



Budget Operations and Compensation Committee

Meeting Date

May 12, 2021



Budget, Operations & Compensation Committee Members

Lonnie Reed

Chair

Connecticut Green Bank

John Harrity

Chair

CT Roundtable on Climate and Jobs

Michael Li

Connecticut Department of Energy and
Environmental Protection (DEEP)

Eric Brown

Vice President

CT Business and Industry Association

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T 860.563.0015
ctgreenbank.com



May 5, 2021

Dear Connecticut Green Bank Budget, Operations, and Compensation Committee:

We hope your spring is going well. We have a meeting of the Budget, Operations, and Compensation Committee scheduled for Wednesday, May 12, 2021 from 2:00-3:30 p.m. This meeting will be held online.

On the agenda we have the following items:

- **Meeting Minutes** – review and approval of the meeting minutes for January 11, 2021.
- **FY 2022 Comprehensive Plan and Budget** –we are still working through the organization’s budgets with the team and are making good progress. We thought that we would focus our discussions at this meeting on the following items:
 - a. **Targets** – We are now seeing the economy start to rebound and are able to provide targets with a greater degree of certainty than we did a year ago. We have our initial round of program targets completed and look forward to discussing them with you.
 - b. **Revenues** – we will present the initial round of the FY 2022 revenue budget for discussion.
- **Tuition Reimbursement and Compensation Time** – We will provide an update to committee, as required in the bylaws, on staff participation in the tuition reimbursement program and use of compensation time. Additionally, staff are proposing changes to our existing tuition reimbursement policy that would allow staff to be reimbursed for student debt payments, allowing them and the Green Bank to take advantage of tax incentives allowed by the federal CARES Act. We are looking for the committee’s input and recommendation to the Board on this policy change.

If you have any questions, comments, or concerns, please feel free to contact us at any time. We look forward to seeing you next week.

Sincerely,

A handwritten signature in blue ink, appearing to read "Bryan Garcia".

Bryan Garcia
President and CEO

A handwritten signature in black ink, appearing to read "Eric Shrago".

Eric Shrago
Managing Director of Operations



AGENDA

Budget and Operations Committee of the
Connecticut Green Bank
75 Charter Oak Ave, Suite 1-103
Hartford, CT 06106

Wednesday, May 12, 2021
2:00-3:30 p.m.

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

1. Call to order
2. Public Comments – 5 minutes
3. Approve Meeting Minutes for January 13, 2021 Regular Meeting* – 5 minutes
4. FY 2022 – Budget and Targets** – 60 minutes
5. Tuition Reimbursement and Compensation Time
 - a. Annual Report – 5 minutes
 - b. Proposed Update to Tuition Reimbursement Benefit** – 15 minutes
6. Adjourn

*Denotes item requiring Committee action

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

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Next Regular Meeting: Wednesday, June 9, 2021 from 2:00-3:30 p.m.
Connecticut Green Bank
75 Charter Oak Ave, Suite 1-103
Hartford, CT 06106



RESOLUTIONS

Budget and Operations Committee of the
Connecticut Green Bank
75 Charter Oak Ave, Suite 1-103
Hartford, CT 06106

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2:00-3:30 p.m.

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1. Call to order
2. Public Comments – 5 minutes
3. Approve Meeting Minutes for January 13, 2021 Regular Meeting* – 5 minutes
4. FY 2022 – Budget and Targets** – 60 minutes
5. Tuition Reimbursement and Compensation Time
 - a. Annual Report – 5 minutes
 - b. Proposed Update to Tuition Reimbursement Benefit – 15 minutes

Resolution 1:

WHEREAS, pursuant to Section 5.2.2 of the Connecticut Green Bank (Green Bank) Bylaws, the Budget, Operations, and Compensation (BOC) Committee is charged with the review and approval of, and in its discretion recommendations to the Board of Directors (Board) regarding, all compensation related matters affecting the Green Bank including but not limited to its annual review of tuition reimbursement's to staff;

NOW, therefore be it:

RESOLVED, that the BOC Committee hereby recommends that the Board of Directors of the Green Bank approval of the revisions to the Tuition Reimbursement Policy in the Green Bank Employee Handbook presented on May 12, 2021.

Second. Discussion. Vote

6. Adjourn

*Denotes item requiring Committee action

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

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Connecticut Green Bank

75 Charter Oak Ave, Suite 1-103

Hartford, CT 06106



CONNECTICUT
GREEN BANK

Budget and Operations Committee Meeting

May 12, 2021



Budget and Operations

Agenda Item #1

Call to Order

Budget and Operations

Agenda Item #2

Public Comment

Budget and Operations

Agenda Item #3

Approve Meeting Minutes

Budget and Operations

Agenda Item #4

FY 2022 Comprehensive Plan – Budget and
Targets

FY21 Budget Plan



TODAY

1. Program Proposed Targets
2. Revenues

NEXT MEETING (6/9)

1. Expenses
2. Sustainability

NEXT MEETING (6/16)

1. Consolidated Budget
2. Cash Flow
3. Balance Sheet Activity & Projections
4. Committee Recommendation



Results to Date



	FY2012-2020	FY2012-2020 Target	FY2020	FY2020 Target	FY2021 YTD	FY2021 Target
Years	9		1		0.83	1
Projects	49,799	52,322	8,454	8,629	6,517	5,186
Capital	\$2,065,088,582	\$1,978,156,015	\$414,638,177	\$296,910,000	\$214,910,275	\$175,138,842
Capacity	425.1	469.3	74.5	77.6	53.5	48.2
CO2 avoided (tons)	447,009		62,408		50,295	

We've crossed the \$2 Billion capital deployed milestone!

