



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

Friday, July 23, 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 July 23, 2021.

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

Board Members Present: Claire Coleman, Thomas Flynn, John Harrity, Adrienne Farrar Houël, Michael Li, Matthew Ranelli Lonnie Reed, Kevin Walsh, Brenda Watson

Board Members Absent: Binu Chandy, Steve Meier

Staff Attending: Lindsay Alfano, Emily Basham, Sergio Carrillo, Shawne Cartelli, Louise Della Pesca, Mackey Dykes, Brian Farnen, Bryan Garcia, Bert Hunter, Alex Kovtunenکو, Desiree Miller, Jane Murphy, Cheryl Samuels, Ariel Schneider, Eric Shrago, Dan Smith, Mike Yu

Others present: Giulia Bambara, Chris Galik, Mario Gioco, and Keith Varian

1. Call to Order

- Lonnie Reed called the meeting to order at 9:03 am.

2. Public Comments

- No public comments.

Lonnie Reed introduced the newest Board Member, Claire Coleman.

3. Consent Agenda

a. Meeting Minutes of June 25, 2021

Bryan Garcia summarized the six Resolutions that were included within the Consent Agenda.

Resolution #1

Motion to approve the meeting minutes of the Board of Directors for June 25, 2021.

Resolution #2

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

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

WHEREAS, the Board of Directors of the Connecticut Green Bank approved a Comprehensive Plan for FY 2021 including approving annual budgets and targets for FY 2021.

NOW, therefore be it:

RESOLVED, that Board has reviewed and approved the Program Performance towards Targets for FY 2021 memos dated July 23, 2021, which provide an overview of the performance of the Incentive Programs, Financing Programs, and Investments with respect to their FY 2021 targets.

Resolution #3

WHEREAS, in July of 2011, the Connecticut General Assembly passed Public Act 11-80 (the Act), "AN ACT CONCERNING THE ESTABLISHMENT OF THE DEPARTMENT OF ENERGY AND ENVIRONMENTAL PROTECTION AND PLANNING FOR CONNECTICUT'S ENERGY FUTURE," which created the Connecticut Green Bank (the "Green Bank") and vests the power in a Board of Directors comprised of eleven voting and one non-voting member; and

WHEREAS, the structure of the Board of Directors is governed by the bylaws of the Connecticut Green Bank, including, but not limited to, its powers, meetings, committees, and other matters.

NOW, therefore be it:

RESOLVED, that Board has reviewed and approved the Overview of Compliance Reporting and the Board of Directors and Committees for FY 2021 memo dated July 23, 2021 prepared by staff, which provides a summary report of the FY 2021 governance of the Board of Directors and its Committees of the Connecticut Green Bank.

Resolution #4

WHEREAS, on June 25, 2021, the Board of Directors ("Board") of the Connecticut Green Bank ("Green Bank") approved of the annual budgets, targets, and investments for FY

2022.

WHEREAS, per Connecticut General Statutes 16-1245n, the Green Bank must (a) develop a comprehensive plan to foster the growth, development and commercialization of clean energy sources, related enterprises and stimulate demand clean energy and deployment of clean energy sources that serve end use customers in this state, and (b) develop a comprehensive plan to foster the growth, development, commercialization and, where applicable, preservation of environmental infrastructure and related enterprises.

NOW, therefore be it:

RESOLVED, that Board has reviewed and approved the redline edits to the Comprehensive Plan presented to the Board on July 23, 2021.

Resolution #5

WHEREAS, the Connecticut Green Bank (“Green Bank”) has long sought to gage and assess the reach of its programs in terms of their equity and inclusion;

WHEREAS, the State of Connecticut has adopted the definition set forth in Public Act 20-05 of Vulnerable Communities;

WHEREAS, the Green Bank established Incentive and Financing Program goals for investment and benefits in these Vulnerable Communities by 2025;

WHEREAS, pursuant to Section 5.2.1 of the Green Bank Bylaws, the Audit, Compliance, & Governance (ACG) Committee is charged with the review and approval of, and in its discretion recommendations to the Board of Directors (Board) regarding organizational policies and procedures, and on May 18, 2021 made such a recommendation to the Board of Directors;

NOW, therefore be it:

RESOLVED, that the Board of the Green Bank approves of the above methodology for assessing the equity and inclusion of the organization’s Incentive and Financing Programs including, but not limited to, the number of projects, investment, and deployment in Vulnerable Communities.

