



**BOARD OF DIRECTORS OF THE
CONNECTICUT GREEN BANK**
Regular Meeting Minutes

Friday, March 26, 2021
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 March 26, 2021.

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

Board Members Present: Eric Brown, Binu Chandy, John Harrity, Adrienne Houël, Michael Li, Steve Meier, Matthew Ranelli, Lonnie Reed, Brenda Watson

Board Members Absent: Thomas Flynn, Kevin Walsh

Staff Attending: Christopher Baisden, Sergio Carrillo, Shawne Cartelli, Mackey Dykes, Brian Farnen, Bryan Garcia, Bert Hunter, Jane Murphy, Selya Price, Cheryl Samuels, Ariel Schneider, Eric Shrago, Mike Yu, Nicholas Zuba

Others present: None

1. Call to Order

- Lonnie Reed called the meeting to order at 9:02 am.

2. Public Comments

- No public comments.

3. Consent Agenda

a. Meeting Minutes of January 22, 2021

Resolution #1

Motion to approve the meeting minutes of the Board of Directors for January 22, 2021.

Upon a motion made by Steve Meier and seconded by John Harrity, the Board of Directors voted to approve Resolution 1. None opposed or abstained. Motion approved unanimously.

- Lonnie Reed introduced the newest Board Member, Adrienne Houël.

4. Investment Updates and Recommendations

a. Green Liberty Bonds: Series 2021 (Update)

- Bert Hunter summarized the history of the Green Liberty Bonds and gave an update to the upcoming Series 2021. He reviewed the RSIP Portfolio which has a total of approximately 43,000 projects and total capital of \$79.6 million with approximately \$144 million in Incentives. The first Green Liberty Bond issuance was through Tranche 3 and the next series will be through Tranche 4. The bonds give the Green Bank the chance to recover the costs of the RSIP program.
- Mike Yu explained the 2021 Series issuance plan. It has a similar structure to the 2020 Series and is SCRF supported. It will be issued in denominations of \$1000, again will be a Certified Climate Bond, and has an approximate par amount of \$23.17 million with a fixed rate structure. Lower denomination bonds below \$1,000 are being investigated for the future but is unfortunately not viable for this issuance. All the financial details are preliminary and subject to change, but this is the current plan. Mike Yu then presented the current schedule for the 2021 Series with another planned Earth Day launch with one day prior (April 21, 2021) for the retail market.
 - John Harrity expressed his desire to see a lower issuance bond as he has heard many people cannot afford \$1,000 but would be happy to support if it was within their budget. Bert Hunter responded that it is in the works, although it is a challenge.
 - Lonnie Reed asked if financial institutions were informed about this coming soon, and Bert Hunter said yes but also no. The Green Bank has been making the market generally aware of the upcoming bond issuance, but he is not sure exactly what work the underwriter have done. There are certain regulations which prevent specific details from being discussed, so it is actually good that people may have not heard about it yet. Bert Hunter suggested directing interested people to the Green Liberty Bond website for more information, which will be updated April 9, 2021 as that is the earliest that details can be released.
 - Steve Meier asked if there was a discount to a yield amount for these green bonds compared to other municipal bonds. Bert Hunter said there may be a small benefit in the secondary market where the price of the bond gets bid up (due to high demand) which reduces the yield, but it is difficult to determine at this point or even to make comparisons because of the variances between the Green Liberty Bond and others that may appear similar. Steve Meier agreed and praised the bond.
 - Bert Hunter also commented that one-year notes may be issued at a future time as the Green Bank noticed demand for those, so that is being investigated as well, and these shorter term notes could offer a way to issue securities efficiently below \$1,000.

5. Financing Programs Updates and Recommendations

a. Progress to Targets Update

- Mackey Dykes summarized the Financing Programs currently in place and the progress to targets. In Multifamily expectations were low due to COVID-19 but the Green Bank has seen some decent progress despite it. The Multifamily Term program is doing exceptionally well. For SBEA, progress has been slow but changes to the program should help increase the uptake for the second half of the fiscal year and into FY2022.

- Eric Brown asked, in relation to the bill that would expand what CPACE is used for, if there would be opportunities to work more closely with the different subtypes of CPACE projects customers. Mackey Dykes noted that SBEA is separately from CPACE, and if the bill goes through it still would not expand SBEA availability, but the Green Bank is working with the utility companies to better extract the customer segment data.
- Mackey Dykes continued with the progress to Commercial Solar PPAs and CPACE programs, which has been doing well in terms of number of projects and capital deployed.
- In general, Mackey Dykes said the Green Bank is in a good position for the second half of the fiscal year.
- For the PPA projects, the Green Bank is also doing well, exceeding the targets for projects, capital deployed, and MW capacity thanks to the success of the SolarMAP program.
- Brian Farnen summarized the updates to bill House Bull 6571, regarding resiliency, and PURA Docket No. 20-07-01, regarding transition from a net metering policy and the current ZREC/LREC incentive structure to a tariff-based system.