REFERENCES

1. CGB KPIs in Data Warehouse FY 2021 YTD – through May 11, 2021

Proposed FY22 Goals

Overall¹



Business Segment	Targets			
	Number of Projects	Total Capital Deployed	Capacity Installed	Total Emissions (tons)
Financing Programs Total	902	\$61,992,000	19.1	33,627
Incentive Programs Total	3,986	\$105,030,000	29.8	57,461
Green Bank Total	4,883	\$167,022,000	48.9	91,088

- No Ranges this year
- Smaller overall targets – forecasting the sunset of RSIP
- Inclusion of Emissions numbers to show impact

REFERENCES

1. CGB KPIs in Data Warehouse FY 2021 YTD – through May 11, 2021
2. Totals are adjusted to prevent the double counting/overlap of projects across programs (i.e. Smart-E and RSIP)

Proposed FY22 Goals

Financing Programs¹



Product	Targets					FY21 YTD		
	Number of Projects	Total Capital Deployed	Capacity Installed	FY 21 Annual MWH	Total Emissions (tons)	Number of Projects	Total Capital Deployed	Capacity Installed
CPACE	44	\$23,260,000	6.5	7,427	11,493	27	\$ 19,521,443	2
PPA	42	\$25,557,000	13.4	14,898	23,053	12	\$ 5,774,925	1.8
SBEA	818	\$14,470,000	0.0	21,255	0	268	\$ 5,440,962	
Multi-Family Pre-Dev	0	\$0	0.0	39,776	0	0		
Multi-Family Term	4	\$650,000	0.2	182	282	5	\$ 4,195,139	0
Multi-Family Health and Transportation	2	\$600,000	0.0	0	0	0	\$ -	0
Strategic Investments	0	\$0	0.0	0	0	0	\$ -	0
Financing Programs Total	902	61,992,000	19	82,761	33,627	312	\$ 34,932,469	4

- CPACE targets represent pipeline and conversations with 3rd party developers
- PPA includes expanding on our current year successes with the state and municipalities to do more projects. We will continue to finance 3rd party developed projects through loans to the system owners.
- We are looking to increase the focus on using the PPA as a tool to address multifamily properties.
- Addition of our Carbon Offsets program now fully in our targets

REFERENCES

1. CGB KPIs in Data Warehouse FY 2021 YTD – through May 11, 2021

Proposed FY22 Goals

Incentive Business¹



Program	Targets					FY21 YTD		
	Number of Projects	Total Capital Deployed	Capacity Installed	FY 21 Annual MWH	Total Emissions (tons)	Number of Projects	Total Capital Deployed	Capacity Installed
Residential Solar	2,824	\$82,080,000	24.0	27,331	42,293	5,289	\$ 166,802,534	47.0
Battery Storage	362	11,750,000	5	0	0			
Smart-E	800	\$11,200,000	0.8	10,590	15,168	687	\$ 10,330,638	0.8
Low Income Loans/Leases (PosiGen)	328	\$8,468,304	2.23	2,540	3,930	844	\$ 21,835,127	5.7
Incentive Programs Total	3,986	\$105,030,000	29.8	37,921	57,461	5,894	\$ 175,893,495	47.0

- Expectation that new RSIP systems will end in FY2022 as the tariff starts January 1, 2022.
- Awaiting announcement from PURA on Battery Storage.
- Posigen tracking as our insight to LMI solar deployment ends with the launch of the tariff.

REFERENCES

1. CGB KPIs in Data Warehouse FY 2021 YTD – through May 11, 2021

Proposed FY20 Budget

Key Insights



Revenue:

- Utility Customer Receipts from the Clean Energy Fund (CEF) forecast down 1% due to decreased electric demand
- Regional Green House Gas Initiative (RGGI) allowance auction proceeds increase due to increased allowances and clearing prices
- Interest Income increasing due to investment activity and our repurchase of loans from Clean Fund
- Increased REC Sales proceeds due to increased prices
- SHREC proceeds increase due to more systems coming on-line

Budget and Operations Committee

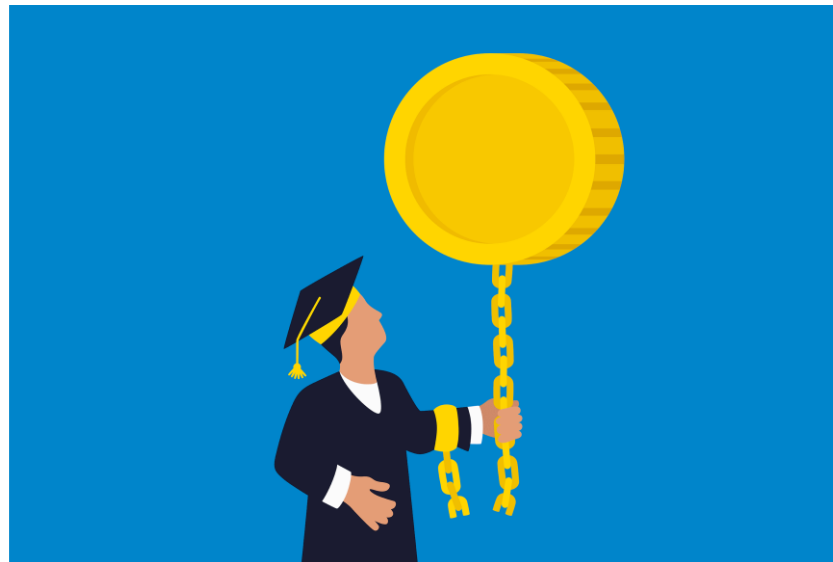
Agenda Item #5

Tuition Reimbursement and Compensation Time

Educational Assistance



- Green Bank has an existing program for tuition reimbursement
- Proposing expanding the program to take advantage of the CARES Act provisions that allow employers to pay a portion of an employee's student debt without tax implications
- The expanded program would allow employees to both pursue new degrees while paying off the debt on old ones
- The Green Bank is able to offer employees a benefit at a lower cost
- Increases employee retention



Budget and Operations

Agenda Item #6

Adjourn



**BUDGET, OPERATIONS, AND COMPENSATION COMMITTEE OF THE
CONNECTICUT GREEN BANK**
Regular Meeting Minutes

Wednesday, January 13, 2021
2:00 – 3:30 p.m.