Resolution #6

WHEREAS, the Connecticut Green Bank (Green Bank) has long sought to gage and assess the reach of its programs in terms of their financial impact for their customers; and

WHEREAS, the Green Bank has implemented a generation monitoring platform that provides real-time and historical insight into solar system performance; and

WHEREAS, the Green Bank has established internal and external controls to ensure the accuracy of the generation; and

WHEREAS, the Green Bank created a database of electricity rates used to estimate

customer expenses; and

WHEREAS, the Green Bank sought input from the Connecticut Department of Energy and Environmental Protection and the Public Utilities Regulatory Authority; and

WHEREAS, pursuant to Section 5.2.1 of the Green Bank Bylaws, the Audit, Compliance, & Governance (ACG) Committee is charged with the review and approval of, and in its discretion recommendations to the Board of Directors (Board) regarding organizational policies and procedures, and on June 14, 2021 made such a recommendation to the Board;

NOW, therefore be it:

RESOLVED, that the Board of Directors of the Green Bank approves of the above methodology for assessing customer savings and reduction of their energy burdens.

Upon a motion made by John Harrity and seconded by Brenda Watson, the Board of Directors voted to approve the Consent Agenda containing Resolutions 1-6. None opposed, and Michael Li and Claire Coleman abstained. Motion approved.

4. Incentive Programs Updates and Recommendations
a. FY 2021 Report Out – Incentive Programs

- Sergio Carrillo summarized the Incentive Programs for FY 2021. All Incentive Program targets were exceeded for the number of projects, capital deployed, and MW capacity, except for the MW capacity for Smart-E projects which reached 85% of its target. Each target was nearly doubled cumulatively, and this was primarily due to the RSIP extension (RSIP-E).

b. Battery Storage Program Update

- Sergio Carrillo explained the Battery Storage policy history and plan moving forward. Public Act 21-53 establishes a 1000 MW target by 2030 with PURA overseeing the program. This includes interim targets and allows PURA to determine administrators and allows for behind the meter end-use customers as well as front of the meter grid tier systems. The final decision on Docket No. 17-02-03RE03 Electric Storage is due in the coming weeks. He noted that the program should not have a negative impact on ratepayers due to a Ratepayer Impact Measure (RIM) of 1.5 times.
- Sergio Carrillo noted that the residential final decision is similar to the straw proposal presented but the C&I final proposal was very different, as PURA listened to feedback and adjusted to better encourage large-scale program adoption. The Green Bank will be a co-administrator of the program, alongside the utility companies. The upfront incentive is also administered by the Green Bank in a declining incentive block structure for residential customers. For C&I customers, it will be a flat incentive for the first three years of the program.
- The Green Bank will also be responsible for the program's marketing and other key elements will be shared with the EDCs.
 - Michael Li asked about the frequency of the battery storage usage by the EDCs. Sergio Carrillo explained that "set it and forget it" means the batteries will be programmed to be dispatched at a regular time period each evening during the

Summer. In exchange, customers will receive the incentive. However, during “active dispatch events,” such as blackouts, or other grid issues, the utility companies will have full access to the batteries to help stabilize the grid.

- Claire Coleman asked if during an active dispatch event, if homeowners would be able to use their own battery for themselves, or if they would be subject to control by the Utilities. Sergio Carrillo explained that in instance that a home with a battery is in a blackout or affected by such an event, the instruction is to use the battery for on-site load only. This means that the homeowner affected would benefit from their battery, though obviously they have limited time usage as it is.
- Lonnie Reed if PURA or someone else would oversee customer complaints as they arise. Sergio Carrillo answered that complaints and compliance would be done by PURA, though the EM&V (evaluation, measurement, and verification) will be the responsibility of the Green Bank. That is the tool used to capture the information related to the systems regarding dispatch, usage, etc. Each year a report based on that information will be sent to PURA for them to review and make determinations from that report.

c. RSIP Update and SHREC Metering RFP

- Sergio Carrillo summarized the history of the RGM upgrade and the RFP process for replacing those meters, which went smoothly. Three providers were selected, PSAs drafted, and so the Resolution proposed is to enter into PSAs with those providers with a not-to-exceed amount totaling \$2,500,000.

Resolution #7

WHEREAS, cellular service providers will be sunsetting 3G service and the production meters on the 3G network will stop communicating data to the Connecticut Green Bank (“Green Bank”) hindering our ability to create and monetize Solar Home Renewable Energy Credits (“SHRECs”);

WHEREAS, the Terms and Conditions of the Residential Solar Investment Program (RSIP) and the RSIP Extension Program (RSIP-E) require that solar PV systems report production data to the Green Bank;

WHEREAS, the Green Bank is entering into negotiations with two down selected applicants (“Applicants”) to perform the work outlined in the Request for Proposals (“RFP”).

