Inside Climate News by Abby Weiss (July 21, 2020).

Proposed Revisions
To address the need to increase investment in vulnerable communities, the staff proposes the following five (5) revisions to the Comprehensive Plan:

1. **Vision Statement** – change to "a planet protected by the love of humanity"

2. **Goal #2** – to strengthen Connecticut's communities, especially vulnerable communities, by making the benefits of the green economy inclusive and accessible to all individuals, families, and businesses.

3. **Definition** – inclusion of the statutory definition of "vulnerable communities".

4. **Incentive Program Target** – by 2025, no less than 40 percent of investment and benefits (e.g., jobs) from Incentive Programs is directed to vulnerable communities.

5. **Financing Programs** – by 2025, no less than 40 percent of investment and benefits (e.g., jobs) from Financing Programs is directed to vulnerable communities.

These revisions to the Comprehensive Plan, along with associated equity metrics and methodologies within the Evaluation Framework, will reinforce the Green Bank's commitment to inclusive prosperity with a growing focus on vulnerable communities.

Other Proposed Revisions to Comprehensive Plan
There are a number of other proposed revisions to the Comprehensive Plan, including:

- **Incentive Programs** – inclusion of updates, including revised targets, progress to statutory targets for the RSIP (i.e., through December 31, 2020), COVID-19 impact on the "sustained, orderly development of the local industry" and RSIP-E, and "Solarize Storage" proposal submitted by the Green Bank into Docket No. 17-12-03RE03;

- **Financing Programs** – including revised targets;

- **Green Liberty Bonds** – inclusion throughout the document alongside "mini" green bonds, including awards and website links; and

- **Various Clean-Ups** –Patronicity within the section on Sustainable CT, E^4 under Evaluation Framework, and links to updated reports (e.g., CAFR, annual report)

Resolution

RESOLVED, the ~~Budget, Operations, and Compensation Committee recommends the~~ Connecticut Green Bank Board of Directors approve the proposed revisions to the Comprehensive Plan – Green Bonds US outlined in Attachment B;

RESOLVED, the staff work to further develop the Evaluation Framework by identifying metrics and methodologies for measuring impacts on equity, including, but not limited to income and race, from investments in and deployment of clean energy in vulnerable communities.

CONNECTICUT
GREEN BANK

Comprehensive Plan

Green Bonds US

845 Brook Street, Rocky Hill, CT 06067 > 860-563-0015 > ctgreenbank.com
300 Main Street, 4th Fl., Stamford, CT 06901

Comprehensive Plan

Fiscal Year 2020 & Beyond

July 2019

Revised July 2020

Revised January 2021

Table of Contents

1. Executive Summary

> *"The civilization of New England has been like a beacon lit upon a hill, which, after it has diffused its warmth around, tinges the distant horizon with its glow."*
>
> *Alexis de Tocqueville, Democracy in America*

Although Connecticut is one of the smallest states in the country, its decades of legislative leadership on climate change has had an influential impact across the country and around the world. One example of this was on July 1, 2011, when in a bipartisan manner, Public Act 11-80[1] was passed. Within Section 99 of that seminal act, the nation's first state-level green bank was formed. The Connecticut Green Bank ("the Green Bank") is a public policy innovation, a catalyst that helps mobilize greater local and global investment to address climate change.

Since its inception, the Green Bank has mobilized nearly $~~1.7~~2.0 billion of investment into Connecticut's clean energy economy at nearly a 7 to 1 leverage ratio of private to public funds, supported the creation of over 23~~0~~,000 direct, indirect, and induced job-years, reduced the energy burden on over ~~40~~55,000 families (in particular low-to-moderate income families) and businesses, deployed nearly ~~360~~ 435 MW of clean energy that will help avoid over ~~5.8~~8.9 million tons of CO_2 emissions and save over $~~200~~ 230 million of public health costs over the life of the projects, and helped generate $~~87.1~~196.7 million in individual income, corporate, and sales tax revenues to the State of Connecticut.[2]

As a result of the Green Bank's success as an integral public policy tool addressing climate change in Connecticut, there has been growing national public policy interest at the local,[3] federal,[4] and international[5] levels to realize similar results. This green bank movement is about increasing and accelerating the flow of private capital into markets that energize the green economy to confront climate change and provide all of society a healthier, more prosperous future. As the "spark" to the green bank movement, the Green Bank ~~was awarded the~~continues to be recognized for its innovation through receiving the prestigious 2017 Innovations in American Government Awards by the Ash Center at Harvard University's Kennedy School of Government~~,~~[6] Innovation and Green Bond Structure Awards by Environmental Finance in 2020, and Innovative Deal of the Year by Bond Buyer in 2020.

---

[1] An Act Concerning the Establishment of the Department of Energy and Environmental Protection and Planning for Connecticut's Energy Future.

[2] FY19 Comprehensive Annual Financial Report

[3] American Green Bank Consortium – https://greenbankconsortium.org/

[4] US Green Bank Act of 2019 introduced by Senators Blumenthal (CT), Markey (MA), Murphy (CT), Van Hollen (MD), and Whitehouse (RI) in the Senate, National Climate Bank Act of 2019 introduced by Senators Markey (MA) and Van Hollen (MD), with co-sponsors Blumenthal (CT) and Schatz (HI), the US Green Bank Act of 2019 by Representative Himes (CT) and 13 others in the House. Democratic Presidential Candidates Inslee and Bennet proposed $90 billion and $1 trillion "green bank" and "climate banks," respectively as part of their campaigns.

[5] Green Bank Network – https://greenbanknetwork.org/

[6] https://ash.harvard.edu/news/connecticut-green-bank-awarded-harvards-2017-innovations-american-government-award

At home and abroad, there is agreement that accelerating the flow of capital into the green economy is one key to addressing the climate crisis. The Paris Agreement's third aim (beyond mitigation of greenhouse gas emissions and adaptation to climate change impacts) is making finance flows consistent with a pathway towards reduced emissions and increased climate resilient development. The Center for American Progress estimates that the U.S. needs at least $200 billion in renewable energy and energy efficiency investment a year for 20 years to reduce carbon emissions and avert climate disaster.[7] In a similar vein, the United Nations estimates that $90 trillion of investment is needed over the next 15 years to advance sustainable development and confront the worst effects of climate change.[8]

To put these numbers into perspective, this is the equivalent of between $620 to $800 of investment per person per year for the next 15 years, respectively – or, the equivalent of nearly $3 billion a year of investment in Connecticut's green economy!

Faced with the magnitude of investment required to put society on a more sustainable path to confront climate change, the Green Bank convened a group of stakeholders at the Pocantico Conference Center of the Rockefeller Brothers Fund in February of 2019 for a two-day strategic retreat entitled "Connecticut Green Bank 2.0 – From 1 to 2 Orders of Magnitude". Having convened at the Pocantico Conference Center in November of 2011 to establish the Green Bank's first strategic plan (i.e., Green Bank 1.0), this new group of stakeholders met to reflect on the past seven years and then to envision an even bigger future for the Green Bank (i.e., Green Bank 2.0) consistent with the larger investment required.[9]

The retreat identified several key findings and recommendations for the Green Bank, including:

- **Commitment to Address Climate Change** – as the most urgent issue to address, the Green Bank needs to increase and accelerate the impact of its model to support the implementation of Connecticut's climate change plan;[10]
- **Scaling Up Investment and Impact in Connecticut and Beyond** – in order to achieve the climate change goals set forth, more investment from private capital sources leveraged by innovative public sector financing will be needed to scale-up and scale-out the green bank model's impact; and
- **Green Bonds to Increase Access to Capital** – with the ability to issue bonds, the Green Bank is able to increase its access to capital beyond the current sources of funding to scale-up its investment activity, while providing more opportunities to engage citizens in new ways to invest in the state's growing green economy, including through the issuance of "mini green bonds" (i.e., bonds with denomination values of $1,000 or

---

[7] "Green Growth: A U.S. Program for Controlling Climate Change and Expanding Job Opportunities" by the Center for American Progress (September 2014).
[8] "Financing Sustainable Development: Moving from Momentum to Transformation in a Time of Turmoil" by the UNEP (September 2016).
[9] "Connecticut Green Bank 2.0 – From 1 to 2 Orders of Magnitude" at the Pocantico Conference Center of the Rockefeller Brothers Fund (February 6-7, 2019)
[10] "Building a Low Carbon Future for Connecticut – Achieving a 45% GHG Reduction by 2030" recommendations from the Governor's Council on Climate Change (December 18, 2018)

less) called Green Liberty Bonds that will engage citizens in making investments alongside the Green Bank.

Increasing and accelerating investment in the green economy by using limited public resources to attract and mobilize multiples of private capital investment is paramount to society's efforts to pursue sustainable development, while confronting climate change. More investment in the green economy creates more jobs in our communities, reduces the burden of energy costs on our families and businesses (especially the most vulnerable), and reduces fossil fuel pollution that causes local public health problems and global climate change.

Investment for the sake of investment is not enough unless we have an engaged citizenry that is active in communities across the state! Whether through markets or within communities in partnership with other community-based organizations, the Green Bank is bringing people together and strengthening the bonds we share with one another. In order to confront climate change and provide all of society a healthier and more prosperous future by increasing and accelerating the flow of private capital into markets that energize the green economy, the Green Bank ~~is~~ launched~~ing~~ the "Green Bonds US" campaign, that ~~seeks to~~ promotes a simple but critically important message; green brings us together~~,~~: green bonds us.

As the cover to the Comprehensive Plan of the Green Bank suggests, by making clean energy more accessible and affordable to everyone – Green Bonds US – society will reap significant gains from moving forward in the same direction together – for we can't have environmentalism without humanitarianism.

2. Organizational Overview

The Green Bank[11] was established by Governor Malloy and Connecticut's General Assembly on July 1, 2011 through Public Act 11-80 as a quasi-public agency that supersedes the former Connecticut Clean Energy Fund ("CCEF"). As the nation's first state green bank, the Green Bank leverages public and private funds to drive investment and scale-up clean energy deployment in Connecticut.

The Green Bank's statutory purposes are:

- To develop programs to finance and otherwise support clean energy investment in residential, municipal, small business and larger commercial projects and such other programs as the Green Bank may determine;
- To support financing or other expenditures that promote investment in clean energy sources to foster the growth, development and commercialization of clean energy sources and related enterprises; and

[11] Public Act 11-80 repurposed the Connecticut Clean Energy Fund (CCEF) administered by Connecticut Innovations, into a separate quasi-public organization called the Clean Energy Finance and Investment Authority (CEFIA). Per Public Act 14-94, CEFIA was renamed to the Connecticut Green Bank.

- To stimulate demand for clean energy and the deployment of clean energy sources within the state that serves end-use customers in the state.

The Green Bank's purposes are codified in Section 16-245n(d)(1) of the Connecticut General Statutes ("CGS") and restated in the Green Bank's Board approved Resolution of Purposes.

The Green Bank is a public policy innovation that exemplifies Connecticut's nearly two-decade history of bipartisan gubernatorial leadership on the issue of climate change. Other leadership highlights include:

- **Governor Rowland** – co-chaired the New England Governors and Eastern Canadian Premiers Conference, which established a regional commitment to reduce greenhouse gas emissions (i.e., 1990 levels by 2010, 10% below 1990 levels by 2020, and 80% below 2001 levels by 2050);[12]
- **Governor Rell** – supported Public Act 08-98[13] codifying the regional commitment into state law, appointing Gina McCarthy to be the Commissioner of the Department of Environmental Protection who would help lead the development of the Regional Greenhouse Gas Initiative and later become the EPA Administrator under President Obama leading the development of the Clean Power Plan and the U.S. participation in the Paris Agreement;
- **Governor Malloy** – led the passage of PA 11-80 establishing the Department of Energy and Environmental Protection ("DEEP"), creating the Green Bank, and other policies catalyzing the market for clean energy, as well as Public Acts 18-50[14] and 18-82[15] increasing the state's renewable portfolio standard to 40% by 2030 and establishing a midterm greenhouse gas emissions reduction target of 45% below 2001 levels by 2030, respectively; and
- **Governor Lamont** – his campaign plan for Connecticut[16] seeks to achieve carbon neutrality by 2050 and setting a 100% renewable portfolio standard by 2050 which would help the state realize green jobs in energy efficiency and clean energy (e.g., fuel cells, offshore wind, solar PV, etc.), while reducing energy costs.

The Connecticut General Assembly has worked hand-in-hand with these Governors and the citizens of the state over the years to devise and support public policies that promote clean energy and lead the movement on climate change action.

2.1 Vision

…a ~~world empowered by the renewable energy of community~~planet protected by the love of humanity.

[12] NEG-ECP Resolution 26-4 adopting the "Climate Change Action Plan 2001" (August 2001 in Westbrook, CT)
[13] An Act Concerning Connecticut Global Warming Solutions
[14] An Act Concerning Connecticut's Energy Future
[15] An Act Concerning Climate Change Planning and Resiliency
[16] Ned's Plan for Connecticut – Addressing Climate Change & Expanding Renewable Energy

2.2 Mission

Confront climate change and provide all of society a healthier and more prosperous future by increasing and accelerating the flow of private capital into markets that energize the green economy.[17]

2.3 Goals

To achieve its vision and mission, the Green Bank has established the following three goals:

1. To leverage limited public resources to scale-up and mobilize private capital investment in the green economy of Connecticut.
2. To strengthen Connecticut's communities, especially vulnerable communities,[18] by making the benefits of the green economy inclusive and accessible to all individuals, families, and businesses.
3. To pursue investment strategies that advance market transformation in green investing while supporting the organization's pursuit of financial sustainability.

The vision, mission, and goals support the implementation of Connecticut's clean energy policies be they statutorily required (e.g., CGS 16-245ff on residential solar investment program), planning (e.g., Comprehensive Energy Strategy), or regulatory (e.g., Docket No. 17-12-03 on grid modernization) in nature.

2.4 Definition – Clean Energy

The Green Bank's investment focus is on "clean energy" as defined by CGS Section 16-245n:

- **Clean Energy** – clean energy means solar photovoltaic energy, solar thermal, geothermal energy, wind, ocean thermal energy, wave or tidal energy, fuel cells, landfill gas, hydropower that meets the low-impact standards of the Low-Impact Hydropower Institute, hydrogen production and hydrogen conversion technologies, low emission advanced biomass conversion technologies, alternative fuels, used for electricity generation including ethanol, biodiesel or other fuel produced in Connecticut and derived from agricultural produce, food waste or waste vegetable oil, provided the Commissioner of Energy and Environmental Protection determines that such fuels provide net reductions in greenhouse gas emissions and fossil fuel consumption, usable

[17] Reducing greenhouse gas emissions and confronting climate change is supported by a number of public policies, including, but not limited to PA 17-3, PA 18-82, PA 19-71, Governor Lamont's Executive Orders 1 and 3, Comprehensive Energy Strategy, Governor Malloy's Council on Climate Change, and many other past acts, plans, or policies.

[18] Per Public Act 20-05, "An Act Concerning Emergency Response by Electric Distribution Companies, the Regulation of Other Public Utilities and Nexus Provisions for Certain Disaster-Related or Emergency-Related Work Performed in the State," "vulnerable communities" means populations that may be disproportionately impacted by the effects of climate change, including, but not limited to, low and moderate income communities, environmental justice communities pursuant to section 22a-20a, communities eligible for community reinvestment pursuant to section 36a-30 and the Community Reinvestment Act of 1977, 12 USC 2901 et seq., as amended from time to time, populations with increased risk and limited means to adapt to the effects of climate change, or as further defined by the Department of Energy and Environmental Protection in consultation with community representatives. Inclusion of "vulnerable communities" within the goals of the Green Bank would ensure that it's incentive (e.g., RSIP), financing (e.g., multifamily), and investment (e.g., Green Bank Capital Solutions) programs incorporate it as a priority.

electricity from combined heat and power systems with waste heat recovery systems, thermal storage systems, other energy resources and emerging technologies which have significant potential for commercialization and which do not involve the combustion of coal, petroleum or petroleum products, municipal solid waste or nuclear fission, financing of energy efficiency projects, projects that seek to deploy electric, electric hybrid, natural gas or alternative fuel vehicles and associated infrastructure, any related storage, distribution, manufacturing technologies or facilities and any Class I renewable energy source, as defined in section 16-1.

3. Governance and Organizational Structure

The Green Bank is overseen by a governing Board of Directors comprised of ex officio and appointed members, while the organization of the Green Bank is administered by a professional staff overseeing two business units – Incentive Programs and Financing Programs.