A regular meeting of the Budget, Operations, and Compensation Committee of the **Connecticut Green Bank (the “Green Bank”)** was held on January 13, 2021.

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

Committee Members Present: Eric Brown, Lonnie Reed

Committee Members Absent: John Harrity, Michael Li

Staff Attending: Sergio Carrillo, Brian Farnen, Bryan Garcia, Jane Murphy, Cheryl Samuels,
Ariel Schneider, Eric Shrago

Others present: Giulia Bambara

Bryan Garcia asked Eric Brown and Lonnie Reed if he could begin the meeting while waiting for John Harrity to arrive, with the limitation that no Resolutions could be voted on without a quorum. Eric Brown and Lonnie Reed agreed.

1. Call to Order

- Bryan Garcia called the meeting to order at 2:09 pm.

2. Public Comments

- No public comments.

3. Meeting Minutes from June 10, 2020 and June 16, 2020

Resolution #1

Motion to approve the meeting minutes of the Budget, Operations, and Compensation Committee from the June 10, 2020 and June 16, 2020 meetings.

There was no vote on Resolution 1.

Subject to Changes and Deletions

4. FY 2021 – Budget and Targets Review and Recommendation to the Board

- Eric Shrago summarized the proposed revisions to the FY2021 targets. For RSIP, targets are being met including those from RSIP-E and are seeing faster uptake than initially planned. Staff are proposing raising the lower level of the original banded targets proposed. They propose similar adjustments for Solar For All and Smart-E. For Equitable Modern Grid program they propose lowering the overall target on the lower end of the banded target.
 - Bryan Garcia noted that on the Equitable Modern Grid program there will be a more extensive update at the upcoming Board Meeting, especially in relation to the battery storage docket. PURA has drafted a straw proposal and is entering a period of public comments, but the proposal looks good. He also added that the Green Bank was invited within PURA's straw proposal to help administer the program jointly with the EDCs. As noted in the Green Bank proposal, he noted that he would like to see the Joint Committee serve in a governance role to ensure that the Green Bank and EDCs were working together.
- For Financing Programs, the target ranges are tightened given the better understanding of what to expect for this year. The C-PACE targets are staying the same, the Solar PPA targets are being updated based on what is expected to come in from State projects, and the SBEA and Multifamily targets are also unchanged.
- Eric Shrago summarized the Operating Budget changes. For Revenues, there is a proposed \$1.1 million increase. For Expenses, there are increases to match the volume being seen for the projects gains, especially for inspections for RSIP and Smart-E. There are other increases and decreases but it all aligns with expected changes based on how business has progressed. As for expenses related to the move to Hartford, there is an increase related to the build-out and space being rewired.
 - Eric Brown asked what the budget was previously from RGGI receipts. Eric Shrago answered that \$4.2 million was expected and the Green Bank received \$4.9 million. Jane Murphy also noted that the clearing prices is the main driver for the better receipts. She expects it to increase for the last two auctions of the year based on the previous trends.
 - Bryan Garcia noted that overall, there is an increase to Revenues and decrease to Expenses from the original proposed budget.

Without a quorum no official recommendation to the Board of Directors can be given, but Eric Brown and Lonnie Reed supported the Resolution to recommend the revisions.

Resolution #2

RESOLVED, the Budget, Operations & Compensation Committee recommends the Connecticut Green Bank Board of Directors approve the fiscal year 2021 budget and target adjustments outlined in the accompanying memorandum and in Attachment A.

There was no vote on Resolution 2.

5. Comprehensive Plan – Green Bonds US – Proposed Revisions

Subject to Changes and Deletions

- Bryan Garcia summarized the proposed revisions to the comprehensive plan, which is called Green Bonds US and helps further inform the Green Bank's mission statement and goals. Changes include adjustments to the vision statement, definitions, goals, and program targets that follow the ideals of Justice, Equity, Diversity, and Inclusion (JEDI). Other proposed revisions include impacts from COVID-19, report cleanups, and the inclusion of Green Liberty Bonds. Many of the changes focus on making sure vulnerable communities are able to receive the support they need.
 - Lonnie Reed noted that pulling in racism as a public health crisis may open up doors to new companies and partnerships, as the impacts from both COVID-19 and general health issues caused by environmental problems are better understood and it becomes clearer that they can disproportionately affect low-income communities.
 - Eric Brown asked for further clarification in future presentation about what groups "vulnerable communities" specifically impacts and the metrics as to how that term was crafted. Bryan Garcia answered as to what the definition included, which is primarily based on income..

Resolution #3

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.

There was no vote on Resolution 3.

6. Adjourn

Upon a motion made by Lonnie Reed and seconded by Eric Brown, the Budget, Operations, and Compensation Committee Meeting adjourned at 2:51 pm.

Respectfully submitted,

Bryan Garcia, President & CEO of the Connecticut Green Bank



Memo

To: Budget, Operations, and Compensation Committee
From: Bryan Garcia (President and CEO), Jane Murphy (Vice President of Finance and Administration), and Eric Shrago (Managing Director of Operations)
Date: May 5, 2021
Re: Proposed FY2021 Targets, and FY2021 Budget Revenues

I. Targets

The Green Bank has proposed the following targets for each sector's programs for the upcoming fiscal year¹:

Segment	Product	FY2022 ORIGINAL				FY21 YTD		
		Targets				Actuals (as of 3/31/21)		
		Number of Projects	Total Capital Deployed	Capacity Installed	Total Emissions (tons)	Number of Projects	Total Capital Deployed	Capacity Installed
Financing Programs	CPACE	44	\$23,260,000	6.5	11,493	24	\$16,613,231	2.2
	PPA	42	\$25,557,000	13.4	23,053	19	\$6,887,325	2.5
	SBEA	818	\$14,470,000	0.0	0	268	\$5,440,962	0.0
	Multi-Family Pre-Dev	0	\$0	0.0	0	0	\$0	0.0
	Multifamily Term	4	\$650,000	0.2	282	5	\$4,195,139	0.0
	Multi-Family Health and Safety Total	2	\$600,000	0.0	0			
	Tranportation	0	\$0	0	18,000			
	Strategic Investments	0	\$0	0.0	0			
	Financing Programs Total	902	61,992,000	19	51,627	316	33,136,657	4.7

Segment	Program	FY2022 ORIGINAL				FY21 YTD		
		Targets				Actuals (as of 3/31/21)		
		Number of Projects	Total Capital Deployed	Capacity Installed	Total Emissions (tons)	Number of Projects	Total Capital Deployed	Capacity Installed
Incentive Programs	Residential Solar	2,824	\$82,080,000	24.0	42,293	5,035	\$158,361,359	45.1
	Battery Storage	362	11,750,000	5	0	0	\$0	0.0
	Smart-E	800	\$11,200,000	0.8	15,168	587	\$8,798,904	0.8
	Low Income Loans/Leases (PosiGen)	328	\$8,468,304	2.23	3,930	788	\$20,328,803	5.3
	Incentive Programs Total	3,986	\$105,030,000	29.8	57,461	5,816	\$169,489,798	46.8

¹ FY21 YTD actuals from Progress to Targets Memo to BOD 4-23-21.

Segment	Business Segment	FY2022 ORIGINAL				FY21 YTD		
		Targets				Actuals (as of 3/31/21)		
		Number of Projects	Total Capital Deployed	Capacity Installed	Total Emissions (tons)	Number of Projects	Total Capital Deployed	Capacity Installed
CGB	Financing Programs Total	902	\$61,992,000	19.1	51,627	316	\$33,136,657	4.7
	Incentive Programs Total	3,986	\$105,030,000	29.8	57,461	5,816	\$169,489,798	46.8
	Green Bank Total	4,883	\$167,022,000	48.9	109,088	6,132	\$202,626,455	51.5

We are still refining some of the GHG reductions estimates included in these targets and will update them throughout this budget and forecasting process.

We look forward to discussing the program targets with you.

II. Draft Green Bank FY 2021 Operating and Program Budget

Enclosed is the first draft of the Green Bank's FY 2022 revenue budget for review and discussion at the May 12th meeting. This is the staff's initial draft and we will be looking to the Committee to provide us with further guidance so that we can make any needed adjustments and present a final version of the budget for your review in June, and then requesting that you recommend for approval by the full Board at its June meeting.

For the upcoming May 12th BO&C Committee meeting, we will be focusing only on the revenue side of the FY 2021 budget. We expect to have the expense and investment budgets prepared for the June meeting as well as the Employee Staffing Plan for discussion.

On the Revenue Schedules, please note the following items:

- Utility Customer Assessments – This is money that comes from the 1 mil that ratepayers pay into the Connecticut Clean Energy Fund. The YOY decrease of 1% is due to the current economic conditions and the forecast their continuation through next fiscal year. These funds decrease every year due to decreased demand of electricity as more clean energy is deployed in the state.
- RGGI Auction Proceeds – The Green Bank receives 23% of the proceeds from the Regional Green House Gas Initiative Auctions for tradeable discharge permits each quarter. We are forecasting a 43% increase in this income next fiscal year due to increased demand for these permits that leads to higher clearing prices and a greater quantity of permits.
- Interest Income – This comes from the repayment to the Green Bank from borrowers for our projects such as CPACE, project finance loans, etc. The overall increase compared to last year's budget is driven by our repurchase of loans from Clean Fund and the Groton Fuel Cell refinancing. This is partially offset by the termination of the loan facility with Green Works Lending and an over estimation in the interest income associated with BEA for FY21's budget.
- Grant Income – The Green Bank expects a small increase in grants from the Federal Government.
- REC Sales – The Green Bank produces approximately 40,000 Renewable Energy Certificates from pre-SHREC and yet to be tranching RSIP projects annually and is subject to the market price for the certificates. Staff actively follow the REC markets

and enter into contracts to sell these RECs in order to optimize the income from them. Present market price has been increasing and the Green Bank has locked in buyers for these RECs at a weighted average of \$19.14. This is a 32% increase YOY compared to the average price for FY21 of \$14.50.

- REC Sales (SHREC) – The SHRECs are Solar Home Renewable Energy Certificates owned by the Green Bank and designed to recoup the cost of the RSIP incentive and the administration of the RSIP program. The Green Bank sets the price for these with the utilities who have agreed to purchase them under our Master Purchase Agreement. We have a YOY increase in SHREC income due to new systems coming online in the past fiscal year.

**Connecticut Green Bank
FY 2022 Operating and Program Budget - DRAFT
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Presented to BO&C Committee on May 12, 2021

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P1	Projected Revenues and Expenses FYE June 30, 2022	
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	Incentive Programs Detail	To Present 06 9 21 BO&C Meeting
	Financing Programs Detail	To Present 06 16 21 BO&C Meeting
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Connecticut Green Bank
FY 2022 Operating and Program Budget - DRAFT
Revenue Summary