NOW, therefore be it:

RESOLVED, that the Board of Directors of the Green Bank approve entering into Professional Services Agreements (PSAs) with the Applicants to complete the replacement of Revenue Grade Meters (RGM) specified in the RFP, with a not-to-exceed amount of \$2,500,000.

RESOLVED, that the President, Chief Investment Officer and General Counsel of Green Bank, and any other duly authorized officer of Green Bank, is authorized to execute and deliver on behalf of Green Bank any of the definitive agreements related to the memo submitted to the Board of Directors on July 23, 2021 and any other agreement, contract, legal instrument or document as he or she shall deem necessary or appropriate and in the interests of Green Bank and the ratepayers in order to carry out the intent and accomplish the purpose of the foregoing

resolutions.

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

Upon a motion made by John Harrity and seconded by Thomas Flynn, the Board of Directors voted to approve Resolution 7. None opposed or abstained. Motion approved unanimously.

5. Financing Program Updates and Recommendations

a. FY 2021 Report Out – Financing Programs

- Mackey Dykes reviewed the FY 2021 Financing Programs targets. In total, the number of projects and MW capacity targets were not met, but the capital deployed target was exceeded.
- Within each subsection of Financing Program, the Commercial PPA targets were exceeded which consists of IPC-provided projects, SolarMAP projects, and debt to third-party owned projects. CPACE projects also exceeded their number of projects and capital deployed target, though did not meet the MW capacity target. Mackey Dykes noted that C-PACE new construction programs are flourishing well across the country. Unfortunately, this year the SBEA program did not do as well overall primarily due to the impacts of COVID-19. The program was shut down for much of the year. However, the Mutli-family Term projects had several successful projects which helped exceed the capital deployed target excessively, which includes projects financed by the Green Bank and those where the Green Bank acts more as a developer with pre-development funding.
- Mackey Dykes noted for FY 2022 there will be more of a focus on the Multi-family PPA programs.
 - Kevin Walsh asked of the total capital deployed, how much was deployed by the Green Bank compared to other entities. Mackey Dykes answered that of the approximately \$79 million deployed, approximately \$20 million was Green Bank funding. He then said that the breakdown could be added to future presentations.
 - Bryan Garcia noted the more detailed breakdown is within the Progress to Target Memo but agreed that it can be added to meeting slides and better highlighted.
 - John Harrity asked if the capital per megawatt was high or low comparatively to previous years, and Mackey Dykes explained that the capital deployed also includes non-solar projects. A more refined evaluation would be needed and could be done. He also noted that for SolarMAP, on average the dollar-per-watt for those projects is approximately \$1.60-\$1.75/watt.

b. Sustainable CT

- Emily Basham summarized the proposal to continue to support Sustainable CT and the history of the Green Bank's partnership with them. For FY 2022, the request is for a \$125,000 grant which would fund the Fellows Program, matching grants for projects through the crowdfunding platform, and for organizational support.
 - John Harrity asked why the Board is needed to approve this Resolution

compared to other projects based on cost. Bryan Garcia responded that because they are a Strategic Selection, that bringing this back to the Board for approval is part of the operating procedures for Strategic Selections.

- Lonnie Reed asked if Sustainable CT would be involved in the project regarding the flooding of Rt 136 between Branford and Guilford, since the DOT was recently brought into the project, and it involves two municipalities and environmental infrastructure. Emily Basham answered that she does not believe the Sustainable CT would need to be involved but could be leveraged if any community support was necessary to further the rebuild. Lonnie Reed noted that informing them of a possible future need would be good to prepare. Bryan Garcia agreed that it can be a point to discuss with Sustainable CT, and the Green Bank's environmental infrastructure scope within the context of this specific project.

Resolution #8

WHEREAS, the Comprehensive Plan and FY 2022 budget identify Sustainable CT as a partner of the Connecticut Green Bank ("Green Bank"), including an allocation of \$125,000 from the FY 2021 Marketing budget;

WHEREAS, Connecticut Green Bank ("Green Bank") staff has submitted to the Green Bank Board of Directors (the "Board") a proposal for Green Bank to enter into a grant agreement with Sustainable CT for \$125,000 for programmatic purposes in order to increase our impact by applying the green bank model through Sustainable CT's programs as explained in a memorandum to the Board dated July 16, 2021;

WHEREAS, Sustainable CT satisfies all criteria of the Strategic Selection and Award process of Green Bank operating procedures, namely: (1) special capabilities, (2) uniqueness, (3) strategic selection, (4) multiphase, follow-on investment and (5) urgency and timeliness;

WHEREAS, Green Bank staff recommends that the Board approve a grant between the Green Bank and Sustainable CT, generally in accordance with memorandum summarizing the grant to the Board in a memorandum dated July 16, 2021; and

WHEREAS, Green Bank would benefit from Sustainable CT's public awareness and engagement program to increase participation in Green Bank's incentive and financing programs. Through the partnership, Green Bank and Sustainable CT are driving investment in projects in communities throughout the state.