3.1 Governance

Pursuant to Section 16-245n of the CGS, the powers of the Green Bank are vested in and exercised by a Board of Directors[19] that is comprised of eleven voting and one non-voting members each with knowledge and expertise in matters related to the purpose of the organization – see Table 1.[20]

Table 1. Board of Directors of the Connecticut Green Bank

Position	Status	Appointer	Voting
State Treasurer (or designee)	Ex Officio	Ex Officio	Yes
Commissioner of DEEP (or designee)	Ex Officio	Ex Officio	Yes
Commissioner of DECD (or designee)	Ex Officio	Ex Officio	Yes
Residential or Low-Income Group	Appointed	Speaker of the House	Yes
Investment Fund Management	Appointed	Minority Leader of the House	Yes
Environmental Organization	Appointed	President Pro Tempore of the Senate	Yes
Finance or Deployment of Renewable Energy	Appointed	Minority Leader of the Senate	Yes
Finance of Renewable Energy	Appointed	Governor	Yes
Finance of Renewable Energy	Appointed	Governor	Yes
Labor	Appointed	Governor	Yes
R&D or Manufacturing	Appointed	Governor	Yes
President of the Green Bank	Ex Officio	Ex Officio	No

There are four (4) committees of the Board of Directors of the Green Bank, including Audit, Compliance and Governance Committee, Budget, Operations, and Compensation Committee, Deployment Committee, and the Joint Committee of the Energy Efficiency Board ("EEB") and the Green Bank.[21]

[19] https://www.ctgreenbank.com/about-us/governance/board-of-directors/
[20] https://www.ctgreenbank.com/about-us/governance/
[21] Pursuant to Section 16-245m(d)(2) of the Connecticut General Statutes

To support the Joint Committee of the EEB and the Green Bank, the following is a principal statement to guide its activities:

The EEB and the Green Bank have a shared goal to implement state energy policy throughout all sectors and populations of Connecticut with continuous innovation towards greater leveraging of ratepayer funds and a uniformly positive customer experience.

The Board of Directors of the Green Bank is governed through enabling legislation, as well as by an Ethics Statement and Ethical Conduct Policy, Resolutions of Purposes, Bylaws, Joint Committee Bylaws, and a Comprehensive Plan. All meetings, agendas, and materials of the Green Bank's Board of Directors and its Committees are publicly available on the organization's website.[22,23]

3.2 Organizational Structure

The organizational structure of the Green Bank is comprised of two (2) business units, including:

- **Incentive Programs** – the Governor and the Connecticut General Assembly from time-to-time may decide that there are certain incentive (or grant) programs that they seek to have the Green Bank administer (e.g., CGS 16-245ff). The Green Bank administers such programs with the goal of delivering on the public policy objectives, while at the same time ensuring that funds invested by the Green Bank are cost recoverable. For example, the Green Bank administers the Residential Solar Investment Program ("RSIP") whereby through a declining incentive block structure no more than 350 MW of new residential solar PV systems are deployed, while nurturing the sustained~~,~~ orderly development of a local state-based solar PV industry. Through the public policy creation of a Solar Home Renewable Energy Credit ("SHREC"), the Green Bank is able to recover its costs for administering the RSIP by selling such credits to the Electric Distribution Companies ("EDCs") through a Master Purchase Agreement ("MPA") to support their compliance under ~~the~~ Connecticut Class I Renewable Portfolio Standard ("RPS"). Costs recovered from such mechanisms are expected to cover the incentive, administrative expenses, and financing expenses of the Incentive Programs business unit.
- **Financing Programs** – the Green Bank's core business is financing clean energy projects. The Green Bank's focus is to leverage limited public funds to attract and mobilize multiples of private capital investment to finance these ~~clean energy~~ projects. In other words, the use of resources by the Green Bank are to be invested with the expectation of principal and interest being paid back over time. For example, the Green Bank administers the Commercial Property Assessed Clean Energy ("C-PACE") program. Through C-PACE, the Green Bank provides capital to building owners to make clean energy improvements on their properties that is paid back over time from a benefit

22 http://www.ctgreenbank.com/about-us/board-member-resources/connecticut-grboard-meetings/
23 http://www.ctgreenbank.com/about-us/board-member-resources/connecticut-grittee-meetings/

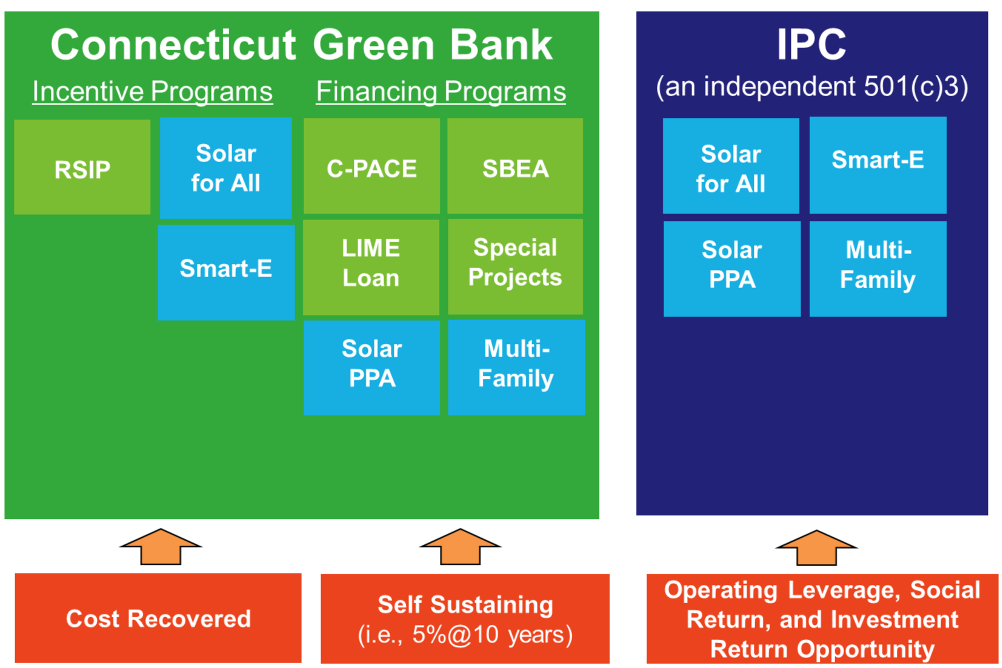
assessment on the building owner's property tax bill. The interest earned from these types of investments, over time, is expected to cover the operational expenses and a return for the Financing Programs business unit.

These two business units – Incentive Programs and Financing Programs – serve the purposes of the Green Bank. To support the business units and their investments, the Green Bank has administrative support from finance, legal, marketing and operations.

An Employee Handbook and Operating Procedures have been approved by the Board of Directors and serve to guide the staff to ensure that it is following proper contracting, financial assistance, and other requirements.

In 2018, the Green Bank, in partnership with DEEP and the Kresge Foundation, formed a nonprofit organization called Inclusive Prosperity Capital ("IPC"). The mission of IPC is to attract mission-oriented investors in underserved clean energy market segments (e.g., low-to-moderate income single and multifamily properties) of the green economy. Although not an affiliate, nor a component unit of the Green Bank, IPC serves an important role supporting the goals of Connecticut public policy by administering programs on behalf of the Green Bank. For an overview of the organizational structure of the Green Bank, and its partnership with IPC – see Figure 1.

Figure 1. Organizational Structure of the Green Bank with Support from Inclusive Prosperity Capital



4. Incentive Programs

The Green Bank manages incentive programs. That is to say that it oversees grant or subsidy program(s) (including credit enhancements – interest rate buydowns and loan loss reserves) ~~that~~ used to deploy clean energy, while at the same time cost recovering the expenses associated with those programs within the business unit – including, but not limited to, incentives, administrative expenses, and financing expenses, as well as loan loss reserves on the balance sheet.

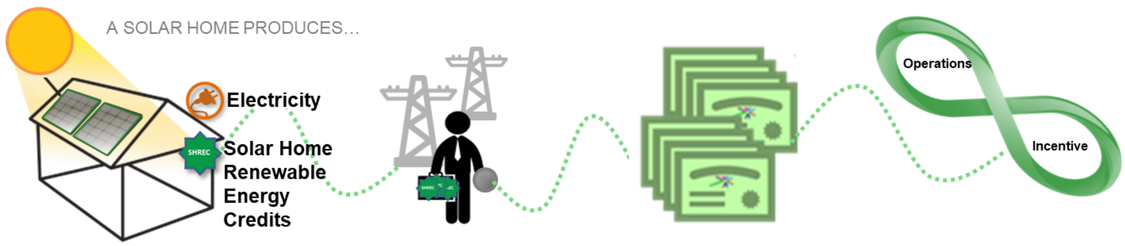
Per CGS 16-245ff, updated by Public Act 19-35[24], the Green Bank administers the RSIP that includes a declining incentive block structure to deploy no more than 350 megawatts of new residential solar PV systems on or before December 31, 2022, while ~~ensuring~~ promoting the sustained~~,~~ orderly development of a local state-based solar PV industry. The RSIP also requires that participating households undergo a Home Energy Solutions assessment, or equivalent audit. It should be noted that the Green Bank has also strategically sought to ensure that ~~low-to-moderate income~~ households in vulnerable communities (e.g., low-and-moderate income households) have equal access to residential solar PV ~~than non-low-to-moderate income households~~.[25] Through the Solar for All program, the Green Bank and its partners are enabling ~~low-to-moderate income~~ households to reach "solar parity" such that the proportion of solar PV installed on low-~~to~~and-moderate income households is no less than non-low-~~to~~and-moderate income households.

As of ~~June 1~~December 31, 2020, ~~326~~349 megawatts of residential solar PV systems have been approved through RSIP, supporting ~~40,821~~ 43,553projects across the state and ~~nearly~~ over $1.~~24~~ 33 billion of investment.[26] Of these approved projects, 321 MW have been completed – or over 90 percent of the statutory target.

To support the Green Bank's implementation of the RSIP, the EDCs are required to purchase the SHRECs to assist them in their compliance with the RPS. The SHREC price is established by the Green Bank to recover its costs for administering the RSIP through a 15-year MPA with the EDCs. The cash flow from the sale of current and future SHRECs produced by these systems can be sold as a "green bond"[27] to generate cash flow upfront to support the cost recovery of the program – see Figure 2.

[24] An Act Concerning a Green Economy and Environmental Protection
[25] Sharing Solar Benefits – Reaching Households in Underserved Communities of Color in Connecticut by the Connecticut Green Bank (May 2019) – click here.
[26] Prior to the RSIP, through incentives provided by the Connecticut Clean Energy Fund, the predecessor of the Green Bank, there are another 2,018 residential solar PV projects totaling 13.4 MW.
[27] https://www.ctgreenbank.com/cgb-enters-green-bond-market/

Figure 2. Incentive Program – Overview of the RSIP and the SHREC



When panels produce electricity for a home, they will also produce **Solar Home Renewable Energy Credits (SHRECs)**. The Green Bank provides upfront incentives through RSIP and collects all the SHRECs produced per statute.

Utilities required to enter into **15-year contracts with the Green Bank to purchase the stream of SHRECs produced**. This helps utilities comply with their clean energy goals (i.e., Class I RPS).

Green bonds are created from the 15-year SHREC revenues and **sold to institutional investors**

The Green Bank would then use the revenues from the 15-year fixed price contracts and green bonds to support the RSIP incentives (i.e., PBI and EPBB), cover admin costs, and financing costs (i.e., **business model that covers cost of the program**)

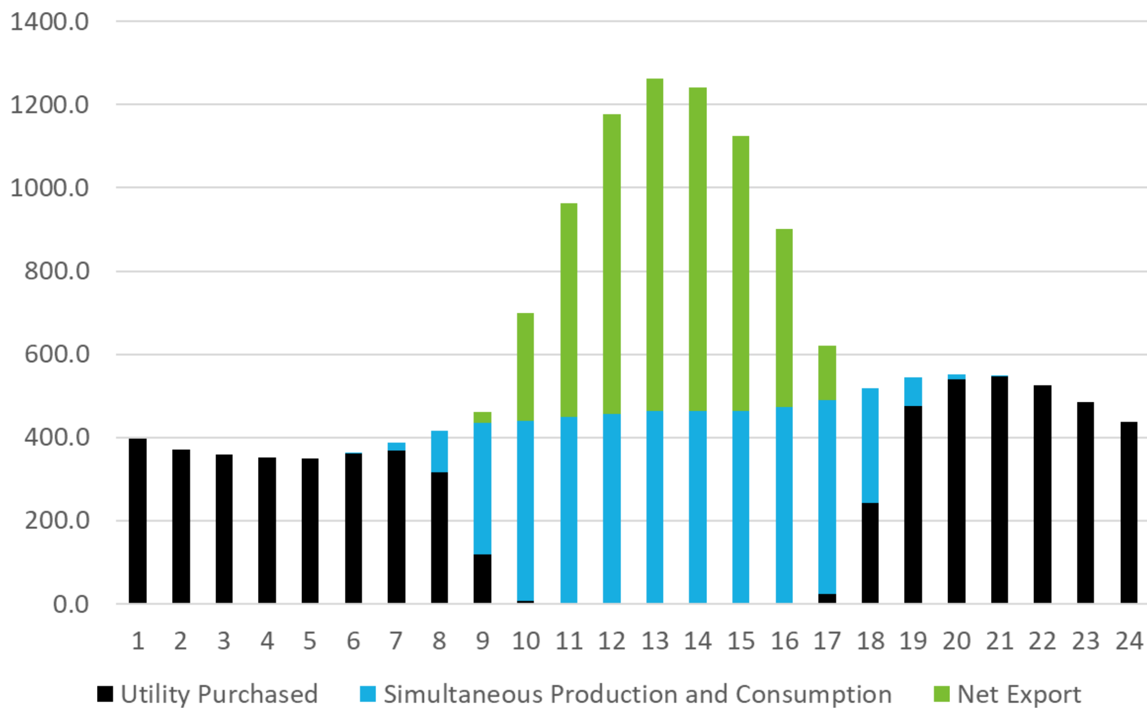
It should be noted that in FY 2020 and continuing into FY 2021, the COVID-19 public health crisis destabilized the local residential solar industry. As a result, in order to ensure that the Green Bank is "fostering the sustained orderly development of a local solar industry," the Board of Directors of the Green Bank approved an extension of the RSIP (i.e., RSIP-E) by 32 MW to (1) ensure that 350 MW of residential solar PV is completed, and (2) provide additional incentive capacity to stabilize the industry as it manages through COVID-19 and the transition from net metering to a tariff.[28]

The Green Bank, through its partner C-Power, aggregates and registers residential solar PV systems in ISO-NE's On-Peak Hours Resource Program for which it receives Forward Capacity Market payments.[29]

In general, over the course of a year, a typical residential solar PV system produces, and the household simultaneously consumes, about fifty percent of the production from the system – meaning that about fifty percent of the system's production is being exported to the grid (and generally used subsequently by the household under the existing net metering policy) – see Figure 3.

[28] https://www.ctgreenbank.com/about-us/governance/connecticut-grboard-meetings/2020-2/ - see September 23, 2020 materials for details.
[29] https:///www.iso-ne.com/markets-operations/markets/forward-capacity-market

Figure 3. Average Residential Consumption (i.e., kWh) and Solar PV Production Over the Course of a Year by Hour of the Day



In order to store the system's production that would have been exported to the grid for the purposes of later using it for (1) back-up power that would benefit the household, and/or (2) reducing demand, specifically peak demand, that would benefit all ratepayers, in FY 2019, the Green Bank submitted an application into the Electric Efficiency Partners Program (EEPP) (i.e., Docket No. 18-12-35) demonstrating the "cost effectiveness" of residential solar PV in combination with battery storage.[30] In FY 2021, the Green Bank submitted its "Solarize Storage" proposal ~~will also be submitting~~ into the Public Utility Regulatory Authority's ("PURA") Equitable Modern Grid process (i.e., Docket No. 17-12-03(RE03),[31] an incentive program with a focus on combined residential solar PV and battery storage that maximizes participant benefits while sharing those benefits with ratepayers and society. In collaboration with DEEP and the EDCs through the Joint Committee,[32] efforts are being made to enable residential solar PV in combination with battery storage to deliver greater benefits to participating households as well as all ratepayers on the electric grid – through a combination upfront incentive in support of passive demand response through the Green Bank in conjunction with a performance-based incentive in support of active demand response through the electric distribution company administration of the Conservation and Load Management Plan. The Green Bank is now working with the EDCs to support PURA's issuance of straw electric program design.