	FY22 Budget			FY21 Budget			FY21 Mar YTD Actuals
	General Operations	Programs	Total Operations & Programs	Total Operations & Programs	\$ Incr / (Decr)	% Incr / (Decr)	Total Operations & Programs
Revenues-Total							
Utility customer assessments	\$ 24,449,800	\$ -	\$ 24,449,800	\$ 24,772,400	\$ (322,600)	(1)%	\$ 19,575,484
RGGI auction proceeds - renewables	6,099,440	-	6,099,440	4,280,200	1,819,240	43 %	4,559,954
Interest Income, cash received	155,675	6,055,666	6,211,341	5,952,998	258,343	4 %	4,547,820
Interest Income, capitalized	-	339,101	339,101	228,115	110,986	49 %	314,118
Grant income (Federal Programs)	-	40,000	40,000	30,000	10,000	33 %	13,288
REC sales, general	-	755,750	755,750	579,250	176,500	30 %	992,424
REC Sales, SHREC program	-	11,339,399	11,339,399	9,579,357	1,760,042	18 %	9,560,919
CPACE Loan closing fees	-	123,000	123,000	144,000	(21,000)	(15)%	56,770
PPA Income	-	640,000	640,000	626,000	14,000	2 %	338,144
LREC/ZREC Income	-	350,000	350,000	285,000	65,000	23 %	300,752
Other income	423,535	81,000	504,535	442,092	62,443	14 %	591,954
Total Revenues:	\$ 31,128,450	\$ 19,723,916	\$ 50,852,366	\$ 46,919,411	\$ 3,932,954	8 %	\$ 40,851,626
Revenues - Financing Programs							
Utility customer assessments	\$ 24,449,800	\$ -	\$ 24,449,800	\$ 24,772,400	\$ (322,600)	(1)%	\$ 19,575,484
RGGI auction proceeds - renewables	6,099,440	-	6,099,440	4,280,200	1,819,240	43 %	4,559,954
Interest Income, cash received	155,675	5,982,666	6,138,341	5,892,998	245,343	4 %	4,485,380
Interest Income, capitalized	-	339,101	339,101	228,115	110,986	49 %	314,118
Grant income (Federal Programs)	-	40,000	40,000	30,000	10,000	33 %	13,288
CPACE Loan closing fees	-	123,000	123,000	144,000	(21,000)	(15)%	56,770
PPA Income	-	640,000	640,000	626,000	14,000	2 %	338,144
LREC/ZREC Income	-	350,000	350,000	285,000	65,000	23 %	300,752
Other income	423,535	81,000	504,535	442,092	62,443	14 %	575,292
Total Revenues - Financing Programs:	\$ 31,128,450	\$ 7,555,767	\$ 38,684,217	\$ 36,700,804	\$ 1,983,412	5 %	\$ 30,219,181
Revenues - Incentive Programs							
Interest Income, cash received	\$ -	\$ 73,000	\$ 73,000	\$ 60,000	\$ 13,000	22 %	\$ 62,441
REC sales, general	-	755,750	755,750	579,250	176,500	30 %	992,424
REC Sales, SHREC program	-	11,339,399	11,339,399	9,579,357	1,760,042	18 %	9,560,919
Other income	-	-	-	-	-	0 %	16,662
Total Revenues - Incentive Programs:	\$ -	\$ 12,168,149	\$ 12,168,149	\$ 10,218,607	\$ 1,949,542	19 %	\$ 10,632,445

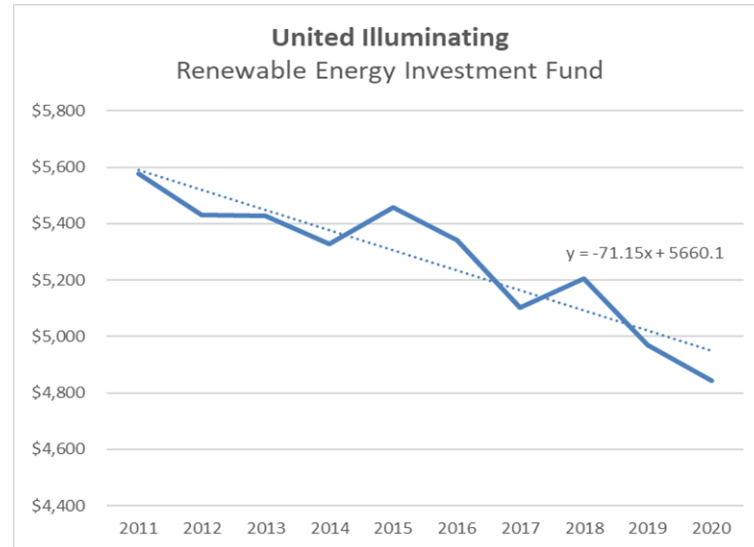
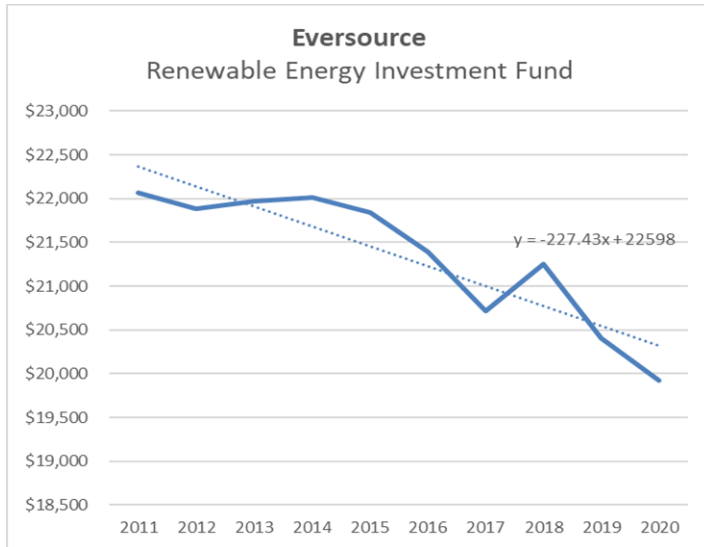
Connecticut Green Bank
FY 2022 Operating and Program Budget - DRAFT
Revenue Detail