NOW, therefore be it:

RESOLVED, that the Board approves Green Bank to enter into a Grant Agreement with Sustainable CT as a strategic selection;

RESOLVED, that the President, Chief Investment Officer and General Counsel of Green Bank, and any other duly authorized officer of Green Bank, is authorized to execute and deliver on behalf of Green Bank any of the definitive agreements related to the Sustainable CT grant agreement and any other agreement, contract, legal instrument or document as he or she shall deem necessary or appropriate and in the interests of Green Bank and the ratepayers in order to carry out the intent and accomplish the purpose of the foregoing resolutions.

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

Upon a motion made by Matthew Ranelli and seconded by Claire Coleman, the Board of Directors voted to approve Resolution 8. None opposed or abstained. Motion approved unanimously.

6. Investment Updates and Recommendations

a. FY 2021 Report Out – Investments

- Eric Shrago summarized the Investments to Targets for FY 2021. There was a target of \$32 million and \$27 million was invested, which will generate \$7.3 million in interest income over the life of the investments. This includes part of the C-PACE portfolio, a line of credit for third-party lenders, debt regarding PPAs, SBEA loans, and other strategic investments.

b. Raise Green

- Mike Yu summarized the proposal for a PSA with Raise Green, which is a green energy crowdfunding company that is a licensed Funding Portal with the Securities and Exchange Commission (SEC) and Financial Industry Regulatory Authority (FINRA) under Section 4(a)(6) of the United States Securities Act, laws know as “Regulation Crowdfunding”. This would allow individual retail investors to participate at significantly lower entry levels (below \$1,000 per investment unit). The pilot program would be for up to \$2 million over 2 years for mini-bonds, funded up to \$250,000 quarterly, which would have a maturity of 1 year and could be as low as \$100 to purchase. The mini-bonds would be backed by SBEA loan revenues and issued through a non-taxable subsidiary. There are some issuance costs as well, approximately \$55,000 for the first year which includes some one-time fees, and future issuances would be approximately \$25,000. The interest rates wouldn’t be determined until closer to issuance, though a 2% interest rate was used in feasibility estimations.
- With very few providers of short-term green bonds and the clear demand, as the short-term Green Liberty Bonds were the most oversubscribed during past Green Bank issuances, this would allow the Green Bank to fill a need and secure its position as a strong provider of retail investment opportunities.
 - Kevin Walsh asked for more clarification about the interest rate advantage and about the market’s short-term interest in comparison to the Green Bank’s long-term assets. Mike Yu answered that it is actually why SBEA loan revenues are being leveraged, as the smaller and short-term nature of those revenues better fits this type of structure, as compared to the assets used for the larger bond issuances. As for the interest rate, Mike Yu did note that there would be a premium price compared to the Green Liberty Bond, but the benefits otherwise should outweigh that premium. Bert Hunter added that it has been modeled at a generous interest rate, and whether the bonds are to be rated by a credit rating agency has yet to be determined but he believes they are worthy of a high rating due to debt service coverage ratios in excess of 200%, which should also help with the attractiveness of the bonds and help balance any issues with interest premiums. As well, this is an exploration of a new market and not a full dive in, which Kevin Walsh accepted and wanted to make sure the team was being

mindful.

- Mike Yu reviewed the Facility Coverage Ratios based on the expected SBEA revenue to create tranches against debt service requirements. The coverage is comfortable in scenarios where future tranches are added as well as when they are not. Issuance sizes can be adjusted for any scenario to maintain Green Bank's desired minimum debt service coverage ratio.
- Mike Yu also summarized the history of Raise Green, which has a good standing with the Financial Industry Regulatory Authority (FINRA) and has had several successful issuances so far. Green Bank staff spoke with two of the issuers who have been successful issuing on the platform and they expressed complete satisfaction with the process and results of their issuances.
 - Matthew Ranelli asked if there are consumer protections built into this type of program. Mike Yu answered that yes there are through the SEC. Everything has to be passed through certified entities and safety limits are in place for both issuers and purchasers. Mike Yu also noted that post-close asset management may also be given to a third-party manager depending on the final size of the issuance after closing. Eric Shrago noted there also are safety measures and consumer protections in place in terms of record keeping and handling of the interactions with investors. There is an initial plan and a backup plan if it needs to be scaled up and due to certain sensitive information handling. As well, in regard to investment protections, Raise Green has followed all regulations to become a registered platform.
 - Lonnie Reed asked to confirm the reputation of Raise Green, that it's been good, and Mike Yu answered that they have been very forthcoming for reference checks and their information, and it has been a positive relationship so far. John Harrity also commented that it seems like a great development and believes there will be big interest in these smaller, short-term bonds. If nothing else, it should spread awareness of the Green Bank.