[30] Section 94 of Public Act 07-242

[31] https://www.ctgreenbank.com/wp-content/uploads/2020/08/PURA-Docket-No.-17-12-03RE03-—-Solarize-Storage-Proposal-from-the-Green-Bank.pdf

[32] Pursuant to Section 16-245m(d)(2) of the Connecticut General Statutes

The EnergizeCT Smart-E Loan_in partnership with local community banks and credit unions, provides easy access to affordable capital for homeowners to finance energy, as well as health & safety, improvements on their properties through a partnership between local contractors and financial institutions, IPC, and the Green Bank. As the Green Bank provides credit enhancements to the Smart-E Loan in the form of interest rate buydowns (i.e., subsidy) and loan loss reserves from its balance sheet, it is considered an incentive program since there is no direct financial return (e.g., principal and interest) to the organization like financing programs.

The Green Bank has set targets for its Incentive Programs business unit for FY 2020[33] and FY 2021 in terms of the number of projects, total investment (i.e., public and private), and installed capacity – see Tables 2 and 3.

Table 2. Revised FY 2020 Targets for the Incentive Programs Business Unit

Program / Product	Projects	Total Investment ($MM's)	Installed Capacity (kW)
Residential Solar Investment Program	7,059	$214.2	60,000
Solar for All Program	615	$17.2	4,200
Electric Efficiency Partners Program[34]	0-500	$0.0-$5.5	0-2,000
EnergizeCT Smart-E Loan	540	$7,2	500
Total[35]	**8,099**	**$226.9**	**62,500**

Table 3. ~~Proposed~~ Revised FY 2021 Targets for the Incentive Programs Business Unit

Program / Product	Projects	Total Investment ($MM's)	Installed Capacity (kW)	Ann. GHG Emissions Avoided (TCO2)
Residential Solar Investment Program	~~2,824-4,706~~3,177-4,706	$~~85.9~~96.7-$143.2	~~24~~27,000-40,000	~~15,107~~16,995-25,178
Solar for All Program	177-~~304~~416	$4.3-$~~7.4~~10.1	1,200-2,7~~0~~00	724-1,~~246~~700
Equitable Modern Grid[36]	0-~~1~~400	$0.0-$~~3.5~~0.9	0-~~2,000~~500	-
EnergizeCT Smart-E Loan	270-7~~5~~40	$3.6-$~~7.1~~9.8	~~0.3-0.6~~300-1,000	1,972-3,911~~37~~

---

33 Revised by the Board of Directors on January 24, 2020

34 The Connecticut Green Bank has submitted a Technology Application (i.e., Docket No. 18-12-35) into PURA through the Electric Efficiency Partners Program in support of a residential battery storage incentive program that would retrofit existing residential solar PV systems installed through the RSIP. Beyond existing solar PV systems that could be retrofit with battery storage, RSIP Step 15 proposes a combined residential solar PV and battery storage upfront incentive for new installations that demonstrates significant "cost effectiveness" of distributed energy systems. Meeting this target was contingent upon PURA's determination in Docket No. 18-12-35. There was not yet a determination by PURA in the docket, and therefore the revision.

35 The total does not count Solar for All projects separately because all Solar for All projects are also RSIP projects and therefore already counted.

36 The Connecticut Green Bank will be submitting a proposal into Docket No. 17-12-03(RE03) – Electric Storage. Should the Request for Proposed Designs ("RFPD") be accepted by PURA, then the Green Bank would anticipate administering an upfront electric storage incentive program beginning January 1, 2021.

Program / Product	Projects	Total Investment ($MM's)	Installed Capacity (kW)	Ann. GHG Emissions Avoided (TCO2)
Total[37]	**~~3,094~~3,447-~~5,646~~5,581**	**$~~89.5~~100.3-$153.08**	**~~25,200~~27,300-~~44,000~~41,500**	**~~16,877-28,712~~19,691-30,789**

Starting in FY 2021, the Green Bank has added annual GHG emissions avoided (see Table 3) and investment in vulnerable communities (see bullet below) as ~~a~~ targets for its Incentive Programs.

- By 2025, no less than 40 percent of investment and benefits (e.g., jobs) from Incentive Programs is directed to vulnerable communities.

It should be noted that there are two factors impacting the FY 2021 targets for the RSIP – COVID-19 impacts on market demand and achieving the 350 MW target[38] – and therefore, the low and high range for the targets.

As a result of successfully achieving these targets, the Green Bank will reduce the energy burden on Connecticut families (including low-to-moderate income households and communities of color, as well as ratepayers by reducing demand, specifically peak demand, through the use of solar PV and battery storage), create jobs in our communities, raise tax revenues for the State of Connecticut, and reduce air pollution causing local public health problems and contributing to global climate change.

5. Financing Programs

The Green Bank manages financing programs. That is to say that it oversees financing programs that provide capital upfront to deploy clean energy, while at the same time returning principal and interest over time from the financing of projects, products, or programs to ensure the financial sustainability of the business unit.

The Green Bank has a number of clean energy financing products, including:

- **Commercial Property Assessed Clean Energy ("C-PACE")**[39] – enables building owners to pay for clean energy improvements over time through a voluntary benefit assessment on their property tax bills. This process makes it easier for building owners to secure low-interest capital for up to 25 years to fund energy improvements and is structured so that energy savings more than offset the benefit assessment.

[37] The total does not count Solar for All projects separately because all Solar for All projects are also RSIP projects and therefore already counted.

[38] Given the devastating impacts of COVID-19 on the local solar industry, the Connecticut Green Bank Board of Directors~~is proposing~~ approved an extension to the RSIP (see Footnote 28). ~~should there be a special session in 2020 that takes up priorities from the Energy & Technology Committee – see April 24, 2020 Board of Directors meeting.~~

[39] CGS 16a-40g

- **Green Bank Solar PPA** – third-party ownership structure to deploy solar PV systems for commercial scale end-use customers (e.g., businesses, nonprofits, municipal and state governments, etc.) that uses a multi-year Power Purchase Agreement ("PPA") to finance projects while reducing energy costs for the host customer.
- **Small Business Energy Advantage ("SBEA")** – Eversource Energy administered on-bill commercial energy efficiency loan program for small businesses, in partnership with low-cost capital provided by Amalgamated Bank with a credit enhancements from the Green Bank (i.e., subordinated debt) and the Connecticut Energy Efficiency Fund (i.e., loan loss guaranty and interest rate buydown).
- **Multifamily Products** – defined as buildings with 5 or more units, the Green Bank provides a suite of financing options through IPC and Capital for Change (a Community Development Financial Institution or "CDFI") that support property owners to assess, design, fund, and monitor high impact clean energy and health & safety improvements for their properties.
- **Special Projects** – as opportunities present themselves, the Green Bank from time-to-time invests as part of a capital structure in various projects (e.g., fuel cell, hydropower, food waste to energy, state "Lead by Example" energy service agreements~~LBE ESA~~, etc.). These projects are selected based on the opportunity to expand the organization's experience with specific technologies, advance economic development in a specific locale, or to drive adoption of clean energy that would otherwise not occur, while also earning a rate of return.

The Green Bank has set targets for its Financing Programs business unit for FY 2020[40] and FY 2021 in terms of the number of projects, total investment (i.e., public and private), and installed capacity – see Tables 4 and 5.

Table 4. Revised FY 2020 Targets for the Financing Programs Business Unit

Program / Product	Projects	Total Investment ($MM's)	Installed Capacity (kW)
Commercial PACE	56	$25.0	7,000
Green Bank Solar PPA	33	$28.0	12,600
Small Business Energy Advantage[41]	1,000	$20.0	-
Multifamily Predevelopment Loan	2	$0.1	-
Multifamily Term Loan	8	$1.3	200
Multifamily Catalyst Loan	2	$0.1	-
Strategic Investments	2	$7.5	-
Total	**1,718**	**$99.2**	**24,000**

[40] Revised by the Board of Directors on January 24, 2020

[41] In partnership with Eversource Energy and Amalgamated Bank, the Connecticut Green Bank provides capital in support of the utility-administered Small Business Energy Advantage program to provide 0% on-bill financing up to 4-years for energy efficiency projects.

Table 5. ~~Proposed~~ Revised FY 2021 Targets for the Financing Programs Business Unit

Program / Product	**Projects**	**Total Investment** ($MM's)	**Installed Capacity** (kW)	**Ann. GHG Emissions Avoided** (TCO2)
Commercial PACE	33-48	$15.2-$23.3	5,300-7,100	1,452-1,641
Green Bank Solar PPA	30-58	$4.0-$6.8	6,200-~~11,700~~15,400	~~3,940~~3,400-~~7,402~~9,668
Small Business Energy Advantage	1,203	$20.4	-	-
Multifamily Predevelopment Loan	1	$0.1	-	-
Multifamily Term Loan	2	$0.2	0.1	68
Multifamily Health & Safety	1	$0.1	-	-
EV Offset Program	-	-	-	17,770
Strategic Investments	3	$7.8	-	-
Total	**1,267-1,~~309~~273**	**$46.1-$~~74.5~~69.2**	**10,900-~~18,100~~20,700**	**~~22,684~~6,800-~~26,272~~13,100**

Starting in FY 2021, the Green Bank has added annual GHG emissions avoided (see Table 5) and investment in vulnerable communities (see bullet below) as ~~a~~ targets for its Financing Programs.

- By 2025, no less than 40 percent of investment and benefits (e.g., jobs) from Financing Programs is directed to vulnerable communities.

Given the uncertain impacts of COVID-19, there are low and high range targets proposed.

The capital provided by the Green Bank, which is a portion of the total investment, is expected to yield a return commensurate with the financial sustainability objectives of the organization and business unit.

As a result of successfully achieving these targets, the Green Bank will contribute to its financial sustainability, while also reducing the energy burden on Connecticut families and businesses, create jobs in our communities, raise tax revenues for the State of Connecticut, and reduce air pollution that cause local public health problems and global climate change.

6. Impact Investment

The Green Bank pursues investment strategies that advance market transformation in green investing while supporting the organization's pursuit of financial sustainability. With the mission to confront climate change and provide all of society a healthier and more prosperous future by increasing and accelerating the flow of private capital into markets that energize the green economy, the Green Bank leverages limited public resources to scale-up and mobilize private capital investment in the green economy of Connecticut.

6.1 State Funds

The Green Bank receives public capital from a number of ratepayer and state sources that it leverages to scale-up and mobilize private capital investment in the green economy of Connecticut.

System Benefit Charge – Clean Energy Fund

As its primary source of public capital, the Green Bank through CGS 16-245n(b) receives a 1 mill per kilowatt-hour surcharge called the Clean Energy Fund ("CEF") from ratepayers of Eversource Energy and Avangrid. The CEF has been in existence since Connecticut deregulated its electric industry in the late 1990's.[42] On average, households contribute between $7-$10 a year for the CEF, which the Green Bank leverages to attract multiples of private capital investment in the green economy of Connecticut.[43]

Regional Greenhouse Gas Emission Allowance Proceeds

As a secondary source of public capital, the Green Bank receives a portion (i.e., 23%) of Connecticut's Regional Greenhouse Gas Initiative ("RGGI") allowance proceeds through the Regulation of Connecticut State Agencies Section 22a-174(f)(6)(B). The Green Bank invests RGGI proceeds from the nation's first cap-and-trade program to finance clean energy improvements (i.e., renewable energy projects).

6.2 Federal Funds

The Green Bank receives public capital through a number of past, current, and future sources[44] of federal funds as well that it leverages to scale-up and mobilize private capital investment in the green economy of Connecticut.

American Recovery and Reinvestment Act

Through the American Recovery and Reinvestment Act ("ARRA") the CCEF received $20 million for its programs and initiatives. After nearly $12 million of those funds were invested as grants, the Green Bank invested the remaining $8.2 million in financing programs. With nearly $2 million of ARRA funds left,[45] the Green Bank invested over $6.4 million of ARRA funds to attract and mobilize more than $110 million of public and private investment in residential clean energy financing programs.

United States Department of Agriculture

The Green Bank ~~is seeking to apply~~has applied to the United States Department of Agriculture ("USDA") to seek access to low-cost and long-term federal loan funds for the deployment of clean energy in rural communities.[46] The USDA has vast lending authority under the Rural

[42] Public Act 98-28 "An Act Concerning Electric Restructuring"

[43] The Clean Energy Fund should not be mistaken with the Conservation Adjustment Mechanism (or the Conservation and Loan Management Fund), which is administered by the EDCs

[44] There have been ongoing public policy proposals at the national level that the Connecticut Green Bank has been a part of to create a US Green Bank. If such a public policy were passed, then the Connecticut Green Bank would have access to significant federal funds to leverage to scale-up and mobilize private capital investment in the green economy of Connecticut.

[45] As of July 1, 2019

[46] "Rural" communities are defined by a population bound and the various limits depend on the program; at the broadest, "rural" may be considered a town that has a population not greater than 50,000 people. Despite its positioning in a mostly-developed corridor, we estimate Connecticut would have 69% of towns eligible at the 20,000-person limit and 89% of towns at the 50,000-person limit.

Electrification Act of 1936, which enables direct loans, project financing and loan guarantees to a variety of borrowers.

6.3 Green Bonds

The future of green bonds is growing ~~in the U.S~~. ~~Thus far in 2019~~Globally, in 2020, countries, companies, and local governments ~~have~~ sold ~~nearly~~ $~~90~~ 305.1 billion (2019: $269.4 billion) of green bonds that fund projects that are good for the environment.[47] In July of 2019, Connecticut Treasurer Shawn Wooden announced that the Clean Water Fund's Green Bond Sale shattered state records. The AAA-rated green bond had a record low interest rate of 2.69% and received retail investor orders topping $240 million in one day! This is the highest level of retail investor orders (i.e., from Separately Managed Accounts (SMA's) or individuals) in the 20-year history of this program – with the balance of the bonds offered to institutional investors generating an additional $128 million in orders. In April 2019, the Green Bank issued $38.6 million in green asset backed securities – its first rated debt issuance and the first ever solar asset-backed security (ABS) transaction by a green bank. The issuance was certified by Kestrel Verifiers and independently assessed by Climate Action Reserve.

Green Banks have an essential role in leveraging limited public funds with private capital to drive investment in the green economy to achieve climate change goals, create jobs in our communities, and reduce the burden of energy costs on our families and businesses. CGS Section 16-245n(d)(1)(C) is the enabling statute that allows the Green Bank to issue revenues bonds to support its purposes. Green Bonds are bonds whose proceeds are used for projects or activities with environmental or climate benefits, most usually climate change mitigation and adaptation.

Connecticut's climate change plan[48] focuses on three mitigation wedges (see Figure 4), including:

- **Decarbonizing Electricity Generation** – representing 23% of Connecticut's economy-wide GHG emissions, electricity generation must be transitioned to zero-carbon renewable energy sources. Strategies include financing for in-state or regional utility-scale renewable energy resources (e.g., community solar, wind, run-of-the-river hydro, food-waste-to-energy, etc.) and financing and incentives for in-state distributed energy resources (e.g., behind the meter solar PV, battery storage, fuel cells, combined heat and power, etc.) that assist with the implementation of the Class I and III Renewable Portfolio Standard, Regional Greenhouse Gas Initiative, and other public policies. To ensure a sustainable downward trajectory to meet the State's 2050 target, electricity generation must be 66% and 84% carbon-free by 2030 and 2050, respectively.
- **Decarbonizing Transportation** – representing over 35% of Connecticut's economy-wide GHG emissions, the transportation sector is the largest source of statewide emissions and must be transitioned to zero- and low-carbon technologies. Strategies for

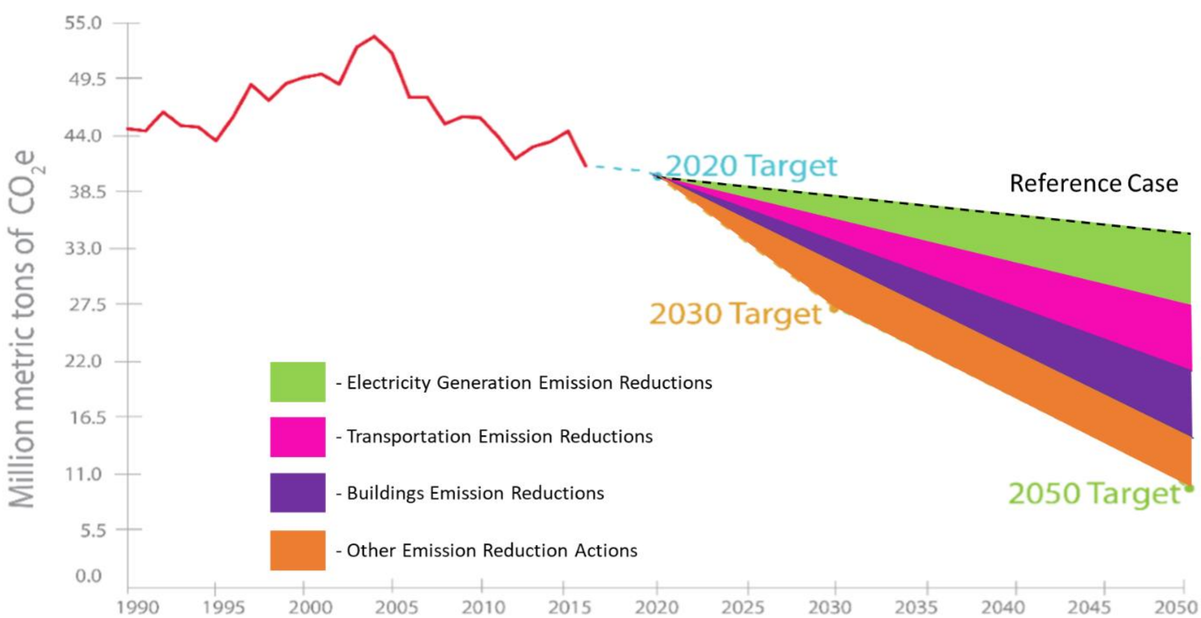
[47] ~~"Green Bonds are Finally Sprouting Up All Over the Globe" by Brian Chappatta of~~ Bloomberg News (James Crombie, January 8, 2021~~June 18, 2019~~)

[48] "Building a Low Carbon Future for Connecticut – Achieving a 45% GHG Reduction by 2030" recommendations from the Governor's Council on Climate Change (December 18, 2018)

zero- and low-carbon transportation include adopting innovative financing models for ZEV deployment (i.e., EVs and FCEVs) and ZEV charging infrastructure, ensuring equitable access to clean transportation options such as electric bus fleets and ride sharing or hailing services. Also important is supporting voluntary (e.g., carbon offset) and regulatory (e.g., Transportation Climate Initiative) markets for cleaner transportation that transitions us away from fossil fuel to renewable energy. More specifically, to meet the 2030 target, 20% of the passenger fleet and 30% of the heavy-duty fleet must be zero emission; and to meet the 2050 target, 95% of the passenger fleet and 80% of the heavy-duty fleet must be zero emission.