	FY22 Budget	FY21 Budget	\$ Increase / (Decrease)	FY21 Mar YTD Actuals
Revenues				
Utility customer assessments	\$ 24,449,800	\$ 24,772,400	\$ (322,600)	\$ 19,575,484
RGGI auction proceeds - renewables	6,099,440	4,280,200	1,819,240	4,559,954
Interest Income - Cash Intercompany	69,475	66,137	3,338	50,884
Interest Income - Cash deposits	86,200	99,000	(12,800)	11,579
Interest Income - Delinquent CPACE payments	-	-	-	12,365
Interest Income - Capitalized construction interest	339,101	228,115	112,869	314,118
Interest Income - CPACE Warehouse, benefit assessments	2,751,462	2,353,783	397,679	1,653,588
Interest Income - Loan portfolio, other programs	3,176,734	3,203,413	(26,679)	2,763,641
Interest Income - CPACE Selldown Bonds	54,471	170,666	(116,195)	(6,677)
Interest Income - Solar lease I promissory notes, net	73,000	60,000	13,000	62,441
CPACE closing fees	123,000	144,000	(21,000)	56,770
Grant income (federal programs)	40,000	30,000	10,000	13,288
REC sales	755,750	579,250	176,500	992,424
REC sales to utilities under SHREC program	11,339,399	9,579,357	1,760,042	9,560,919
PPA Income	640,000	626,000	14,000	338,144
LREC/ZREC Income	350,000	285,000	65,000	300,752
Other income - Programs	81,000	78,000	3,000	53,961
Other income - General ⁽¹⁾	423,535	364,092	59,443	537,993
Total Sources of revenue:	\$ 50,852,366	\$ 46,919,411	\$ 3,934,837	\$ 40,851,626

⁽¹⁾ Of the \$423,535 in Other Income - General, \$100,000 is from Forward Capacity Markets and \$225,535 is from EV Carbon Offsets.

**Connecticut Green Bank
FY 2022 General Operations Budget - DRAFT
Utility Customer Assessment Projections**

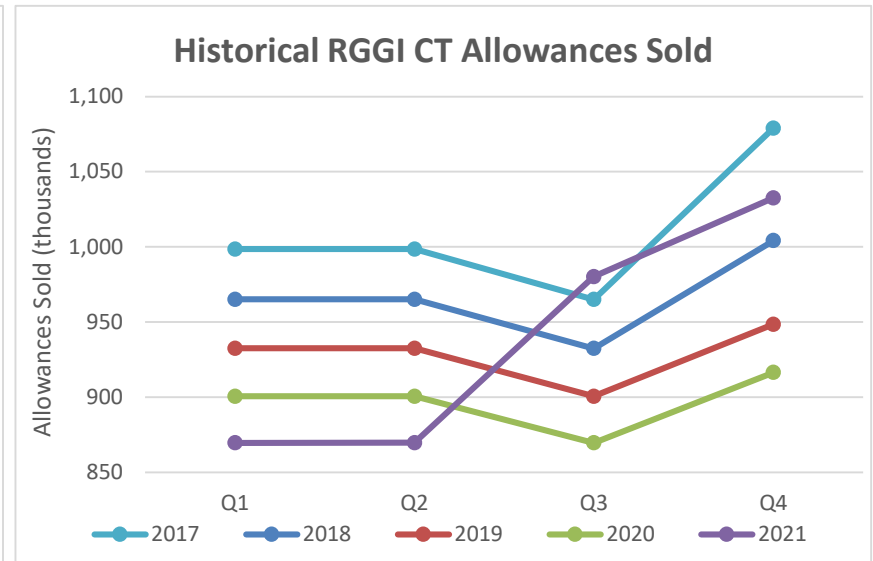
	FY22 Budget	FY21 Budget	FY21 Projected (1)	YOY Budget Incr / (Decr)	FY22 Budget vs. FY21 Projected	FY21 Budget vs. FY21 Projected
July	\$ 2,382,400	\$ 2,338,800	\$ 2,508,905	\$ 43,600	\$ (126,505)	\$ 170,105
August	2,495,400	2,519,300	2,599,879	(23,900)	(104,479)	80,579
September	2,183,300	2,195,800	2,244,473	(12,500)	(61,173)	48,673
October	1,830,300	1,803,000	1,837,227	27,300	(6,927)	34,227
November	1,795,700	1,818,600	1,793,434	(22,900)	2,266	(25,166)
December	2,069,200	2,128,800	2,086,893	(59,600)	(17,693)	(41,907)
January	2,237,900	2,266,600	2,256,480	(28,700)	(18,580)	(10,120)
February	2,110,000	2,099,500	2,160,338	10,500	(50,338)	60,838
March	1,973,700	1,910,200	2,087,855	63,500	(114,155)	177,655
April	1,840,200	1,953,400	1,855,730	(113,200)	(15,530)	(97,670)
May	1,691,400	1,763,200	1,675,040	(71,800)	16,360	(88,160)
June	1,840,300	1,975,200	1,876,440	(134,900)	(36,140)	(98,760)
Total assessments:	\$ 24,449,800	\$ 24,772,400	\$ 24,982,694	\$ (322,600)	\$ (532,894)	\$ 210,294
				(1.3%)	(2.1%)	0.8%



(1) Actual data through March 2021 and estimated data beyond.

**Connecticut Green Bank
FY 2022 General Operations Budget - DRAFT
RGGI Auction Receipts**

	FY22 Action #	Price	Allowances	FY22 Budget	FY21 Budget	FY21 Projected ⁽¹⁾	YOY Budget Incr / (Decr)	FY21 Budget vs. Projected
September Auction	53	\$ 7.49	840,120	\$ 1,447,275	\$ 1,098,600	\$ 1,364,194	\$ 348,675	\$ 265,594
December Auction	54	\$ 7.38	840,121	\$ 1,426,021	1,082,600	1,482,213	343,421	399,613
March Auction	55	\$ 7.27	946,960	\$ 1,583,412	1,029,900	1,713,547	553,512	683,647
June Auction	56	\$ 7.16	997,530	\$ 1,642,732	1,069,100	1,805,055	573,632	735,955
Total auction receipts:				\$ 6,099,440	\$ 4,280,200	\$ 6,365,008	\$ 1,819,240	\$ 2,084,808



⁽¹⁾ Actual data for September through March auctions and estimated for June auction.