Resolution #9

BE IT RESOLVED, that the Green Bank is authorized to enter into an agreement (the "Issuer Agreement") with Raise Green, Inc. an entity registered with and approved by the Securities and Exchange Commission (the "SEC") as a crowdfunding funding portal, to issue bonds in an amount not to exceed \$2,000,000 under the SEC's Regulation Crowdfunding (the "Bonds"). The Bonds shall be issued by a subsidiary of CEFIA Holdings and shall be issued by and for the sole purposes of the subsidiary, and shall not be issued by or on behalf of the Green Bank. The proceeds of the Bonds shall be used by the subsidiary to acquire certain loans under the Small Business Energy Advantage program (the "Loans"), and to pay the costs of issuance on the Bonds; and

RESOLVED, that the payment of debt service on the Bonds shall be made solely from the revenues from the Loans and other revenues available to the subsidiary. CEFIA Holdings and/the Green Bank are authorized to assign and transfer all or any portion of their rights in the Loans to the subsidiary as security for the payment of the Bonds and the interest thereon. The Green Bank shall not guarantee or pledge any other revenues for the payment of debt service on the Bonds; and

RESOLVED, that in connection with the Bonds, the President and any Officer of Green Bank (each, an "Authorized Representative") be, and each of them acting individually hereby is, authorized and directed in the name and on behalf of the Green Bank, to prepare and deliver, or

cause to be prepared and delivered, the Issuer Agreement with Raise Green and any other documents required under the SEC's Regulation Crowdfunding, including a Form C, a Subscription Agreement, a Note and any other documents or instruments necessary to complete the Bond issuance, in such form and with such changes, insertions and omissions as may be approved by an Authorized Representative, as he or she deems advisable for the purpose of issuing the Bonds (collectively, the "Financing Documents") and the execution and delivery of said Financing Documents shall be conclusive evidence of any approval required by this Resolution; and

RESOLVED, that to the extent that any act, action, filing, undertaking, execution or delivery authorized or contemplated by this Resolution has been previously accomplished, all of the same are hereby ratified, confirmed, accepted, approved and adopted by the Board as if such actions had been presented to the Board for its approval before any such action's being taken, agreement being executed and delivered, or filing being affected.

Upon a motion made by John Harrity and seconded by Matthew Ranelli, the Board of Directors voted to approve Resolution 9. None opposed or abstained. Motion approved unanimously.

c. Funding Warehouse

- Mike Yu reviewed the history of last year's SHREC Warehouse renewal, turning it into a Revolving Credit Facility. It has been very helpful under the new structure and this year the commitment sizing, maturity, and fees are all the same as what was approved last year. He then reviewed the facility structure.

Resolution #10

All of the members of the Board of Directors (the "Board") of the Connecticut Green Bank, a quasi-governmental agency of the State of Connecticut (the "Green Bank"), which is the sole member of SHREC Warehouse 1 LLC, a Connecticut limited liability company (the "Company"), hereby consent to and adopt the following resolutions for and on behalf of the Green Bank and, in the Green Bank's capacity as the sole member of the Company, for and on behalf of the Company:

WHEREAS, the Company intends to enter into a Second Amendment to Credit Agreement (the "Second Amendment"), which amends the Credit Agreement dated as of July 31, 2019, as amended by that certain First Amendment to Credit Agreement and Other Loan Documents dated July 28, 2020 (collectively, the "Credit Agreement") with Webster Bank, National Association ("Webster"), as Administrative Agent (in such capacity, as "Agent") and as a lender and Liberty Bank, as Lead Arranger and as a lender (Webster and Liberty Bank, in their capacities as lenders, are referenced to herein collectively as, "Webster-Liberty"), whereby Webster-Liberty have made available to the Company a Ten Million and 00/100 Dollar (\$10,000,000) secured revolving line of credit, with a Four Million and 00/100 Dollar (\$4,000,000) uncommitted accordion feature ("Loan") for the purpose of financing the Tranche 5-2021 (as defined in the Credit Agreement) Solar Home Renewable Energy Credit program ("Tranche 5-2021 SHRECs"); and