- **Decarbonizing Buildings** – representing over 30% of Connecticut's economy-wide GHG emissions, residential, commercial, and industrial buildings are the second largest emitting sector that must transition away from fossil fuels to renewable thermal technology. Strategies for zero-carbon buildings include financing and incentives for energy efficiency (e.g., thermal insulation, appliances, etc.) and renewable heating and cooling (e.g., air source heat pumps, ground source heat pumps, heat pump water heaters, etc.). To meet the economy-wide 2030 and 2050 targets for Buildings, renewable heating and cooling technologies must be significantly deployed to 11% and 26% for residential, and 9% and 20% for commercial, by 2030 and 2050 respectively.

Figure 4. Example of Key GHG Emission Reduction Measures (i.e., Mitigation Wedges) for Connecticut to Achieve Targets



The size of investment required and long-term revenue streams from clean energy, lend themselves well to bond structures. Issuing green bonds can provide the Green Bank a lower-cost, longer-term source of capital, enabling the Green Bank to further leverage state and federal funds to increase its impact in Connecticut by attracting and mobilizing private investment in the state's green economy. The Green Bank has an important role to play in advancing green bonds in the U.S., especially given its history of engaging citizens and communities and its expertise in developing impact methodologies and a thorough and transparent reporting framework.

7. Citizen Engagement

The Green Bank, and its predecessor the Connecticut Clean Energy Fund (CCEF), have a long-standing history of citizen engagement within the communities of Connecticut. In 2002, the CCEF partnered with six private foundations[49] to co-found SmartPower – which launched the 20 percent by 2010 campaign and led the administration of the CCEF's EPA award-winning Connecticut Clean Energy Communities Program.[50] Then in 2013, the Green Bank launched a series of Solarize campaigns in communities across the state in partnership with SmartPower and the Yale Center for Business and the Environment,[51] while also advancing the SunShot Initiative of the U.S. Department of Energy (DOE) in partnership with the Clean Energy States Alliance through projects that reduce soft-costs for solar PV (i.e., customer acquisition, permitting, and financing) and provide better access to solar PV for low-to-moderate income households.

Engaging citizens has been in the DNA of the Green Bank since its inception.

7.1 Green Bonds US® Campaign

From the air we breathe to the products we consume; the world's population is inescapably connected. And while that may present challenges in the context of global climate change, it also affords incredible opportunities for collaboration and progress.

Whether through markets or within communities, the Connecticut Green Bank is bringing people together and strengthening the bonds we share with one another. As its name suggests, the "Green Bonds US" campaign, seeks to promote a simple but critically important message; green brings us together, green bonds us. The multimedia, brand awareness and green-bond promotional campaign will promote the benefits of green energy, as well as a brand-new green energy investment opportunity provided by the Green Bank.

~~Mini Bonds~~Green Liberty Bonds

Despite the rising demand for green energy in the state, barriers still exist that may prevent more people from participating in Connecticut's growing green economy. For example, a homeowner who, despite having a strong desire to "go solar", is not able to because of factors like price, siting, or other issues. To allow more people to benefit from, and invest in, green energy, the Green Bank is offering another way. For the first time in its history, the Green Bank will issue "mini" green-bonds (e.g., small denomination bonds, certificate of deposits, and/or other fixed income investments) called Green Liberty Bonds, for sale to institutions and retail

[49] Emily Hall Tremaine Foundation, The John Merck Fund, Pew Charitable Trust, The Oak Foundation, Rockefeller Brothers Fund, and Surdna Foundation

[50] "Climate Policy and Voluntary Initiatives: An Evaluation of the Connecticut Clean Energy Communities Program," by Matthew Kotchen for the National Bureau of Economic Research (Working Paper 16117).

[51] "Solarize Your Community: An Evidence-Based Guide for Accelerating the Adoption of Residential Solar" by the Yale Center for Business and the Environment.

investors (i.e., separately managed accounts "SMAs" and individuals). Launching as a pilot program, ~~the mini-bonds~~Green Liberty Bonds represent another step forward on the path to inclusive prosperity.

In March and December of 2020, the Green Bank's bonds were awarded for innovation and green bond structure by Environmental Finance and The Bond Buyer, respectively.

For more information on Green Liberty Bonds, visit www.greenlibertybonds.com

Market Research

To gauge the public's interest and assess market demand for mini-green-bonds, the Green Bank performed primary and secondary research such as an online survey, interviews with industry professionals, as well as internal review of recent market data and investment reports.

In June of 2019, the Green Bank engaged GreatBlue Research to conduct primary research throughout Connecticut, measuring the market potential for "mini-bonds". A digital survey was sent to two target audiences: 1.) households that have installed solar PV through the RSIP and 2.) the general population (i.e., households that haven't participated in a Green Bank program). When asked "what types of green projects would you support through your private investments," the survey participants had the following responses:

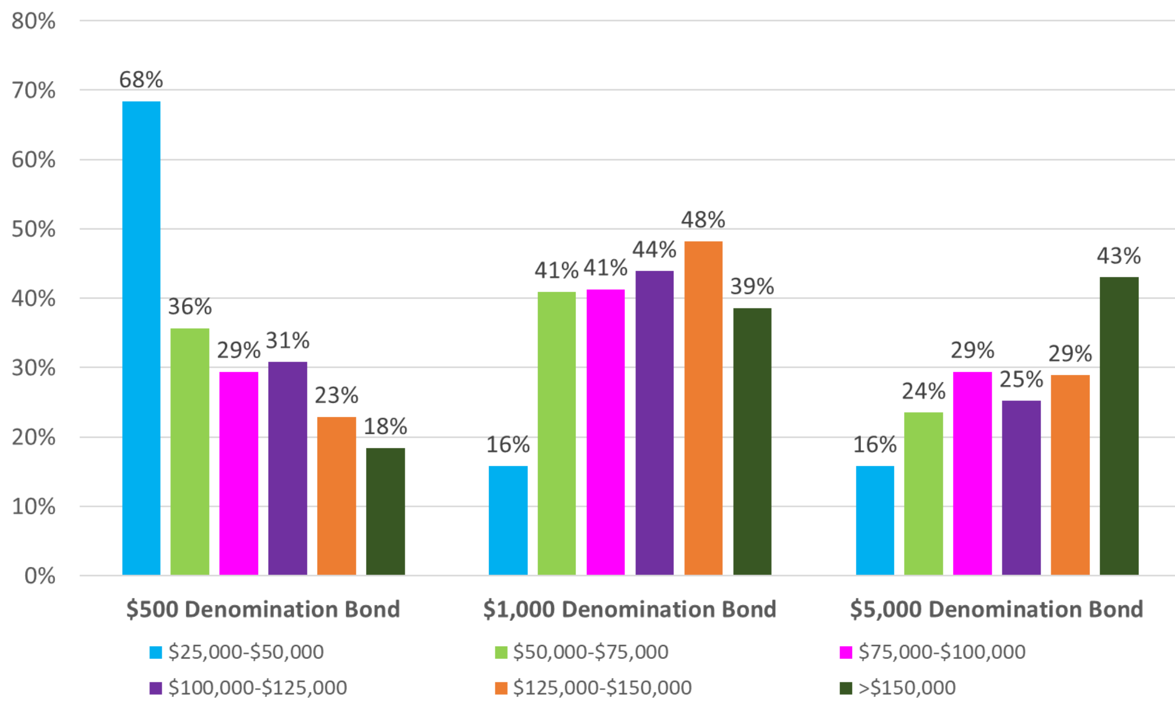
- Recycling and waste reduction – 69.5%
- Clean water – 67.3%
- Roof-top solar – 64.5%
- High efficiency heating and cooling systems – 58.8%
- Home energy efficiency projects – 56.7%
- Land conservation – 49.3%
- Energy efficiency appliance rebates – 45.6%
- Electric vehicles – 41.2%

The Green Bank and GreatBlue research also highlighted that the income of the investor, alongside the denomination of the bond, represents an opportunity for increasing equitable access to greater investment in the environment – see Figure 5.

After taking into account the results of our state-wide primary research, current national trends and conversations with various industry experts, there is sufficient data to suggest that the green bond market for individual investors in Connecticut may be quite large. As a result, the Green Bank intends to issue mini-green-bonds, with proceeds going to support the development of green energy projects within Connecticut.

For more information on the Green Bonds US campaign, visit www.greenbondsus.com

Figure 5. Comparison of Interest in Bond Denomination Value by Income of Survey Respondents



7.2 Sustainable CT

Sustainable CT and the Green Bank are developing an engagement and investment platform to raise capital in support of local projects that provide individuals, families, and businesses with investment opportunities to make an impact on sustainability in their communities. The partnership between Sustainable CT and the Green Bank is focused on the following key priorities:

- Driving investment in projects in our communities, with a goal to accelerate over time;
- Community-level engagement, from project origination through financing, that is inclusive, diverse, and "knitted";
- Creating a structure that harnesses all types of capital for impact – from donations to investment;
- Developing a business model that covers the cost of the program; and
- Creating a measurable impact, both qualitative and quantitative.

Through a partnership between Sustainable CT and ~~IOBY (In Our Backyard),~~Patronicity, an online crowdfunding platform will enable citizen leaders to have access to financial resources that they need for local sustainability projects.

For more information on Sustainable CT, visit www.sustainablect.com

8. Evaluation Framework and Impact Methodologies

The Green Bank's evaluation efforts seek to understand how the increase in investment and deployment of clean energy supported through the Green Bank, result in benefits to society. To that end, the Green Bank has devised an Evaluation Framework and impact methodologies for various societal benefits.

8.1 Evaluation Framework

The Green Bank has established an Evaluation Framework to guide the assessment, monitoring and reporting of the program impacts and processes, including, but not limited to energy savings and clean energy production and the resulting societal impacts or benefits arising from clean energy investment.[52] This framework focuses primarily on assessing the market transformation the Green Bank is enabling, including:

- **Supply of Capital** – including affordable interest rates, longer term maturity options, improved underwriting standards, etc.
- **Consumer Demand** – increasing the number of projects, increasing the comprehensiveness of projects, etc.
- **Financing Performance Data and Risk Profile** – making data publicly available to reduce perceived technology risks by current or potential private investors.
- **Societal Impact** – the benefits society receives from more investment and deployment of clean energy.

With the goal of pursuing investment strategies that advance market transformation in green investing, the Green Bank's evaluation framework provides the foundation for determining the impact it is supporting in Connecticut and beyond across the four (4) "E's" (i.e., E^4) – including Economy, Environment, Energy, and Equity.

8.2 Green Bond Framework

The Green Bank's Green Bond Framework ("Framework")[53] provides a structure in which the Green Bank can more efficiently and effectively support its efforts to raise capital and deploy more clean energy through the issuance of green bonds.

Connecticut has been at the forefront of state-level efforts to combat the threat of global climate change. In order to increase investment to meet the 10x goals identified by the United Nations as the level needed to hold off the worst effects of climate change, the Green Bank will use its statutory authority (i.e., CGS 16-245kk) to issue bonds, including Green Bonds. These are key to sourcing capital for clean energy projects and providing a way for all residents, businesses, and institutions of Connecticut to invest in growing our green economy.

---

[52] https://ctgreenbank.com/wp-content/uploads/2017/02/CTGreenBank-Evaluation-Framework-July-2016.pdf

[53] https://ctgreenbank.com/wp-content/uploads/2020/04/CGB_Green-Bond-Framework_final-4-22-2020.pdf

The Framework sets out how the Green Bank proposes to use its Master Trust Indenture ("MTI") in a manner consistent with its purpose and provide the transparency and disclosures investors require to make investment decisions through green bonds. This Framework is specifically intended for the MTI approved and adopted April 22, 2020, which establishes the purposes for which the Green Bank may issue green bonds or other public debt. The Framework is established in accordance with the Climate Bonds Initiative ("CBI") Standard and adheres to the Green Bond Principles issued by the International Capital Market Association.

8.3 Impact Methodologies

To support the implementation of the Evaluation Framework, the Green Bank, working with various public sector organizations, has developed methodologies that estimate the impact from the investment, installation and operation of clean energy projects, including:

- **Jobs** – working in consultation with the Connecticut Department of Economic and Community Development ("DECD"), through the work of Navigant Consulting, the Green Bank devised a methodology that takes investment in clean energy to reasonably estimate the direct, indirect, and induced job-years resulting from clean energy deployment.[54]
- **Tax Revenues** – working in consultation with the Connecticut Department of Revenue Services ("DRS"), through the work of Navigant Consulting, the Green Bank devised a methodology that takes investment in clean energy to reasonably estimate the individual income, corporate, and sales tax revenues from clean energy deployment.[55]
- **Environmental Protection** – working in consultation with the United States Environmental Protection Agency ("EPA") and DEEP, the Green Bank devised a methodology that takes the reduction in consumption of energy and increase in the production of clean energy to reasonably estimate the air emission reductions (i.e., CO_2, NO_x, SO_2, and $PM_{2.5}$) resulting from clean energy deployment.[56]
- **Public Health Improvement** – working in consultation with the EPA, DEEP, and the Connecticut Department of Public Health ("DPH"), the Green Bank devised a methodology that takes air emission reductions to reasonably estimate the public health benefits (e.g., reduced hospitalizations, reduced sick days, etc.) and associated savings to society resulting from clean energy deployment.[57]

Each year, the Green Bank develops additional methodologies that value the impact the Green Bank is helping create in Connecticut and all of society. For more information on the Green Bank's impact methodologies, visit the Impact page of the website.[58] In FY 2020 and FY 2021, the Green Bank is developing its Equity and Energy ~~Burden~~ impact methodologies to accompany its Economy and Environmental methodologies.

[54] https://www.ctgreenbank.com/wp-content/uploads/2018/03/CGB_DECD_Jobs-Study_Fact-Sheet.pdf
[55] https://www.ctgreenbank.com/wp-content/uploads/2018/09/CGB-Eval-Tax-Methodology-7-24-18.pdf
[56] https://www.ctgreenbank.com/wp-content/uploads/2018/01/CGB-Eval-IMPACT-091917-Bv2.pdf
[57] https://www.ctgreenbank.com/wp-content/uploads/2018/03/CGB-Eval-PUBLICHEALTH-1-25-18-new.pdf
[58] http://www.ctgreenbank.com/strategy-impact/impact/

The Green Bank's efforts to increase investment in and deployment of clean energy projects – which result in increased benefits to Connecticut and all of society – can also be looked at through the lens of the United Nation's Sustainable Development Goals ("UNSDG's").[59] The UNSDG's include, but are not limited to – reducing poverty, improving health and well-being, making clean energy affordable, increasing economic development, reducing inequalities, supporting sustainable communities, and confronting climate change – areas where the Green Bank is measuring (or will measure) the impacts of its investments.