**Connecticut Green Bank
FY 2022 RSIP Budget - DRAFT
REC Revenue**

Tranche	Description	FY22 Budget - DRAFT				Total Fiscal 2022	Total Fiscal 2021 Budget	YOY Budget Incr / (Decr)	FY21 Actual / Estimate	FY21 Budget vs. Actual
		Fiscal Q1 2022	Fiscal Q2 2022	Fiscal Q3 2022	Fiscal Q4 2022					
	Generation Month	Calendar Q1 2021	Calendar Q2 2021	Calendar Q3 2021	Calendar Q4 2021	Total Calendar Year 2021	Total Calendar Year 2020	YOY Budget Incr / (Decr)	Total Calendar Year 2020	Calendar 2020 Budget vs. Actual
SHREC T1	P90 Generation (mWh)	8,762	15,139	14,623	6,659	45,183	45,136	47	44,745	(391)
SHREC T1	Revenue @ \$50 / mWh	\$ 438,099	\$ 756,953	\$ 731,171	\$ 332,946	\$ 2,259,169	\$ 2,256,795	\$ 2,374	\$ 2,237,250	\$ (19,545)
SHREC T2	P90 Generation (mWh)	11,284	19,209	18,584	8,588	57,665	56,729	935	56,893	164
SHREC T2	Revenue @ \$49 / mWh	\$ 552,919	\$ 941,244	\$ 910,615	\$ 420,791	\$ 2,825,569	\$ 2,779,745	\$ 45,824	\$ 2,787,757	\$ 8,012
SHREC T3	P90 Generation (mWh)	6,938	12,170	11,775	5,253	36,136	37,882	(1,746)	38,811	929
SHREC T3	Revenue @ \$48 / mWh	\$ 333,024	\$ 584,160	\$ 565,200	\$ 252,144	\$ 1,734,528	\$ 1,818,339	\$ (83,811)	\$ 1,862,928	\$ 44,589
SHREC T4	P90 Generation (mWh)	10,724	18,996	18,345	8,140	56,205	57,968	(1,763)	56,872	(1,096)
SHREC T4	Revenue @ \$47 / mWh	\$ 504,028	\$ 892,812	\$ 862,215	\$ 382,580	\$ 2,641,635	\$ 2,724,478	\$ (82,843)	\$ 2,672,984	\$ (51,494)
SHREC T5	P90 Generation (mWh)	10,587	18,193	17,212	7,679	53,671	-	53,671	-	-
SHREC T5	Revenue @ \$35 / mWh	\$ 370,531	\$ 636,770	\$ 602,425	\$ 268,772	\$ 1,878,497	\$ -	\$ 1,878,497	\$ -	\$ -
	Total SHREC Revenue	\$ 2,198,601	\$ 3,811,938	\$ 3,671,626	\$ 1,657,233	\$ 11,339,399	\$ 9,579,357	\$ 1,760,042	\$ 9,560,919	\$ (18,438)
	Generation Month	Calendar Q1 2021	Calendar Q2 2021	Calendar Q3 2021	Calendar Q4 2021	Total Calendar Year 2021	Total Calendar Year 2020	YOY Budget Incr / (Decr)	Total Calendar Year 2020	Calendar 2020 Budget vs. Actual
Non-SHREC	P90 Generation (mWh)	-	-	-	40,000	40,000	41,000	(1,000)	51,945	10,945
Non-SHREC	Revenue @ \$19.14375 / mWh	\$ -	\$ -	\$ -	\$ 765,750	\$ 765,750	\$ 589,500	\$ 176,250	\$ 1,005,410	\$ 415,910
	Commission Expense	-	-	-	(10,000)	(10,000)	(10,250)	250	(12,986)	(2,736)
	Total Non-SHREC Revenue	\$ -	\$ -	\$ -	\$ 755,750	\$ 755,750	\$ 579,250	\$ 176,500	\$ 992,424	\$ 413,174
	Total REC Revenue	\$ 2,198,601	\$ 3,811,938	\$ 3,671,626	\$ 2,412,983	\$ 12,095,149	\$ 10,158,607	\$ 1,936,542	\$ 10,553,343	\$ 394,736

Notes:

The Green Bank manages its price risk by selling its RECS in advance to buyers. To date we have sold 31,500 @ \$19.25/REC and 8,500 @ \$18.75/REC for a weighted average price of \$19.14375.



Memo

To: Budget, Operations, and Compensation Committee of the Connecticut Green Bank Board of Directors

From: Eric Shrago (Managing Director of Operations)

Date: May 5, 2021

Re: FY 2020 Annual Report to the Committee on Tuition Reimbursement and Compensation Time

Recent changes to the Connecticut Green Bank's Bylaws expanded committee's scope to include compensation. As a part of these changes, the committee is charged with reviewing staff participation in the organization's tuition reimbursement program and the awarding and usage of compensation time.

Tuition Reimbursement

During FY2020, we had 7 employees that took advantage of the tuition reimbursement benefit:

Employee	Degree	University
Edward P. Kranich	Certificate in Financing Clean Energy	Yale University
Sara Pyne	Certificate in Financing Clean Energy	Yale University
Emily Basham	Certificate in Financing Clean Energy	Yale University
Isabelle M. Hazlewood	Master of Business Administration	University of New Haven
Robert Schmitt	Master of Business Administration	University of Massachusetts
Catherine Duncan	Certificate in Financing Clean Energy	Yale University
Matt Macunas ¹	Certificate in Financing Clean Energy	Yale University

The cost of this was \$22,000.

Compensation Time

¹ Matt's certificate was completed in FY2021

During FY2021, no compensation time was awarded to or earned by staff and none was used.