6. Incentive Programs Updates and Recommendations

a. Progress to Targets Update

- Sergio Carrillo gave an update to the Incentive Programs progress to targets which includes Residential Solar, Smart-E, Low Income Loans/Leases, and the upcoming Battery Storage program. RSIP has surpassed its targets already and though it may change, should remain above the targets. Smart-E is also doing well and is on track to meet the targets by fiscal year end, especially with the new Spring Special Offer. Low Income Loans and Leases have also exceeded its targets, so overall the Green Bank is doing very well.
 - Brenda Watson asked about the status of PosiGen. Sergio Carrillo answered that there has been an increase in incentive application rejections due to inadequate shade reports. The Green Bank has met with them to review the requirements and reports and is working with them to address the issues and expects the number of rejected applications to reduce going forward.
 - Mike Li asked why there has been an uptick in the shade report issues now since they have been running the program for years. Sergio Carrillo explained that there has been a bigger push to better solve the problems now as the standards have changed. Selya Price added that there may have been some staffing turnover in PosiGen as well and so it was a good opportunity to better train all the staff. The shade reports can be tricky, so with the extra time taken there should be less issues going forward. The RSIP team has done a great job retraining PosiGen as well as other contractors to improve shading reports and has posted revised shading report guidance online for all contractors in the program.
- Sergio Carrillo gave an update that some cellular providers will eventually phase out their 3G networks in late 2021 and early 2022, which may affect some residential solar PV systems. Due diligence is being done to evaluate the risks and costs of replacement for these meters, and a strategy is in development.
 - Matthew Ranelli asked about remote telemetry in other systems as other fields may also face loss of service issues. Lonnie Reed also asked if AT&T or T-Mobile will be liable to help cover the costs if replacements must be made, as

well if the Attorney General has been contacted regarding this. Sergio Carrillo agreed that this change will affect many different fields but took the suggestions and will provide an update as soon as there is more information.

- Brian Farnen summarized the updates to Senate Bill 952 and PURA Dockets 17-12-03RE03 regarding electric storage, Docket 19-07-01 regarding SCEF and community solar, and Docket 20-07-01 regarding the residential solar tariffs. Bryan Garcia expanded on Docket 19-07-01 as it relates to community solar and using the present value of Subscriber Savings and getting future cash flows delivered sooner to address more public policy issues such as weatherization and arrearages.
 - Matthew Ranelli asked about a recent legislative proposal that relates to labor, equity in the work force and requirements for companies to help mandate certain requirements to benefit workers. Brian Farnen responded that he is aware of it and that it is not an area where the Green Bank would take a position.. Mackey Dykes commented that the Green Bank is aware of it but the requirements are also applicable to projects above a current size, and that he believes it doesn't apply to what the Green Bank currently has.

7. Other Business

a. Hartford Headquarters and Stamford Offices (Update)

- Eric Shrago summarized the status of both the Stamford Office move and the move to the new headquarters in Hartford, CT. The Stamford move is complete, and discussions are taking place with the building owners to make it more sustainable to closer align to the Green Bank values. For the headquarters, the move is planned for April 15, 2021 and many projects are progressing to bring the historic building into the modern age with more sustainable options. The landlord is also looking to apply for LEED Silver status and seems receptive to the developments.
 - Mike Li asked if all the build outs and improvements are from the Green Bank budget or if there is a tenant allowance, and Eric Shrago stated it is a combination of both.

b. Other Business

- None

Stephen Meier had to leave the meeting at 10:30 am.

8. Executive Session – Personnel Related Matters

- The Board Meeting closed to the public for Executive Session at 10:38 am.

Upon a motion made by John Harrity and seconded by Matthew Ranelli, the Board of Directors Meeting returned from Executive Session and resumed publicly at 11:05 am.

Resolution #2

WHEREAS, Section 3.1 of the Connecticut Green Bank (Green Bank) Bylaws provides that the Board of Directors (Board) shall be responsible for determining or approving

compensation for the officers;

WHEREAS, on June 26, 2020, the Board approved a 3.0% merit pool in its FY 2021 budget for annual merit adjustments that can range from 0.0% to 5.0%;

WHEREAS, the Green Bank has completed its annual performance review process based on the Board approved annual goals and 360-degree performance reviews from the staff;

WHEREAS, the President and C.E.O. of the Green Bank recommends a 3% merit increase for the Officers other than himself and authorizing the Chair to determine the President and C.E.O.

NOW, therefore be it:

RESOLVED, that all Officers shall receive a 3% merit increase for Fiscal Year 2021.

Upon a motion made by Matthew Ranelli, as amended to apply the 3% merit increase to all Officers, and seconded by Eric Brown, the Board of Directors voted to approve Resolution 2. None opposed and Mike Li abstained. Motion approved.

Matthew Ranelli suggested an additional Resolution in appreciation to the entire staff for their hard work throughout the COVID-19 pandemic and continuing to deliver in terms of the Green Bank's mission. He suggest it be drafted in the near future and adopted at the next meeting.

- John Harrity asked if there is information as to increases other Green Bank staff received and Bryan Garcia said yes, which can be provided once its complete.

9. Adjourn

Upon a motion made by John Harrity and seconded by Matthew Ranelli, the Board of Directors Meeting adjourned at 11:09 am.

Respectfully submitted,

Lonnie Reed, Chairperson