9. Reporting and Transparency

The Green Bank has extensive reporting on its financial management and societal impact through various mechanisms. As an administrator of ratepayer (i.e., Clean Energy Fund) and taxpayer (e.g., Regional Greenhouse Gas Initiative) resources, the Green Bank believes that complete transparency is important to ensure the public's continued trust in serving its purpose.

9.1 Comprehensive Annual Financial Report (CAFR)

A Comprehensive Annual Financial Report ("CAFR") is a set of government financing statements that includes the financial report of a state, municipal or other government entity that complies with the accounting requirements promulgated by the Governmental Accounting Standards Board ("GASB"). GASB provides standards for the content of a CAFR in its annually updated publication *Codification of Governmental Accounting and Financial Reporting Standards*. A CAFR is compiled by a public agency's accounting staff and audited by an external American Institute of Certified Public Accountants ("AICPA") certified accounting firm utilizing GASB requirements. It is composed of three sections – Introductory, Financial, and Statistical. The independent audit of the CAFR is not intended to include an assessment of the financial health of participating governments, but rather to ensure that users of their financial statements have the information they need to make those assessments themselves.[60]

To date, the Green Bank has issued five CAFR's, including:

- Fiscal Year Ended June 30, 2014 (Certificate of Achievement)
- Fiscal Year Ended June 30, 2015 (Certificate of Achievement)
- Fiscal Year Ended June 30, 2016 (Certificate of Achievement)
- Fiscal Year Ended June 30, 2017 (Certificate of Achievement)
- Fiscal Year Ended June 30, 2018 (Certificate of Achievement)
- Fiscal Year Ended June 30, 2019 (Certificate of Achievement)
- Fiscal Year Ended June 30, 2020

[59] https://www.un.org/sustainabledevelopment/sustainable-development-goals/

[60] The Government Finance Officers Association (GFOA), founded in 1906, represents public finance officials throughout the United States and Canada. GFOA's mission is to enhance and promote the professional management of governmental financial resources by identifying, developing, and advancing fiscal strategies, policies, and practices for the public benefit. GFOA established the Certificate of Achievement for Excellent in Financial Reporting Program (CAFR Program) in 1945 to encourage and assist state and local governments to go beyond the minimum requirements of generally accepted accounting principles to prepare comprehensive annual financial reports that evidence the spirit of transparency and full disclosure and then to recognize individual governments that succeed in achieving that goal.

As the "gold standard" in government reporting, the CAFR is the mechanism the Green Bank uses to report its fiscal year financial and investment performance – including societal benefits and impacts – to its stakeholders. For each of its five years filing the CAFR with the Government Finance Officers Association the Green Bank has received a Certificate of Achievement for Excellence in Financial Reporting.[61]

9.2 Annual Report

Beyond the CAFR, the annual reports of the Green Bank are compiled by the marketing staff and include consolidated financial statement information and narratives of various program achievements in a condensed format that can be widely distributed.

To date, the Green Bank has issued seven annual reports, including:

- Fiscal Year 2012 Annual Report
- Fiscal Year 2013 Annual Report
- Fiscal Year 2014 Annual Report
- Fiscal Year 2015 Annual Report
- Fiscal Year 2016 Annual Report
- Fiscal Year 2017 Annual Report
- Fiscal Year 2018 Annual Report
- Fiscal Year 2019 Annual Report
- Fiscal Year 2020 Annual Report

9.3 Auditors of Public Account

The office of the Auditors of Public Accounts ("APA") is a legislative agency of the State of Connecticut whose primary mission is to conduct audits of all state agencies, including quasi-public agencies. Included in such audits is an annual Statewide Single Audit of the State of Connecticut to meet federal requirements. The office is under the direction of two state auditors appointed by the state legislature. The APA audited certain operations of the Connecticut Green Bank in fulfillment of its duties under Sections 1-122 and Section 2-90 of the Connecticut General Statutes.

To date, the APA has conducted two audits, including:

- Fiscal Years 2012 and 2013
- Fiscal Years 2014 and 2015

9.4 Open Connecticut and Open Quasi

Open Connecticut centralizes state financial information to make it easier to follow state dollars. In Connecticut quasi-public agencies are required to submit annual reports to the legislature, including a summary of their activities and financial information. In addition to that, the Comptroller's office requested that quasi-public agencies voluntarily provide payroll and checkbook-level vendor payment data for display on Open Connecticut. The Green Bank, which

[61] GAO has yet to designate the FY 2019 CAFR with a Certificate of Achievement

was among the first quasi-public organizations to participate, has voluntarily submitted this information since the inception of Open Connecticut.[62] In June of 2020, the Comptroller launched Open Quasi, which provides payroll and checkbook level data for all quasi-public organizations in Connecticut.

9.5 Stakeholder Communications

The Green Bank holds quarterly stakeholder webinars to update the general public on the progress it is making with respect to its Comprehensive Plan and annual targets.[63] Through these webinars, the Green Bank staff invite questions from the audience. These webinars are announced through the Green Bank's list serve consisting of thousands of stakeholders as well as the events page of its website.[64]

The Green Bank also issues an e-newsletter through its list serve that provides key topics in the news and important information on products, programs and services.[65]

10. Research and Product Development

As the Green Bank implements its Comprehensive Plan, there will be ongoing efforts to develop new market opportunities for future green investments. With the lessons being learned and best practices being discovered in the green economy, the Green Bank's ability to deliver more societal benefits requires understanding potential opportunities and the development of pilot programs and initiatives to increase impact, including, for example:

- **Shared Clean Energy Facilities** – to support decarbonizing the electricity infrastructure climate change wedge, while reducing the burden of energy costs on Connecticut's families and businesses, the Green Bank will seek to apply its experience administering the RSIP to supporting and investing in shared clean energy facilities (or community solar projects) with a focus on low-to-moderate income families;
- **Energy Burden from Transportation** – as Operation Fuel has done an exceptional job quantifying the energy burden for electricity use and heating of homes, understanding the energy burden from transportation (i.e., gasoline to alternative fuel vehicles) will help the Green Bank and others (e.g., Department of Housing, Connecticut Housing and Finance Authority, Partnership for Strong Communities, DEEP, etc.) understand its role in addressing the decarbonization of transportation emissions climate change wedge; and
- **Environmental Infrastructure** – if there were an expansion of scope for the Green Bank beyond "clean energy," the Green Bank could apply the green bank model to mobilize private investment in "environmental infrastructure".[66] Working with DEEP and

[62] https://openquasi.ct.gov/
[63] https://www.ctgreenbank.com/news-events/webinars/
[64] https://www.ctgreenbank.com/news-events/events-calendar/
[65] https://www.ctgreenbank.com/newsletters/
[66] Proposed Senate Bill 927 in the 2019 Legislative Session

other state agencies, local governments, nonprofit organizations, academic institutions, and businesses, the Green Bank could, for example, identify new areas for increased investment in climate change adaptation and resiliency through the issuance of green bonds.[67]

The Green Bank's research product development efforts are intended to open-up new market channels for private investment in Connecticut's green economy through studies, pilot projects, and other initiatives that have the potential for expanding the impact of the Green Bank.

11. Budget

11.1 FY 2020 Budget

For the details on the FY 2020 budget– click here.

For details on the FY 2019 to FY 2020 variance analysis supporting the continuation of the Sustainability Plan – click here.

11.2 FY 2021 Budget

For the details on the FY 2021 budget– click here.

[67] Section 10.3 Sustainability of the Comprehensive Plan of the Connecticut Green Bank for FY 2017 through FY 2019 recognizes that other green banks invest beyond "clean energy" and include "environmental infrastructure".

INNOVATIONS IN AMERICAN GOVERNMENT AWARD

WINNER

HARVARD Kennedy School

ASH CENTER

for Democratic Governance and Innovation

845 Brook Street
Rocky Hill, Connecticut 06067

300 Main Street, 4th Floor
Stamford, Connecticut 06901

T: 860.563.0015
F: 860.563.4877
www.ctcleanenergy.com

Memo

To: Connecticut Green Bank Board of Directors

From: Mariana Trief, Consultant, Clean Energy Finance; Bert Hunter, EVP and CIO

Cc: Bryan Garcia, President and CEO; Brian Farnen, General Counsel and CLO; Mackey Dykes, VP Financing Programs

Date: January 19, 2021

Re: Historic Cargill Falls Mill Redevelopment Project - Hydro Update

---

Background

The C-PACE project at 58 Pomfret Street, Putnam, CT (the "Historic Cargill Falls Mill", "HCFM" or "Project") consists of an approximately 900 kW hydroelectric development ("Hydro Project") and a portion of the various Energy Conservations Measures installed at the property along with a much larger redevelopment of an existing mill property into mixed-use residential and commercial space. Thirty six percent (36%) of these units have been designated for affordable housing.

The currently $[redacted]M of approved capital includes $6.2M from the Connecticut Green Bank (excluding accrued interest) as a C-PACE secured loan along with the remainder of the funds coming from the Connecticut Department of Housing ("DOH"), Urban Act funds ("Urban Act Funds"), state and historic tax credit equity investors, and developer equity.

Project Update

The Historic Cargill Falls Mill finalized most of the construction for the residential units and received its Certificate of Occupancy ("CO") from the Town of Putnam on August 20, 2020. As of end of December, [redacted] units ([redacted] market rate and [redacted] affordable units) equivalent to approximately [redacted]% of the units are already occupied and one more unit has been rented with renters waiting to move in, which would leave the occupancy rate at [redacted]%. All the market rate units are rented and there is also a wait list of [redacted] people for the market rate apartments.

[redacted]

Hydro Project Update

The Hydro Project consists of two turbines. The larger 600 kW turbine was placed in service in May 2017 but was then taken offline during the construction work associated with the redevelopment. The 600 kW turbine is not currently operational because the Federal Energy

Regulatory Commission ("FERC") has required additional consultant work to verify the downstream and upstream eel migration structures that were installed, along with a dissolved oxygen plan.[1] Work to enable the smaller 300 kW unit to come online was anticipated as part of the mill redevelopment, but the Project is still waiting for a permit from the Department of Transportation ("DOT Permit") to complete the bifurcation work that will allow the 300 kW turbine to come online. The bifurcation work consists of water from the Quinebaug River being channeled through a large conduit that splits the flow with a portion piped to the larger turbine and the balance going to the second turbine. This bifurcation also permits optimally running either turbine, as required, during low flow seasons. The DOT Permit was not granted in the fall as additional structural and engineering information was requested (and there were delays in processing this information due to COVID). Since the work will disturb the main thoroughfare into the Town of Putnam, DOT did not permit work that could encroach upon the winter or near winter season. Consequently, the DOT Permit is expected in the spring (mid-April).

Given the delays associated with construction (COVID and DOT Permit delays), the Project team requested a third extension from FERC to complete the Hydro Project. This extends the Project's deadline to July 31, 2021 ("FERC Deadline"). There is no precedent in the FERC for granting more than two extensions to a single project, so there is a real risk that a further extension may not be approved jeopardizing the Hydro Project if FERC does not believe there have been good faith efforts with regards to construction and finalizing construction. While ideally the Green Bank would have wanted the Project's funding gap to have been fully resolved by now before committing further funds, there is urgency in approving additional funding to complete the Hydro Project before the FERC Deadline.

Hydro Project Funding Request

Green Bank is recommending $600,000 in additional funding approval from the Board of Directors (the "Board") to fund the work required to finalize the Hydro Project. The Board has already approved $300,000 in additional funding to cover the funding gap at the meeting held January 24, 2020. Green Bank has not yet approved such funding to be released to the Project Owner. Therefore, together with the previously approved $300,000 funding, a total of $900,000 is expected to be provided to the contractor to complete the facility.

[redacted]

[1] The dissolved oxygen plan is an environmental requirement associated with the FERC license. The write up needs to show whether the hydro unit changes the amount of dissolved oxygen in the water.

Table 1: Detailed Budget Breakdown and Sources

[redacted]

Green Bank's approval of expenses (based on a previously approved budget) shall be necessary and sufficient to make sure the Hydro Project will be completed. Green Bank will make disbursements directly to Haynes Construction, Stephen Doret or directly to the contractors.

An increase in Green Bank's funds to $7.1M ($6.2M already approved and lent, $300,000 approved on January 2020 and the new requested $600,000) would be secured by the property through the C-

PACE program. To date, the Green Bank's C-PACE loan continues to be the only "hard" debt in the capital stack with Green Bank funds first from a repayment perspective. Green Bank's funding is not only secured by the property though the C-PACE lien but also supported by healthy operating revenues anticipated from the real estate and Hydro Project (which, as noted above, is far along in lease up). Based on the financial and operating projections that we have worked on with the Project Team, the average DSCR on the Green Bank debt would be [redacted]x. An annual breakdown is included in the Appendix.

From a C-PACE savings-to-investment ratio ("SIR") perspective, based on are review of the savings associated with the Hydro Project and the ECMs, the proposed $7.1M project yields an SIR of 1.03. These figures still need to undergo review and confirmation from the C-PACE third-party technical reviewer, which would be a condition precedent to any increase in funding to the Project.

Redevelopment Project Capital Stack Update

[redacted]

[redacted]

3,632,903	Funding Gap Identified
	Sources
1,850,000	Urban Act Original Ask (July)
500,000	HTCC Funding (potential)
800,000	Green Bank
482,903	Project Owner
3,632,903	Total Sources

[redacted]

Conclusion

[redacted]

[redacted]

Given the impending FERC Deadline and Project's ability to show FERC that construction is progressing with the aim of finalizing the work before the FERC Deadline, Green Bank staff suggests approving additional $600,000 in funding to finalize all construction pending with the Hydro Project.

Resolutions

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 Board of Directors ("Board") of the Green Bank previously approved a construction and term loan, secured by a C-PACE benefit assessment, not-to-exceed amount of $6,200,000 along with a $300,000 increase (the "Approved Loan Amount") to Historic Cargill Falls Mill, LLC and Putnam Green Power LLC (collectively, the "Borrower"), the property owner of 52 and 58 Pomfret Street, Putnam, Connecticut, to finance the construction of specified clean energy and energy conservation measures (the "Project") in line with the State's Comprehensive Energy Strategy and the Green Bank's Strategic Plan;

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

WHEREAS, the Green Bank now seeks approval to increase the Approved Loan Amount to the Borrower to provide up to $600,000 in additional funding (the "Loan Amendment") 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 the Loan Amendment 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) $300,000, with terms and conditions consistent with the memorandum submitted to the Board dated January 17, 2020, plus (iii) $600,000, with the terms and conditions consistent with the memorandum submitted to the board dated January 19, 2021 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 January 22, 2021; 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.

Submitted by: Bryan Garcia, President and CEO; Bert Hunter, EVP and CIO; Mackey Dykes, VP Commercial, Industrial, and Institutional Programs; Kim Stevenson, Director, Multifamily Programs

Appendix: Annual Breakdown

Project Year	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30

[redacted]

845 Brook Street
Rocky Hill, Connecticut 06067

300 Main Street, 4th Floor
Stamford, Connecticut 06901

T: 860.563.0015
F: 860.563.4877
www.ctcleanenergy.com

Connecticut Municipal Electric Energy Cooperative (CMEEC)

& US Naval Submarine Base – Groton, CT Fuel Cell Project

A Fuel Cell Debt Financing Strategic Selection

Green Bank Term Loan Facility Modification Request

January 15, 2021

Document Purpose: This document contains background information and due diligence on a proposed credit facility for the FuelCell Energy, Inc. ("FCE" and NASDAQ: FCEL) fuel cell project under a power purchase agreement between FCE and the Connecticut Municipal Electric Energy Cooperative ("CMEEC") and located at the US Naval Submarine Base – Groton, CT. The information herein is provided to the Connecticut Green Bank Board of Directors for the purposes of reviewing and approving recommendations made by the staff of the Connecticut Green Bank.

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

Strategic Selection Financing Memo

To: Connecticut Green Bank Board of Directors

From: Bert Hunter, EVP & CIO

Cc: Bryan Garcia, President & CEO; Brian Farnen, General Counsel & CLO; Sergio Carrillo, Director, Incentive Programs; Jane Murphy, EVP of Finance and Administration

Date: January 15, 2021

Re: FuelCell Energy / US Navy / CMEEC / Groton Fuel Cell Project
Term Loan Facility Update

Term Loan Update

At the December 2020 meeting of the Connecticut Green Bank ("Green Bank") Board of Directors (the "Board"), the Board approved a term loan facility to finance the 7.4 megawatt FuelCell Energy, Inc. ("FCE") fuel cell at the US Naval Submarine Base, Groton, CT (the "Navy Project") in partnership with and subordinated to loans (the "Senior Loans" and together with Green Bank's loan, the "Term Loans") from two bank lenders: [redacted] (the "Senior Lenders" and together with Green Bank, the "Lenders").