Memo

To: Budget, Operations, and Compensation Committee of the Connecticut Green Bank Board of Directors

From: Eric Shrago (Managing Director of Operations)

Date: May 6, 2021

Re: Proposed updates to Tuition Reimbursement Policy

Since the inception of the Green Bank, one of the keys to the organization's success has been our high performing staff. We are focused on attracting and retaining the staff that we need for our organization to continue to be a success. Recognizing that our organization does not have the ability to compensate employees at rates that are always competitive with similar roles the private sector we are keen to find ways that allow us to make up for some of those differences.

One such benefit offered by the organization of which staff have taken advantage is our tuition assistance. Under the existing policy, the Green Bank will reimburse up to \$10,000 per year of tuition for the current pursuit of education. Since 2018, 11 members of our organization have availed themselves of this. These staff have used this to pursue undergraduate and graduate degrees, advanced certificates, and skill building programs, all of which have increased their value to the organization while allowing them to advance their personal goals.

In a recent review of regulatory changes, senior staff noticed that there is a temporary change to the Internal Revenue Code due to the Section 2206 of the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) that allows the employers to pay or reimburse staff for payment of student loans up to \$5250 per year. These payments would not be taxable income for the employee. This is a temporary regulation in place through January 1, 2026. The program started in the year 2020; consequently, there are 5 years remaining under the program.

A recent survey of staff shows that 25% of Green Bank staff have outstanding student loans. These loans were most often incurred pursuing degrees that made these employees attractive candidates to the Green Bank. They learned skills from which the organization is benefiting.

We recommend that the Board of Directors take advantage of this federal tax incentive program¹ to expand the tuition reimbursement policy to allow for the employees to be reimbursed for payments of their student debt. This new provision benefits both the employee and the Green Bank as the employer. The employee is able to retire student loan indebtedness at a faster rate than otherwise possible (Green Bank would make student loan payments made on their behalf – non-taxable to the employee), while the Green Bank gets a payroll tax exclusion (i.e., no social security tax) on these payments.

This will make the entire policy more inclusive, allowing employees who are presently pursuing education to participate as well as those who did so at an earlier point in their careers. This added benefit is something often offered by private sector employers and will make up for the Green Bank not being able to compensate our staff at levels commensurate with the private sector. In this way, the program promotes staff retention as eligible employees will know that they are able to avail themselves of the benefit for each year they stay in the employ of the Green Bank. The combined policy will now be called the Educational Assistance policy.

Proposed new policy: Educational Assistance

Any employee who has satisfactorily completed six months of service (and receives a rating of “meets expectations” or higher as a result of their six month review) and is either continuing his/her education in a job related area, in an area that will assist the employee in upward mobility or promotional opportunities; or is making principal and/or interest payments on qualifying debt incurred in the pursuit of such an educational opportunity shall be eligible to receive tuition assistance as follows:

- **Part A:** For credit courses at accredited institutions of higher education, full-time employees will be reimbursed 100% of the cost of tuition and laboratory fees up to a maximum of \$400 per credit taken for undergraduate courses and \$750 per credit for graduate courses. There will be a maximum dollar limit of \$10,000 for Part A tuition assistance per employee per fiscal year.
- **Part B:** Employees may also be reimbursed for their payment of their student debt as defined by the Internal Revenue Service in chapter 11 of Pub. 970. Employees will be reimbursed for actual payments of principal and interest on these loans up to \$5250 per calendar year, through December 31, 2025.
- The maximum aggregate dollar limit of Part A and Part B tuition assistance per employee per fiscal year is \$10,000.

Part-time employees who work at least 20 hours per week will be eligible for Part A and Part B educational assistance on a pro-rated basis based on their work schedule. The employee

¹ Section 2206 of the CARES Act.

must maintain an overall rating of “meets expectations” during the annual review process in order to continue to be eligible for assistance under this program.

Requests for Part A tuition assistance must be in writing and will be reviewed and approved by the employee’s department head and the President and/or his designee based on individual merits. Management will consider the relevance of the program to the employee’s current position, job responsibilities and promotional path prior to approval of the tuition assistance request. The employee must maintain a grade point average (GPA) of C for undergraduate courses and B for graduate courses to continue receiving tuition assistance under this program. If an employee’s GPA falls below these minimums, further eligibility for tuition assistance will be suspended until the required GPA is achieved.

Employees interested in applying for tuition assistance under this program should complete a tuition assistance form on SharePoint and follow the steps below to assure prompt tuition assistance.

1. Complete the Educational Assistance Form and submit it.
2. The request will be reviewed and if appropriate, approved by your department head and the President/Designee.
3. Once approved and subsequent to enrollment in the program, submit a copy of course registrations, invoices, proof of loan payments, and any other related documents to the director of operations for review and payment approval through a payment request on SharePoint. Part B reimbursements will only be made to the extent the employee submits evidence of loan payments at least in the amount requested (not to exceed statutory maximums and overall Part A and Part B program limits).
4. Upon completion of the semester, the director of operations will require a copy of all grades. Failure to do so may render you ineligible for tuition assistance for future course. Employees are financially responsible to reimburse CGB for payments made on their behalf under this program if they resign from their employment with CGB within (6) months of the signed date on the most recent consent authorization section of the Educational Assistance Form.
5. Employee Tax Liability: CGB follows the current IRS guidelines pertaining to annual reporting of employee educational benefits. Employees should consult with their tax advisor regarding this matter.

Resolution:

WHEREAS, pursuant to Section 5.2.2 of the Connecticut Green Bank (Green Bank) Bylaws, the Budget, Operations, and Compensation (BOC) Committee is charged with the review and approval of, and in its discretion recommendations to the Board of Directors (Board) regarding, all compensation related matters affecting the Green Bank including but not limited to its annual review of tuition reimbursement’s to staff;

NOW, therefore be it:

RESOLVED, that the BOC Committee hereby recommends that the Board of Directors of the Green Bank approval of the revisions to the Tuition Reimbursement Policy in the Green Bank Employee Handbook presented on May 12, 2021.

Second. Discussion. Vote



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