WHEREAS, the Company and Green Bank have requested that Webster-Liberty and Agent modify the Loan and the terms of the Credit Agreement pursuant to the Second

Amendment, in order to, among other things, secure the Loan with the Tranche 5-2021 SHRECs as collateral and extend the term of the Loan; and

WHEREAS, in connection with the modification of the Loan, the Company and Green Bank, as applicable, shall also enter into those documents listed on Exhibit A attached hereto (collectively, the "Modification Documents"); and

WHEREAS, to induce Webster-Liberty to continue to extend the Loan to the Company, Green Bank shall continue to guarantee the Loan pursuant to the Guaranty Agreement dated as of July 31, 2019 made by Green Bank in favor of Agent (the "Guaranty"); and

WHEREAS, along with a general repayment obligation by the Company, Agent and/or Webster Liberty are secured by, and the Company and the Green Bank are authorized to secure the Loan and the Guaranty by, among other things, granting to Agent and/or Webster-Liberty (i) a first priority security interest in all assets of the Company, (ii) a collateral assignment of and security interest in all of the Company's and the Green Bank's right, title and interest in the Tranche 5-2021 SHRECs and all rights and obligations relating thereunder under those certain Master Purchase Agreements for the Purchase and Sale of Solar Home Renewable Energy Credits by and between the Green Bank and each of The Connecticut Light & Power Company d/b/a Eversource Energy and The United Illuminating Company each dated February 7, 2017, each as amended by those certain First Amendments, dated July 30, 2018, as further amended by those certain Second Amendments, dated April 1, 2020, (as further amended from time to time, the "MPA's"), which collateral assignment and security interest shall include any and all rights to payment of money under the MPA's with respect to Tranche 5-2021 SHRECs and those other attributes and rights associated with the Tranche 5-2021 SHRECs, (iii) a collateral assignment of all of the right, title and interest in that certain Sale and Contribution Agreement by and between Green Bank and the Company, dated as of the date of the closing of the Loan, including without limitation, any security interest created under the Sale and Contribution Agreement, and (iv) a security interest in the MPA Collection Account, the Webster Interest Reserve Account and the Liberty Interest Reserve Account (the security interests listed in (i)-(iv) hereof, together, the "SHREC Collateral"); and

WHEREAS, Webster-Liberty has requested and the staff of Green Bank has recommended that the Board provide these resolutions approving the renewal and extension of the Loan and the Green Bank's guarantee thereof in accordance with the terms of the Second Amendment.

NOW, therefore be it:

RESOLVED, that the Board of the Green Bank hereby authorizes, ratifies and approves the Loan, as modified, from Webster-Liberty to the Company pursuant to the terms of the Second Amendment and the Modification Documents and authorizes, ratifies, directs and approves the Company's and the Green Bank's entering into the Second Amendment and the Modification Documents to which it is a party and of each other contract or instrument to be executed and delivered by the Company and the Green Bank in connection with the transactions contemplated by the Second Amendment; and be it further

RESOLVED, that the Board of the Green Bank hereby reauthorizes, ratifies and reaffirms the Green Bank's obligations under the Guaranty; and be it further

RESOLVED, that each of the Company and the Green Bank be and it hereby is,

authorized to continue to secure the Loan and the Guaranty by, among other things, granting to Agent and/or Webster-Liberty a first priority security interest in and to the Company's property, including, without limitation the SHREC Collateral; and be it further

RESOLVED, that the Board hereby authorizes, directs, ratifies and approves Green Bank's and the Company's execution, delivery and performance of the Second Amendment and the other Modification Documents and all of the Green Bank's and the Company's obligations under the Second Amendment and the other Modification Documents; and be it further

RESOLVED, that the actions of Bryan Garcia in his capacity as the President and Chief Executive Officer of Green Bank ("Garcia"), Roberto Hunter in his capacity as the Chief Investment Officer of Green Bank ("Hunter") and Brian Farnen in his capacity as General Counsel and Chief Legal Officer of Green Bank ("Farnen"; and together with Garcia and Hunter, each an "Authorized Signatory"), are hereby ratified and approved with regard to the negotiation, finalization, execution and delivery, on behalf of Green Bank and the Company, of the Second Amendment and the other Modification Documents and any other agreements that they deemed necessary and appropriate to carry out the foregoing objectives of Green Bank and/or the Company, and any other agreements, contracts, legal instruments or documents as they deemed necessary or appropriate and in the interests of Green Bank and/or the Company in order to carry out the intent and accomplish the purpose of the foregoing resolutions are hereby ratified and approved; and be it further

RESOLVED, that the Authorized Signatories be, hereby are, acting singly, authorized, empowered and directed, for and on behalf of the Green Bank and the Company (in the Green Bank's capacity as the sole member of the Company), to execute and deliver the Second Amendment and the other Modification Documents; and be it further

RESOLVED, that any other actions taken by any Authorized Signatory are hereby approved and ratified to the extent that such Authorized Signatory or Authorized Signatories have deemed such actions necessary, appropriate and desirable to affect the above-mentioned legal instrument or instruments.