Following further discussion with the Senior Lenders, it has been tentatively agreed that the loan repayment profiles will mirror each other rather than have one senior lender be paid out later than the other. As set forth below, the Senior Loans would be repaid via a balloon payment of $[redacted] million. Approximately $[redacted] million of this final balloon amount would come from the balance to be outstanding in the Debt Service Reserve Account at that time, with the remainder being drawn from the module replacement reserve. The balance outstanding to the module replacement reserve at that time should accrue to $[redacted] million – more than enough to cover the $[redacted] million amount remaining to retire the Senior Loans. [redacted] the Green Bank remains sufficiently collateralized under this alternative arrangement agreed in principle with the Senior Lenders. The Green Bank loan structure remains as previously approved.

The structure previously presented together with the change for the Senior Lenders is presented here:

Revised Structure	Further Revised Structure
[redacted]	

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

Memo

To: Board of Directors of the Connecticut Green Bank

From: Mackey Dykes, Vice President, Financing Programs and Catherine Duncan, Senior Loan Administrator, Finance and Administration

Date: January 15, 2021

Re: C-PACE Program Guidelines Update

Overview

Conn. Gen. Stat. Section 16a-40g ("the Statute") authorizes what has come to be known as the Commercial Property Assessed Clean Energy Program ("C-PACE") and designates the Connecticut Green Bank ("Green Bank") as the state-wide administrator of the program. Through C-PACE program, building owners can access financing that is secured through a C-PACE benefit assessment lien on the property. The Statute states that this assessment "shall be paid in installments and each installment payment shall be collected in the same manner as the property taxes of the participating municipality on real property…" Green Bank has implemented this by agreements with the participating municipalities that make them responsible for billing and collecting repayments on C-PACE financing. Challenges have arisen with both billing and collection as the number of assessments serviced by the municipalities has grown. Staff is requesting approval to shift the responsibility of billing and collection from the municipalities to Green Bank.

Background

At the inception of the C-PACE program in Connecticut, the Green Bank, as Program Administrator, decided that municipal billing and collection of benefit assessment repayments would make the program both more attractive and more creditworthy. The belief was that a building owner/borrower would be more likely to pay a tax bill from their municipality than a bill from another source. The ensuing eight years have seen remarkable growth in Connecticut's C-PACE programs and across the country, and there is sufficient evidence that the costs of municipal billing and collection in Connecticut outweigh any perceived benefits.

Billing

Currently, Green Bank shares payment information with the municipal tax collector when a transaction is ready to enter repayment. The tax collector loads the repayment details into her system, typically a software product provided by Quality Data Service (QDS). At the start of each fiscal year, an annual bill is generated with payment coupons and mailed to the address of record. Reminder bills are sent by some towns during the subsequent collection periods.

For the July 1, 2020 collection cycle approximately 90 tax collectors with 90 different versions of hardware and software generated about 290 bills on 90 different printers with widely differing results. While most are correct, errors such as incorrect payment due amounts happen, or bills go out late. Green Bank does not regularly receive copies of these bills and doesn't initially know when an incorrect bill is sent or when a bill is sent late. Green Bank may not find out for six or more weeks, when confirmations about collections begin to arrive from the tax collectors and an unexpected amount is paid or a new loan doesn't make a first payment and follow-up with borrowers reveals the error.

Collection

Property owners have until the first business day in the month after billing to make an on-time payment to their tax collector. On-time payments include envelopes postmarked on the last day to pay. While some towns generate reports on payments and remit collected funds promptly, a larger group takes several weeks to provide full information and payment. Some towns require additional and continuous Green Bank outreach for both information and funds transfers into the fourth and sometimes fifth months after payment.

Because of this, lenders lack insight into what borrowers paid, when they paid, and when the municipality will transfer the funds. This information black hole creates frustration with the program.

Administrator Billing and Collection

Staff proposes to shift responsibility for billing and collection to the Green Bank. The Green Bank would hire an experienced loan servicer to provide these services. Shifting the responsibility for billing and collection from the municipalities, whose tax collection systems were not designed to be loan servicers, to the Green Bank eliminates the frustrations experienced by our investors and by the Green Bank for the above reasons. Given that all billing data comes from the Green Bank, using a single loan servicer that regularly generates bills for multimillion-dollar portfolios means the Green Bank will have consistent and accurate billing. Bills will be generated on the appropriate cycle for their municipality and all bills will be issued on the same day. The Green Bank and investors will all receive electronic copies of their bills and a proofing process can be implemented.

Property owners will remit funds directly to the Green Bank's C-PACE collection account, bypassing the municipality. Currently, funds must move from owners, to the tax collectors, to the municipal Accounts Payable departments, to the Green Bank, and finally to the lienholders. Under the proposed structure, all funds will be received by the Green Bank during the collection period and transferred to investors within five business days of receipt. In just over one month, the cycle will be almost complete and both funds and information will be readily available for all lienholders. The loan servicer, in addition to sending notification of funds remitted, provides an on-line portal for daily updates, making much more real-time information available to capital providers then currently available.

An additional benefit to all lien holders is that the loan servicer can provide on-line access to delinquency penalties calculated in the manner of property taxes in Connecticut. This is far easier than getting statements from the tax collectors and facilitates management of delinquencies.

Cost Savings
The Green Bank pays municipalities with active C-PACE projects $500 every fiscal year to cover their billing and collection cost. Administrator billing will eliminate this cost which is approximately $45,000 annually. Pricing indications from our current servicer suggest they will increase our fees by $5,000 annually if we move to Administrator billing, simply to cover the cost of printing and mailing. Their perception of the time savings inherent in this change is so great that even though there will be a significant set up effort, the overall time spent on our account after the first year of Administrator billing will diminish.

The vast majority of Connecticut municipalities use the software services of QDS, who Green Bank pays to integrate C-PACE billing into their platform. Eliminating the municipalities means eliminating our relationship with QDS, saving the $4,690 we pay for annual support. It will also eliminate the $1,000 fee we pay QDS to set up new municipalities on their custom C-PACE module, as well as fees we pay to upgrade that module occasionally. In all, the QDS savings will be largely offset by the increased servicing fees, leaving a savings of $45,000 annually for the program, not including time saved by the Green Bank.

Implementation
If approved, Green Bank will move to implement this change for the 7/1/21 billing cycle. The rollout will be a consultative process involving all major stakeholders. Key lenders are aware of and supportive of the change, and we will be reaching out to participating municipalities in the next few weeks. Each municipality will need to execute a release letter to implement these changes to the agreements between the Green Bank and the municipality.

Recommendation
Staff recommends that the Green Bank Board of Directors (the “Board”) approve the updated C-PACE Program Guidelines, materially in the form of attached to this memo, which would allow Green Bank to implement the billing and collection changes discussed in this memo. These Program Guidelines would then go through a thirty-day public comment period. If, after public comments are received, Green Bank staff considers that significant changes are needed to the Program Guidelines as currently drafted, then staff will come back to the Board for an updated approval. If no significant changes result from the public comment process, then the final form of the Program Guidelines shall be deemed approved by the Board and Green Bank staff would proceed with implementation of such Program Guidelines.

Resolution

WHEREAS, Conn. Gen. Stat. Section 16a-40g (the “Authorizing Statute”) authorizes the Commercial Property Assessed Clean Energy Program (“C-PACE”) and designates the Connecticut Green Bank (“Green Bank”) as the state-wide administrator of the program; and

WHEREAS, the Authorizing Statute charges Green Bank to develop program guidelines governing the terms and conditions under which state and third-party financing may be made available to C-PACE.

NOW, therefore be it:

RESOLVED, the Green Bank Board of Directors (the “Board”) approves the updated C-PACE program guidelines (the “Program Guidelines”), substantially in the form of attached to that certain memo to the Board dated January 15, 2021. The Program

Guidelines shall then go through a thirty-day public comment period in accordance with Conn. Gen. Stat. Section 1-120 et seq.

RESOLVED, If, after the expiration of public comment period, Green Bank staff considers that any substantive changes are needed to the Program Guidelines as currently drafted, then Green Bank staff will seek an updated approval from the Board. If no substantive changes result from the public comment process, then the final form of the Program Guidelines, as may be edited by Green Bank staff, shall be deemed approved by the Board and Green Bank staff will proceed with implementation of such Program Guidelines.

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 Program Guidelines.

C-PACE PROGRAM GUIDELINES

Version Date: January 15, 2021

Connecticut Green Bank
845 Brook Street
Rocky Hill, CT 06067
Tel: (860) 563-0015
www.ctgreenbank.com

Table of Contents

Article I. INTRODUCTION

Capitalized terms used below which are not otherwise defined shall have the meaning ascribed to them in Article VI hereof.

In 2012, the Connecticut legislature passed the C-PACE Legislation (defined below), which authorized the commercial sustainable energy program more commonly known as the Commercial & Industrial Property Assessed Clean Energy Program ("C-PACE"). C-PACE is a financing program that allows Connecticut building owners to access cleaner, cheaper, and more reliable energy. The C-PACE Legislation authorized Connecticut Green Bank, a Connecticut quasi-public agency ("Green Bank"), to administer C-PACE and establish program guidelines for the implementation of the program.

C-PACE allows qualifying commercial real property owners to access financing to undertake qualifying energy efficiency and clean energy improvements on their buildings and repay the investment through an additional charge/assessment similar to their real property tax, sewer, or water bill. Similar to a sewer assessment, projects financed through C-PACE are secured by a benefit assessment lien on the improved real property, which lien is repaid over time. Like other benefit assessments, C-PACE is a non-accelerating, senior lien secured by the property. The repayment obligation transfers automatically to the next owner if the property is sold and in the event of default, only the payments in arrears come due. This arrangement spreads the cost of clean energy improvements – such as energy efficient boilers, upgraded insulation, new windows, or solar PV installations –over the expected life of the measure. Because the payment is secured by a senior lien ~~tied to the property's real property tax billing, a secure payment stream~~, C-PACE projects are seen as less risky than typical loans, and low interest capital can be raised from the private sector with little or no government financing required.

Benefit assessments are a familiar tool which municipalities levy on real estate parcels to finance projects including street paving, water and sewer systems, and street lighting. C-PACE builds on a long history of using such benefit assessments and serves a public purpose through reducing energy costs, stimulating the economy, improving property valuation, reducing greenhouse gas emissions and creating jobs. C-PACE is a proven and effective tool to attract private capital into the clean energy and energy efficiency market. The Connecticut Green Bank, as Program Administrator, bills and collects the scheduled payments for all benefit assessment liens in the manner of property taxes in the Participating Municipality.

This document sets forth the program guidelines established by Green Bank for the implementation of C-PACE (as may be updated, supplement, amended or otherwise modified by Green Bank, the "Program Guidelines"), which Program Guidelines govern all C-PACE participants.

All Appendixes attached hereto are supplemental program documents used by Green Bank in implementation of the Program Guidelines and may be modified or amended by Green Bank, in its sole discretion, from time to time. Current versions of all Appendixes may be found at www.cpace.com/guidelines.

Article II. OUTLINE OF C-PACE BENEFITS

PACE offers multiple benefits to a broad range of stakeholders, including but not limited to: building owners, municipalities, mortgage holders, lenders and energy efficiency/renewable energy contractors.

Section 1. For Building Owners: C-PACE helps minimize the up-front investment, installation, and performance risk of energy upgrades, while helping owners lower their operating costs, improve the value and market competitiveness of their asset, and comply with energy mandates. C-PACE does this in several ways:

- *Many owners lack capital to implement energy improvements.* C-PACE provides up to 100% up-front, long-term financing to property owners for qualified energy upgrades. Audits, construction costs, commissioning and post-construction performance measurement and verification (M&V) can be wrapped into C-PACE financing.
- *Owners often want to sell the building before an energy upgrade loan is repaid*. The C-PACE assessment obligation is attached to the property and can transfer to the new owner. Payments do not accelerate in case of default.
- *Many owners feel energy improvements do not yield an adequate return on investment.* The C-PACE program requires that the estimated energy savings from a project exceed the up-front investment and financing costs, leading the expected cash flow to be positive over the useful life of the equipment. Moreover, C-PACE requires an independent third-party technical review of the project energy savings estimates, thereby ensuring confidence in the projected energy savings. Deeper energy upgrades and savings are possible because assessments match the useful life of equipment, which for certain improvements can extend up to 25 years.
- *Other owners are uncertain that energy savings will perform as advertised.* C-PACE helps building owners understand their future energy savings by requiring that an energy audit and/or feasibility study be conducted to estimate energy savings and commissioning to ensure that equipment is installed correctly. Buildings owners are encouraged to develop an equate measurement & verification plan to track energy consumption or production over time.
- *Owners need tenants to share in the costs of energy upgrades*. As a benefit assessment, C-PACE payments – as well as energy savings – may, if permitted by the lease agreement, be passed along to tenants.

Section 2. For Energy Auditors and Contractors: The biggest barrier to converting leads to deals for energy upgrades is the lack of access to acceptable finance terms from traditional lenders. C-PACE solves this. By allowing a property owner to access up to100% up-front financing for up to 25 years, deeper energy efficiency and clean energy improvements are now affordable. The Green Bank also provides energy auditors and contractors access to training, support services, market research, and marketing materials.

Section 3. For Municipalities: C-PACE is an economic development tool for municipalities. Energy upgrades create a more competitive environment for retaining and attracting new businesses by lowering energy costs. Energy upgrades also create jobs and reduce greenhouse gases and other pollutants. Green Bank facilitates municipal outreach and coordination with municipalities, and their legislative bodies, interested in entering into the Participation Agreement (as defined below).

Section 4. **For Third-Party Capital Providers:** C-PACE has created a very secure, clean energy financing product for Third-Party Capital Providers (TPCP). The security comes from its position similar to a tax lien on a property. The lien, like other public benefit assessments, sits in a senior position to other encumbrances on the property, including mortgage debt and liens other than municipal real property tax liens. Repayment is managed by the Green Bank in its role as Program Administrator. ~~Repayment is managed by local property tax administrators in the normal course of their billing and collection practices, thereby creating a very secure stream of collections and remittances.~~

Finally, the C-PACE Legislation requires C-PACE approved projects to have a "Savings to Investment Ratio" (SIR) greater than one, meaning that projected lifetime savings from the measures must exceed the total investment, inclusive of financing costs, over the lifetime of the measures. Connecticut streamlined the C-PACE program by establishing a single statewide C-PACE program administered by the Green Bank. Connecticut's C- PACE program maintains an open market approach, encouraging private capital to be the primary financier of these assessments and supporting building owners who wish to source their own C-PACE lender (see Article V below). Additionally, the Green Bank currently has dedicated capital to invest in C-PACE projects. At certain intervals through the year, the Green Bank may periodically "sell-down" its portfolio of C-PACE transactions to TPCP(s) (as defined herein) who desire to be the secondary financiers of these assessments. The sell-down process replenishes the Green Bank's capital, enabling a sustainable source of funding for C-PACE projects.

Section 5. **For Mortgage Holders:** The structure of C-PACE allows participating building owners to pay for improvements to their property out of the savings the project creates. Connecticut statutes require C-PACE approved projects to have an SIR greater than 1, meaning that projected lifetime savings from the energy measures must exceed the total investment, inclusive of financing costs, over the lifetime of the measures. The Green Bank has instituted technical underwriting standards for C-PACE that provides a robust framework for measuring the estimated SIR (Appendix D), which all C-PACE Projects must meet. Under the C-PACE financing structure, the building should experience increased net operating income, often an immediate return on investment, and therefore becomes more attractive to current and potential tenants and future buyers. Additionally, C-PACE Assessments do not accelerate. In the event of a foreclosure of the property for any reason, only the amount of the C-PACE assessment currently due and/or in arrears, a relatively small proportion of the entire C-PACE assessment, would come due. In the event of a property sale, C-PACE assessments can automatically transfer to the new property owner unless the buyer or seller decides to prepay the assessment. Finally, the C-PACE Legislation requires that property owners receive the written consent of their existing mortgage holder before being eligible for C-PACE financing (Appendix C). Mortgage lenders will be at the table helping to determine whether a property can undertake this voluntary assessment.

Article III. C-PACE STATUTORY AND PROGRAMMATIC REQUIREMENTS

This section outlines certain requirements set forth in the C-PACE Legislation as well as additional programmatic requirements established by the Green Bank.

