

RFI for Financing for Solar Projects at State of Connecticut Facilities

Solar MAP for State Government – Round 2

Q&A Responses

October 24, 2022

- 1. Regarding the Green Bank Financing, does Green Bank define “Value of the Project” for the purposes of debt sizing? More specifically, is Value of the Project equal to total development cost or subject to an appraisal?**

Green Bank can provide financing of up to 60% of the value of the project subject to a 1.25x DSCR. The value of the project can be determined either by an independent appraisal or based on the project’s costs (including build and development costs).

- 2. Is the Green Bank Financing available during construction prior to COD?**

Green Bank is open to negotiating access to Green Bank funding during construction if requested, not to exceed the agreed maximum loan amount (60% of the Value of the Projects, subject to DSCR requirements). Respondents should assume construction financing is priced 100 basis points above term financing. If the respondent’s PPA pricing assumes construction financing from the Green Bank, this should be indicated in the response.

- 3. What is the production factor assumption in the Production Reports? Is the Green Bank Financing DSCR based on the production scenario included in the Production Reports?**

The production figures provided are P50 figures and can be the basis for the Green Bank’s DSCR.

- 4. Please clarify the statement “Respondents should assume Project over 1 MWac will begin construction less than 60 days after IRS issues guidance” (Section (V.)(C.))**

Respondents should assume a 30% ITC without a Domestic Content Requirement for projects greater than 1 MW AC since construction is expected to begin less than 60 days after IRS issues guidance on how to comply with Domestic Content Requirement.

- 5. What stage of development are the projects in?**

Initial feasibility studies have been conducted to identify the potential size/capacity of projects and recommended siting.

The renewable energy credit (REC) contracts, with the utility as counterparty, have been executed.

Power purchase agreements have been negotiated and will be executed after the receipt of PPA pricing.

6. What is the delivery term start date of the ZREC contracts?

For the purposes of this exercise, please assume a 15-year term available on the ZREC contracts.

7. If a respondent submits a proposal with Green Bank Financing, is the respondent permitted to not submit a proposal without Green Bank Financing?

The respondent is permitted to submit a proposal to this RFI with CGB Financing, without financing or, both. If down selected as part of this process, that respondent may submit a proposal in the final binding RFP with or without financing, regardless of what was proposed in the RFI.