Upon a motion made by Claire Coleman and seconded by Kevin Walsh, the Board of Directors voted to approve Resolution 10. None opposed or abstained. Motion approved unanimously.

d. PosiGen Restructuring

- Bert Hunter summarized the history of PosiGen and reason for restructuring their first and second lien credit facilities. PosiGen has had very strong project growth in Connecticut, especially in LMI households, and their direct staff in Connecticut is also expanding. As well, invoice collection and performance has been excellent. PosiGen has secured additional capital, but this change would be to remove the Ares Capital 1st lien facility and replace it with a Congressional Bank 1st lien facility, which would allow PosiGen to better maintain their growth. There would be a higher advance rate as well with a lower 2nd lien advance rate; the 2nd lien participants, other than the Green Bank, would initially stay at their current dollar-level of investment then all 2nd lien participants, including the Green Bank, would increase their funding as the borrowing base and additional 1st lien advances increase. The proposal to the Board is to increase the PBI collateralized facility (the "PBI Facility") by \$3 million, from \$7 million to \$10 million and

to terminate the participation that Inclusive Prosperity Capital has in the PBI Facility (which has an outstanding balance of approximately \$2 million).

- o Adrienne Houël asked if the Green Bank is looking to the future, since much of the presentation is about PosiGen's past. She asked about their projected volume and whether they are continuing to expand or remain status quo. Bert Hunter noted there is no control over their deployment, but PosiGen is pleased with the Connecticut market and as the RSIP transitions into a tariff system, PosiGen is planning to transition as well and continue to thrive. As well, PosiGen has plans to act on the upcoming battery storage program, especially with LMI families.

Resolution #11

WHEREAS, the Connecticut Green Bank ("Green Bank") has an existing partnership with PosiGen, Inc. (together with its affiliates and subsidiaries, "PosiGen") to support PosiGen in delivering a solar lease and energy efficiency financing offering to LMI households in Connecticut;

WHEREAS, the Green Bank Board of Directors ("Board") previously authorized and later amended the Green Bank's participation in a credit facility (the "BL Facility") encompassing all of PosiGen's solar PV system and energy efficiency leases in the United States as part of the company's strategic growth plan, as well as the company's PBI cash flows received under the Residential Solar Investment Program, in amounts not to exceed \$14 million and \$5 million, respectively;

WHEREAS, Congressional Bank ("Congressional") has provided a term sheet for a new BL Facility for the company, as explained in the memorandum to the Board dated July 16, 2021 (the "Board Memo");

WHEREAS, the Congressional term sheet contemplates an ongoing role for the Green Bank as a 2nd lien lender against PosiGen lease cash flows and as 1st lien lender against PBI cash flows, as further explained in the "Board Memo";

NOW, therefore be it:

RESOLVED, that the Board authorizes the Green Bank to amend its existing 2nd lien facility to allow for the new Congressional 1st lien facility, as set forth in the Board Memo;

RESOLVED, that the Green Bank may advance up to \$6.4 million in 2nd lien financing associated with the Congressional facility, in addition to serving as an agent for third-party participation to increase that total as available;

RESOLVED, that the Green Bank may further advance up to \$10 million in 1st lien financing associated with PBI cash flows; and

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 Adrienne Houël and seconded by John Harrity, the Board of

Directors voted to approve Resolution 11. None opposed or abstained. Motion approved unanimously.

e. Groton Subbase Fuel Cell Project (Update and Extension Request)

- Bert Hunter reviewed the Groton Fuel Cell project and highlighted the issue that the Board's approval of involvement with this project has lapsed due to other approvals taking longer than expected. This is due to the lengthy approval process with other parties such as the US Navy. The transaction close is now expected to be mid-September. The current proposal is to extend the execution limit to late October.
 - There was a correction required on the presentation, though it was correct in the memorandum given to Board Members.