Section 1. Mortgage Lender Consent

A. Pursuant to the C-PACE Legislation, Benefited Property Owners must:
   i. Provide written notice to any existing mortgage holder of the Qualifying Property (as defined below), at least thirty days before the recording of a benefit assessment lien on such property, of the property owner's intent to finance a project through C-PACE, and
   ii. Obtain the written consent to the C-PACE financing from any existing mortgage holder of the Qualifying Property.

B. Green Bank's model mortgage holder notice and consent is attached as Appendix C. C-PACE participants may elect to use a different agreement to evidencing mortgage holder notice and consent, however any other such agreement will be subject to review and approval by Green Bank in its sole discretion.

C. In accordance with the U.S. Department of Housing and Urban Development ("HUD") Notice H2017-01 dated January 11, 2017, as may be modified, amended or superseded, in the event that the mortgage holder is HUD, the mortgage holder notice and consent as well as the Financing Agreement associated with such consent shall provide, in the event of a default on the associated Benefit Assessment Lien payment, for notice and a reasonable opportunity for the mortgage holder to cure any such non-payment.

Section 2. Real Property Eligibility

To be considered a "Qualifying Property" eligible for C-PACE Financing, a Qualifying Commercial Real Property (as defined below) must meet the following requirements:

A. Must be located within a Participating Municipality (as defined below), or multiple abutting Participating Municipalities.

B. Must be owned by a Benefited Property Owner (as defined below), who is not a state, municipality, or any political subdivision thereof.

C. Must not be a Residential Dwelling (as defined bellow) of four units or less. Multifamily properties of five units or more are eligible. Mixed-use, not-for-profit and agricultural properties may also be eligible. If the eligibility of a certain property is not clear, Green Bank may determine property eligibility in its reasonable discretion based on site specific considerations including, but not limited to, zoning designation and current/past/future land use. Multiple abutting parcels may be included in the legal description of one Benefit Assessment Lien (as defined below) if (1) each parcel, by itself, is a Qualifying Property (2) each parcel is owned by the same Benefited Property Owner, and (3) each parcel benefits from the same Qualifying Project.

D. Must not be subject to any mortgage, deed of trust or other equivalent consensual security interest securing a loan primarily for personal, family or household use in a Residential Dwelling of four units or less or on land on which a person intends to construct a Residential Dwelling of four units or less.

Section 3. Project Eligibility

To be considered a "Qualifying Project" eligible for C-PACE Financing, an energy improvement project must meet the following requirements:

A. Contain at least one Energy Improvement (as defined below).

B. All costs associated with the Energy Improvement and the financing thereof (e.g. closing/lender fees, consultant/development fees, soft costs, or other associated project costs, each being an "Associated Cost") may, subject to Green Bank approval, be included in the Financed Amount.

C. Obtain an energy audit or feasibility study for the proposed Energy Improvement(s).

D. The term of the Benefit Assessment associated with the Qualifying Project may not exceed the weighted average effective useful life ("EUL") of the Energy Improvement(s), except in the context of Restructuring, in which case the term of the Benefit Assessment may be extended beyond the weighted average EUL of the Energy Improvement(s). EUL is determined through the energy audit, based on industry best practice, and is subject to approval by (1) either the Technical Administrator or a Technical Reviewer, and (2) the Green Bank. Regardless of a Project's EUL, the term of the Benefit Assessment may not exceed 25 years unless approved by Green Bank, in its sole discretion.

E. Projected Total Cost Savings must exceed the Projected Financing Cost. In other words, the savings-to-investment ratio ("SIR") of the project must be greater than one. To demonstrate that the SIR requirement has been satisfied the project must be either (1) reviewed and approved by the Technical Administrator, (2) reviewed and approved by a Technical Reviewer, (3) be certified as Investor Confidence Project "Investor Ready Energy Efficiency"[2] Project, or (4), for certain projects which include third party-owned renewable energy system(s), reviewed and approved by Green Bank, or certified by a Qualified Capital Provider, as applicable and more particularly described in Appendix L. For the avoidance of doubt, the SIR calculation for the project must meet the requirements set forth in Article IV below.

F. All Projects require the written approval of the Green Bank, as the statewide administrator of the C-PACE Program.

G. All Benefited Property Owner(s) associated with the project must sign a Disclosure of Risk Form.

H. If the Energy Improvement(s) are wholly owned by any party or parties which is/are not the Benefited Property Owner(s), then such project must meet the requirements set forth in Appendix L.

Section 4. Restrictions on completed Qualifying Projects and consolidated Qualifying Projects

Qualifying Project improvements which have already been made to a Qualifying Property may be eligible for financing if such Qualifying Project was completed less than a calendar year prior to the complete submission of documents necessary for Green Bank approval (See Appendix F) of such Qualifying Project. Additionally, subsequent Energy Improvement(s) made to a Qualifying Property which has previously received C-PACE financing for a previous Qualifying Project, made within one calendar year from the close of C-PACE financing for the initial Qualifying Project, may be considered as one Qualifying Project for the purposes herein.

Section 5. Restrictions on Refinancing within the C-PACE Program

Qualifying Projects which closed on C-PACE financing may not be eligible for Refinancing through the C-PACE Program. For the avoidance of doubt, nothing in the Program Guidelines is intended to prohibit Restructuring, at any time during the term of the applicable Benefit Assessment, through the C-PACE Program.

Section 6. Billing and Collection

Benefit Assessment Liens are billed in the same manner as real property taxes. As such, any payment schedule associated with any Benefit Assessment Liens will follow the billing cycle and due dates for real property taxes in the applicable Participating Municipality. Billing and collection of recorded Benefit Assessment Liens are conducted in accordance with the applicable Participation Agreement, as may be amended. In the event that such Participation Agreement provides for Green Bank to conduct the billing and collection of Benefit Assessment Liens in such Participating Municipality then Green Bank will conduct such billing and collection in accordance with Appendix M.

Article IV. TECHNICAL STANDARDS OVERVIEW

The Green Bank requires a third-party review of the proposed project to demonstrate that the SIR requirement has been met. The following provides a summary of the technical review process. Please refer to the Technical Standards (Appendix D) for a full description of audit requirements, technical review methodology and standards, and eligible and ineligible measures. Technical review may be completed by the Green Bank's selected Technical Administrator or Technical Reviewer, in accordance with the Technical Standards. As an alternative to this process, the Green Bank will also accept Investor Confidence Project-certified Investor Ready Energy Efficiency Projects that demonstrate the SIR is greater than one. Additionally, Green Bank may, in its sole discretion, perform technical review for projects which include third party-owned renewable energy system(s), as more particularly described in Appendix L.

Section 1. Defining a Scope of Work

Benefited Property Owners should work with a qualified energy auditor and/or contractor with demonstrated experience to define a scope of work for their proposed project. This scope can range from installation of a single Energy Improvement, such as a new high efficiency boiler or a renewable energy system, to a whole building energy upgrade involving multiple, interactive Energy Improvements. A general list of eligible Energy Improvements and their typical energy saving characteristics can be found in the Technical Standards. The scope of work for the proposed project must be prepared and submitted by a Qualified Contractor or Registered Contractor. Projects require the applicant to conduct an energy audit or renewable energy feasibility study. For all projects involving the installation of Energy Improvements, depending on project type, size and complexity, the energy audit may range from a simple walkthrough of the building to an investment grade audit.[3] The Qualified Contractor or Registered Contractor will determine the minimum required energy audit level consistent with the Technical Standards (Appendix D). The audit should identify the building's representative baseline energy use, identify and recommend Energy Improvements, estimate the useful life of each Energy Improvement, determine total project capital cost and the projected energy savings that can be confidently achieved, evaluate key financial metrics, and provide an energy savings equipment commissioning plan. All projects involving a renewable energy system are required to complete a feasibility study, Green Bank recommends that any feasible study follow the guidelines set forth in Technical Standards (Appendix D).

Section 2. Standard SIR Technical Review

The Technical Administrator and/or Technical Reviewer will conduct a technical review, the purpose of which is to validate the reasonableness of project costs and energy savings projections. The Technical Administrator and/or Technical Reviewer will also confirm the projected SIR of the project is greater than one.

[3] Connecticut utilities may provide what can be considered an ASHRAE Level I audit at no cost to applicants. The Green Bank can provide applicants referrals to qualified energy auditors to do higher level audits, the costs of which may be included in C-PACE financing.

In addition, the methodology for tracking energy savings over an agreed upon term will be reviewed, thereby verifying for project stakeholders the extent to which projected energy savings are being achieved in an ongoing fashion.

Technical Review consists of three tasks:

A. Verify that the building's baseline energy consumption is representative and reasonable, e.g. weather normalized

B. Validate the reasonableness of projected energy savings; and

C. Confirm that an adequate commissioning plan exists.

The first two tasks are necessary to determine the SIR on the project and verify that it is greater than one. The third task ensures a property owner and the contractor have planned to confirm the correct installation and operational performance of the installed measures.

The Green Bank has developed a methodology for this technical review process, which relies upon two established industry protocols:

Baseline Energy Use: ASTM E2797-15, Building Energy Performance Assessment (BEPA) Standard directed at data collection and baseline calculations for the energy audit;

Energy Improvement & Energy Savings: ASHRAE Level I, Level II and Level III Energy Audit Guidelines;

The Technical Administrator or a Technical Reviewer will qualify the proposed Energy Improvement(s) and validate the projected energy savings are consistent with these protocols and, in conjunction with the applicant, will confirm a baseline financing scenario that meets the SIR criteria.

Section 3. Commissioning; Measurement and Verification

In order to verify that the project was installed according to the evaluated scope, all project applications are required to include a commissioning plan and subsequent report. A report by a Qualified Contractor, Registered Contractor, Technical Reviewer, or the Technical Administrator that confirms the measures were properly installed and that the project is operating as intended must be submitted to the Green Bank once project construction is complete.

Additionally, in order to (i) evaluate the energy savings effectiveness of the measures after they have been installed, and (ii) to collect energy consumption and/or clean energy production data, property owners are encouraged to work with their contractor(s) to implement an adequate measurement and verification plan. The International Performance Measurement and Verification Protocol (IPMVP) provides guidance for measurement and verification of the energy savings, for additional information see the Technical Standards.

The Green Bank may elect to facilitate M&V for projects submitted to the Green Bank for financing, and may elect to offer the same services to TPCP financed projects, at Green Bank's discretion and subject to additional costs/fees. M&V activities may be financed as an Associated Cost of any Qualifying Project.

Section 4. Alternative to Standard SIR Technical Review Process

As an alternative to the Standard SIR Technical Review process set forth in Section 2 above, and more particularly described in the Technical Standards, Green Bank will also consider projects which meet one of the following requirements as having met the technical review requirement of this Article:

A. Projects which demonstrate a receipt of an Investor Ready Energy Efficiency certification from the Investor Confidence Project ("ICP") and provide a letter from the ICP Quality Assurance Provider stating that the SIR for the project is greater than one; or
B. Certain projects which include third party-owned renewable energy system(s), reviewed and approved by Green Bank, as more particularly described in Appendix L.

Section 5. Technical Review Auditing

Green Bank may select and retain a Technical Review Auditor or Technical Review Auditors to conduct periodic reviews of the technical review work performed by any Technical Reviewer, the Technical Administrator or the Green Bank to evaluate compliance with the Program Guidelines and Technical Standards.

Article V. C-PACE OPEN MARKET AND ELIGIBILITY CRITERIA FOR C-PACE CAPITAL PROVIDERS

Section 1. Concept of 'Open Market'

Connecticut maintains an "open market" approach to its C-PACE program, encouraging capital providers to be the primary financier of Qualifying Projects and supporting Benefited Property Owners who wish to source theirown capital provider. For capital providers wishing to directly offer C-PACE financing, thereby becoming an "Approved Third-Party Capital Provider" or "ATPCP", the Green Bank has created terms and conditions , attached hereto as Appendix F (the "Third-Party Capital Provider Terms and Conditions"), which outline the requirements and process for Third-Party Capital Provider to directly offer C-PACE financing to Benefited Property Owners and interact with Green Bank, as the program administrator.

Additionally, the Green Bank currently maintains dedicated capital to finance C-PACE projects. Benefited Property Owners looking to finance any Qualifying Project with Green Bank sourced capital may apply directly to Green Bank and follow the process outlined in Appendix F. From time to time and through the RFP process, the Green Bank may "sell-down" portfolios of its C-PACE transactions to Qualifying Capital Providers (s) or partner with Qualifying Capital Providers for the purpose of originating transactions, which Qualifying Capital Providers desire to be the secondary or co-financiers of these assessments. The "sell-down" process replenishes or leverages the Green Bank's capital, enabling a sustainable source of funding for C-PACE projects.

The 'open market' program offers multiple financing options to Benefited Property Owners, enabling the Green Bank to achieve its mission of making financing accessible and affordable.

Section 2. Qualified Capital Provider

Any capital provider or other entity interested in purchasing C-PACE transactions from the Green Bank or offering C-PACE financing directly to borrowers must become a qualified Capital Provider through the C-PACE Program. The process for becoming a "Qualified Capital Provider" is as follows:

1. The interested capital provider must respond to the open CGB Request for Qualifications from Interested Capital Providers.
2. Green Bank shall review the submission and may approve the capital provider. Upon approval, the capital provider will be considered a "Qualified Capital Provider". Qualified Capital Providers are listed on Green Bank's C-PACE website and receive information from the Green Bank regarding financing opportunities as well as pertinent information about C-PACE. Qualified Capital Providers wishing to directly offer C-PACE financing must acknowledge and agree to the Third-Party Capital Provider Terms and Conditions.

Section 3. C-PACE Approved Third-Party Capital Providers

ONLY Qualified Capital Providers which anticipate directly offering C-PACE financing to Benefited Property Owners in Connecticut need to acknowledge and agree to the Third-Party Capital Provider Terms and Conditions. The Third-Party Capital Provider Terms and Conditions outline the requirements and process for Third-Party Capital

Provider to directly offer C-PACE financing to Benefited Property Owners and interact with the Green Bank, as the program administrator. In summary, the process for project origination, funding and administration is as follows:

A. The ATPCP or Benefited Property Owners may submit a completed C-PACE application and all associated documents necessary to demonstrate any project's compliance with the Program Guidelines and any other applicable requirements set forth in the Third-Party Capital Provider Terms and Conditions.
B. Green Bank shall review such documents for compliance with the Program Guidelines and Third-Party Capital Provider Terms and Conditions, and, in its sole discretion, provide its approval of the Qualifying Project (thereby becoming an "Approved Project").
C. The ATPCP may then enter into a Financing Agreement with Benefited Property Owner for such Approved Project (thereby becoming a "Closed Project").
D. Concurrently or shortly thereafter, the ATPCP shall enter into an Administration Agreement with the Green Bank for such Closed Project.
E. Green Bank will facilitate the filing and assignment to the ATPCP of a Benefit Assessment Lien, pursuant to the Administration Agreement.
F. Green Bank will work with the ATPCP ~~Participating Municipality~~ to collect any payments received pursuant the Benefit Assessment Lien and remit such payments to the ATPCP, pursuant to the Administration Agreement.

The ATPCP shall maintain its own financial underwriting criteria and financing terms and conditions for a C-PACE transaction, subject to the requirements set forth in the Program Guidelines

Article VI. DEFINED TERMS

"Approved Third-Party Capital Provider" or "ATPCP" shall mean a Third-party Capital Provider, which (1) has been approved by Green Bank as a Qualifying Capital Provider, (2) has acknowledged and agreed to Third-Party Capital Provider Terms and Conditions, and (3) is in good standing with the Green Bank.

"Associated Cost" shall have the meaning ascribed to it in Article III Section 3(B).

"Benefit Assessment" shall mean an assessment authorized by the C-PACE Legislation. In an event of a conflict between this definition and that which is ascribed in the C-PACE Legislation, the C-PACE Legislation shall govern.

"Benefit Assessment Lien" shall mean a lien which evidences a Benefit Assessment and is recorded by a Participating Municipality on the land records against a Qualifying Property at Green Bank's direction pursuant to the Participation Agreement. The form of such Benefit Assessment Lien is attached hereto as Appendix K, as may be modified or amended from time to time by Green Bank, in its sole discretion.

"Benefited Property Owner" shall mean an owner of Qualifying Commercial Real Property who desires to install Energy Improvements and provides free and willing consent to the Benefit Assessment against the Qualifying Commercial Real Property. In an event of a conflict between this definition and that which is ascribed in the C-PACE Legislation, the C-PACE Legislation shall govern.

"C-PACE" shall have the meaning ascribed to it in Article I.

"C-PACE Legislation" shall mean Section 16a-40g of the Connecticut General Statutes, as may be amended, attached hereto as Appendix A.

"Commercial or Industrial Property" shall mean any real property other than a Residential Dwelling containing less than five dwelling units. In an event of a conflict between this definition and that which is set forth in the C-PACE Legislation, the C-PACE Legislation shall govern.

"Disclosure of Risk Form" shall mean the disclosure of risk form associated with C-PACE, attached hereto as Appendix H, as may be modified or amended from time to time by Green Bank, in its sole discretion.

"District Heating and Cooling System" shall mean a local system consisting of a pipeline or network providing hot water, chilled water or steam from one or more sources to multiple buildings. In an event of a conflict between this definition and that which is ascribed in the C-PACE Legislation, the C-PACE Legislation shall govern.

"Energy Engineer" shall mean a professional or entity who/which meets one of the following: (1) holds a Certified Energy Manager or Certified Energy Auditor accreditation, (2) is a Professional Engineer with demonstrated relevant energy experience, or (3) a contractor with relevant demonstrated experience as determined by the Technical Administrator.

"Energy Improvement" shall mean (A) participation in a District Heating and Cooling System by Qualifying Commercial Real Property, (B) participation in a microgrid, as defined in Section 16-243y of the Connecticut General Statutes, including any related infrastructure for such microgrid, by Qualifying Commercial Real Property, provided such microgrid and any related infrastructure incorporate clean energy, as defined in Section

16-245n of the Connecticut General Statutes, (C) any improvement, renovation or retrofitting of Qualifying Commercial Real Property to reduce energy consumption or improve energy efficiency, (D) installation of a renewable energy system to service qualifying commercial real property, or (E) installation of a solar thermal or geothermal system to service qualifying commercial real property, provided such renovation, retrofit or installation described in subparagraph (C), (D) or (E) is permanently fixed to such Qualifying Commercial Real Property. In an event of a conflict between this definition and that which is ascribed in the C-PACE Legislation, the C-PACE Legislation shall govern.

"EUL" shall have the meaning ascribed to it in Article III Section 3(E).

"Financed Amount" means the combined costs of the Energy Improvement(s) and Associated Cost(s) which has been or will be financed though C-PACE for any Qualifying Project.

"Financing Agreement" shall mean a written agreement between a Benefited Property Owner and either a Third-Party Capital Provider or the Green Bank, or any of its subsidiaries, for the financing, leasing or purchasing power from/of Energy Improvement(s). Such financing agreement shall contain, among other things, a provision which allows the Benefited Property Owner to rescind the agreement not later than three business days from the date of such agreement.

"Green Bank" shall have the meaning ascribed to it in Article I.

"Participating Municipality" shall mean a municipality, as defined in Section 7-369 of the Connecticut General Statutes, that has entered into a Participation Agreement. In an event of a conflict between this definition and that which is ascribed in the C-PACE Legislation, the C-PACE Legislation shall govern.

"Participation Agreement" shall mean a written agreement between Green Bank and a Participating Municipality, as approved by its legislative body, pursuant to which the municipality has agreed to assess~~, collect, remit~~ and assign, Benefit Assessments to Green Bank in return for Energy Improvements for Benefited Property Owners within such municipality and costs reasonably incurred in performing such duties. The template participation agreement is attached hereto as Appendix B, as may be modified or amended from time to time by Green Bank, in its sole discretion.

"Professional Engineer" shall mean an individual, or company which employees such individual, who is licensed as a professional engineer and in good standing with the relevant licensing authorities in the State of Connecticut.

"Program Guidelines" shall have the meaning ascribed to it in Article I.

"Projected Associated Savings" shall mean non-energy savings which have a close nexus to the Energy Improvement(s) which are part of a Project. Examples include, but are not limited to, federal tax credits, depreciation, and revenues from the sale of environmental attributes. Green Bank, in its sole discretion, may determine which types of savings may be considered to fall under this definition.

"Projected Energy Savings" shall mean the estimated energy savings, calculated in accordance with the Technical Standards, from any Energy Improvement(s) over the EUL of such improvements.

"Projected Financing Cost" shall mean the total projected debt service associated with the Financed Amount for a Qualifying Project including, but not limited to, all principal, interest, and any fees over the term of the financing. This does not include any potential late fees or penalties.

"Projected Total Cost Savings" shall mean the combined value of the Projected Energy Savings and the Projected Associated Savings for any Qualifying Project.

"Qualified Contractor" shall mean an individual or entity who/which meets one of the following: (1) holds a Certified Energy Manager or Certified Energy Auditor accreditation, (2) is a Professional Engineer with demonstrated relevant energy experience, or (3) a contractor with relevant demonstrated experience.

"Qualifying Capital Provider" or "QCP" shall have the meaning ascribed to it in Article V Section 2.

"Qualifying Commercial Real Property" shall mean any Commercial or Industrial Property, regardless of ownership, that meets the qualifications established for the C-PACE program. In an event of a conflict between this definition and that which is provided in the C-PACE Legislation shall govern.

"Qualifying Project" shall mean an energy improvement project which meets all the requirements set forth in Article III Section 3.

"Qualifying Property" shall mean a Qualifying Commercial Real Property which meets all the requirements set forth in Article III Section 2.

"Refinancing" means, in the context of any existing Financing Agreement, a Benefited Property Owner entering into a new Financing Agreement with any C-PACE capital provider other than the capital provider (or its successors or assigns) who is a party to the applicable existing Financing Agreement for the purpose of repaying or refinancing the existing Financing Agreement and Benefit Assessment, including but not limited to, filing of a new Benefit Assessment associated with the same Qualifying Project.

"Registered Contractor" shall mean a contractor who has registered with Green Bank, via the contractor registration process (https://www.cpace.com/Contractor/Get-Started/Contractor-Sign-Up), and remains in good standing with Green Bank.

"Residential Dwelling" shall mean a structure used or occupied, or intended to be used or occupied, in whole or in part, as the home or residence of one or more persons. Residential dwelling shall not include any structure which is:

1. A home or residence which is part of public or private institution, if such residence is incidental to provision of medical, geriatric, educational, counseling, religious, or similar services;

2. A campground, hotel, motel, extended stay facility, vacation residential facility, boardinghouse, fraternal or social organization, or similar lodgings; and

3. Primarily used for business, commercial, charitable, not-for-profit, or agricultural purposes.

"Restructuring" means, in the context of any existing Financing Agreement, a Benefited Property Owner

entering into a new Financing Agreement or any modification of the existing Financing Agreement with
the C-PACE capital provider (or its successors or assigns) who is a party to the applicable existing Financing Agreement for the purpose of restructuring, amending, restating, or otherwise modifying the
existing Financing Agreement and Benefit Assessment, including but not limited to, releasing the existing
Benefit Assessment and entering into a new Financing Agreement and filing of a new Benefit Assessment associated with the same Qualifying Project, subject to all other applicable program requirements.

"SIR" shall have the meaning ascribed to it in Article III Section 3(G).

"Technical Administrator" shall mean the entity, selected by Green Bank pursuant to an RFP process, which may conduct technical review as well as provide Green Bank with guidance and consultation in the development and implementation of the Technical Standards and Program Guidelines. The Technical Administrator may also work with contractors to help them develop a building's baseline energy consumption and energy savings estimates for projects.

"Technical Reviewer" shall mean an entity which has been approved by and in good standing with Green Bank in accordance with the standard set forth in Appendix J. Technical reviewers may be proposed to Green Bank for approval by Third-Party Capital Providers. For a list of Technical Reviewers which are currently approved and in good standing with Green Bank, please visit www.cpace.com/technicalreviewers.

"Technical Review Auditor" shall mean an entity or entities, selected by Green Bank pursuant to an RFP process, which may conduct periodic reviews of the technical review work performed by any Technical Reviewer, the
Technical Administrator or the Green Bank to evaluate compliance with the Program Guidelines and Technical Standards.

"Technical Standards" shall mean the complete description of energy audit requirements, technical review methodology and standards, and eligible and ineligible measures for C-PACE, attached hereto as Appendix D, as may be amended or modified from time to time by Green Bank in its sole discretion.

"Third-Party Capital Provider" means an entity, other than the Green Bank or any of its subsidiaries, that enters into one or more Financing Agreement(s). In an event of a conflict between this definition and that which is ascribed in the C-PACE Legislation, the C-PACE Legislation shall govern.

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

CONNECTICUT GREEN BANK

To: Connecticut Green Bank Board of Directors

From: Mackey Dykes, Vice President, Financing Programs, Bert Hunter, EVP and CIO

Date: January 19, 2021

Re: C-PACE Transaction Restructuring: 290 Pratt Street, PT-100022

Summary

[redacted]

Background

[redacted]

[redacted]

Conclusion

Green Bank staff recommends that the Board of Directors approve this request.

The Borrower has taken cost cutting measures including reducing capital expenditures and expenses reduction, and pressure from tenant rent deferrals should end as the COVID vaccine is deployed more widely this year. In addition, the Borrower continues to market vacant space through its broker.

Resolutions

WHEREAS, pursuant to Section 16a-40g of the Connecticut General Statutes (as amended, the "Act"), the Connecticut Green Bank ("Green Bank") established a commercial sustainable energy program for Connecticut, known as Commercial Property Assessed Clean Energy ("C-PACE");

WHEREAS, pursuant to the Act and its Bylaws, Green Bank entered into that certain Financing Agreements dated May 24th, 2013 and May 4th, 2015 (as amended, the "Loan") with 290 Pratt Street LLC, the building owners of 290 Pratt Street, Meriden CT, to finance the construction of certain clean energy measures through C-PACE;

WHEREAS, on April 24, 2020, the Green Bank Board of Directors ("Board") approved the Loan Loss Decision Framework and Process, set forth in that certain memo to the Board dated April 24, 2020, which established the process of dealing with COVID-related restructurings for assets on Green Bank's balance sheet; and

WHEREAS, Green Bank staff seeks Board approval to restructure the Loan as described in that certain memorandum submitted to the Board dated January 19, 2021 (the "Memo").

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 any amendment, restatement or modification of the Loan, with terms and conditions consistent with the Memo, 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 this Board meeting; 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 affect the above-mentioned legal instruments.

Submitted by: Bryan Garcia, President and CEO, Bert Hunter, EVP and CIO, Mackey Dykes, Vice President, Commercial and Industrial Programs, Brian Farnen, General Counsel and CLO.

Exhibit A

		Restructurings	
Date	**Original**	**1st**	**2nd**
10/1/2016	$ 63,402	$ 63,402	$ 63,402
1/1/2017	$ 63,402	$ 63,402	$ 63,402
4/1/2017	$ 63,402	$ 63,402	$ 63,402
7/1/2017	$ 63,402	$ 63,402	$ 63,402
10/1/2017	$ 63,402	$ 63,402	$ 63,402
1/1/2018	$ 63,402	$ 63,402	$ 63,402
4/1/2018	$ 63,402	$ 63,402	$ 63,402
7/1/2018	$ 63,402	$ 63,402	$ 63,402
10/1/2018	$ 63,402	$ 63,402	$ 63,402
1/1/2019	$ 63,402	$ 63,402	$ 63,402
4/1/2019	$ 63,402	$ 63,402	$ 63,402
7/1/2019	$ 63,402	$ 63,402	$ 63,402
10/1/2019	$ 63,402	$ 63,402	$ 63,402
1/1/2020	$ 63,402	$ 63,402	$ 63,402
4/1/2020	$ 63,402	$ 63,402	$ 63,402
7/1/2020	$ 63,402	$ -	$ -
10/1/2020	$ 63,402	$ -	$ -
1/1/2021	$ 63,402	$ 63,402	$ -
4/1/2021	$ 63,402	$ 63,402	$ -
7/1/2021	$ 63,402	$ 63,402	$ 43,000
10/1/2021	$ 63,402	$ 63,402	$ 43,000
1/1/2022	$ 63,402	$ 63,402	$ 64,993
4/1/2022	$ 63,402	$ 63,402	$ 64,993
7/1/2022	$ 63,402	$ 63,402	$ 64,993
10/1/2022	$ 63,402	$ 63,402	$ 64,993
1/1/2023	$ 63,402	$ 63,402	$ 64,993
4/1/2023	$ 63,402	$ 63,402	$ 64,993
7/1/2023	$ 63,402	$ 63,402	$ 64,993
10/1/2023	$ 63,402	$ 63,402	$ 64,993
1/1/2024	$ 63,402	$ 63,402	$ 64,993
4/1/2024	$ 63,402	$ 63,402	$ 64,993
7/1/2024	$ 63,402	$ 63,402	$ 64,993
10/1/2024	$ 63,402	$ 63,402	$ 64,993
1/1/2025	$ 63,402	$ 63,402	$ 64,993
4/1/2025	$ 63,402	$ 63,402	$ 64,993
7/1/2025	$ 63,402	$ 63,402	$ 64,993
10/1/2025	$ 63,402	$ 63,402	$ 64,993
1/1/2026	$ 63,402	$ 63,402	$ 64,993
4/1/2026	$ 63,402	$ 63,402	$ 64,993
7/1/2026	$ 63,402	$ 63,402	$ 64,993
10/1/2026	$ 63,402	$ 63,402	$ 64,993
1/1/2027	$ 63,402	$ 63,402	$ 64,993
4/1/2027	$ 63,402	$ 63,402	$ 64,993
7/1/2027	$ 63,402	$ 63,402	$ 64,993
10/1/2027	$ 63,402	$ 63,402	$ 64,993
1/1/2028	$ 63,402	$ 63,402	$ 64,993
4/1/2028	$ 63,402	$ 63,402	$ 64,993
7/1/2028	$ 63,402	$ 63,402	$ 64,993
10/1/2028	$ 63,402	$ 63,402	$ 64,993
1/1/2029	$ 63,402	$ 63,402	$ 64,993
4/1/2029	$ 63,402	$ 63,402	$ 64,993
7/1/2029	$ 63,402	$ 63,402	$ 64,993
10/1/2029	$ 63,402	$ 63,402	$ 64,993
1/1/2030	$ 63,402	$ 63,402	$ 64,993
4/1/2030	$ 63,402	$ 63,402	$ 64,993
7/1/2030	$ 63,402	$ 63,402	$ 64,993
10/1/2030	$ 63,402	$ 63,402	$ 64,993
1/1/2031	$ 63,402	$ 63,402	$ 64,993
4/1/2031	$ 63,402	$ 63,402	$ 64,993
7/1/2031	$ 63,402	$ 63,402	$ 64,993
10/1/2031	$ 63,402	$ 63,402	$ 64,993
1/1/2032	$ 63,402	$ 63,402	$ 64,993
4/1/2032	$ 63,402	$ 63,402	$ 64,993
7/1/2032	$ 63,402	$ 63,402	$ 64,993
10/1/2032	$ 63,402	$ 63,402	$ 64,993
1/1/2033	$ 63,402	$ 63,402	$ 64,993
4/1/2033	$ 63,402	$ 63,402	$ 64,993
7/1/2033	$ 63,402	$ 63,402	$ 64,993
10/1/2033	$ 63,402	$ 63,402	$ 64,993
1/1/2034	$ 63,402	$ 63,402	$ 64,993
4/1/2034	$ 63,402	$ 63,402	$ 64,993
7/1/2034	$ 63,402	$ 63,402	$ 64,993
10/1/2034	$ 63,402	$ 63,402	$ 64,993
1/1/2035	$ 63,402	$ 63,402	$ 64,993
4/1/2035	$ 63,402	$ 63,402	$ 64,993
7/1/2035	$ 63,402	$ 63,402	$ 64,993
10/1/2035	$ 63,402	$ 63,402	$ 64,993
1/1/2036	$ 63,402	$ 63,402	$ 64,993
4/1/2036	$ 63,402	$ 63,402	$ 64,993
7/1/2036	$ 63,402	$ 63,402	$ 64,993
10/1/2036	$ -	$ 63,402	$ 64,993
1/1/2037	$ -	$ 63,402	$ 64,993
4/1/2037	$ -	$ 63,402	$ 64,993
7/1/2037	$ -	$ 63,402	$ 64,993
10/1/2037	$ -	$ 63,402	$ 64,993
1/1/2038	$ -	$ 63,402	$ 64,993
4/1/2038	$ -	$ 63,402	$ 64,993
7/1/2038	$ -	$ 26,480	$ 64,993
10/1/2038	$ -	$ -	$ 64,993
1/1/2039	$ -	$ -	$ 64,993
4/1/2039	$ -	$ -	$ 64,993
7/1/2039	$ -	$ -	$ 64,994
TOTAL	$ 5,072,188	$ 5,415,681	$ 5,651,568

CONNECTICUT GREEN BANK SM

845 Brook Street
Rocky Hill, CT 06067

300 Main Street, 4th Floor
Stamford, CT 06901