Resolution #12

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, 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, on the basis of that recommendation, the Green Bank Board of Directors ("Board") approved of the Credit Facility, in an amount not to exceed \$8,000,000 with the provision that the Credit Facility be executed no later than 180 days from the date of authorization by the Board (June 16, 2021);

WHEREAS, Green Bank has further advised the Board that the Credit Facility is expected to close within the next 90 days and to accommodate the additional time needed to execute the Credit Facility requests the permitted time to execute the credit facility be increased from not later than 180 days from the original date of authorization by the Board (June 16, 2021)

to not later than 315 days from the date of authorization by the Board (October 29, 2021);

NOW, therefore be it:

RESOLVED, that the Green Bank Board hereby approves the extension of time for the execution of the Credit Facility to not later than 315 days from the original date of authorization by the Board (i.e., not later than October 29, 2021); and

RESOLVED, that the President of the Green Bank and any other duly authorized officer is authorized to take appropriate actions to provide the Credit Facility to FCE (or a special purpose entity wholly-owned by FCE) in an amount not to exceed \$8,000,000 with terms and conditions consistent with the memorandum submitted to the Board dated December 18, 2020 (the "Memorandum"), and as he or she shall deem to be in the interests of the Green Bank and the ratepayers; 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 Term Loan and participation as set forth in the Memorandum.

Upon a motion made by John Harrity and seconded by Claire Coleman, the Board of Directors voted to approve Resolution 12. None opposed and Matthew Ranelli abstained. Motion approved.

7. Environmental Infrastructure Programs Updates and Recommendations
a. Environmental Infrastructure – Comprehensive Plan Process

- Bryan Garcia summarized the new scope expansion of the Green Bank to include environmental infrastructure. This includes water, waste, and recycling, climate adaptation and resiliency, agriculture, land conservation, parks and recreation, and other environmental markets. He summarized the other changes and benefits that the new statutes require and cover. One requirement is the Comprehensive Plan for environmental infrastructure specifically. DEEP is considered a critical partner though the primary goal to address climate change will remain a key focus. He summarized the general timeline and goals for the coming year, through July 2022.
 - Matthew Ranelli noted that it may be good to extend the timeline on the governance amendments finalization out to allow for final review and edits after beginning stakeholder engagement. He also stated it would be nice to see the drafts at a special ACG Committee meeting, preferably before the October Board Meeting. Bryan Garcia noted that they are being pulled together and should be done in the coming weeks, so scheduling a special meeting is possible.
 - John Harrity expressed his concern about "mission creep" and the possibility of losing focus. Bryan Garcia agreed that maintaining the priority to reduce climate change and carbon emissions will continue.

Resolution #13

WHEREAS, in July of 2021, the Connecticut General Assembly passed Public Act 21-115 (the Act), "AN ACT CONCERNING CLIMATE CHANGE ADAPTATION," which expands the scope of the Green Bank to develop programs to finance and otherwise support environmental

infrastructure investment per the definition of environmental infrastructure in Connecticut General Statutes Section 16-245n(a)(4);

WHEREAS, the Act directs the Green Bank to develop a comprehensive plan to foster the growth, development, commercialization and, where applicable, preservation of environmental infrastructure and related enterprises;

NOW, therefore be it:

RESOLVED, that Board has reviewed and approved the memo dated July 23, 2021 entitled “Environmental Infrastructure – Comprehensive Plan Process,” which provides an overview of the process to be undertaken in FY 2022 to incorporate environmental infrastructure within its comprehensive plan.

Upon a motion made by Claire Coleman and seconded by Michael Li, the Board of Directors voted to approve Resolution 13. None opposed or abstained. Motion approved unanimously.

8. Executive Session

Upon a motion made by John Harrity and seconded by Kevin Walsh, the Board of Directors voted to move to Executive Session to discuss commercial documents and other financially sensitive information not required by statute. None opposed or abstained, and the Board of Directors Meeting entered Executive Session at 10:53 am.

The Board of Directors discussed items 8.a. and 8.b. in Executive Session.

The Board of Directors ended Executive Session and resumed publicly at 11:30 am.

Kevin Walsh had to leave during Executive Session at 11:10 am and was not present for the Resolution votes. Those present were Claire Coleman, John Harrity, Thomas Flynn, Brenda Watson, Adrienne Farrar Houël, Michael Li, Matthew Ranelli, and Lonnie Reed.

a. Polamer Precision

Resolution #14

WHEREAS, pursuant to Connecticut General Statutes Section 16a-40g, 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 approved in April 2014 a construction and term loan secured by a C-PACE benefit assessment for Polamer Precision Inc. (“Polamer”) New Britain, Connecticut, to finance the construction of specified clean energy and energy conservation measures in line with the State’s Comprehensive Energy Strategy and the Green Bank’s Strategic Plan; and

WHEREAS, as a result of COVID-19, Polamer has requested repayment modification (the “C-PACE Modification”) and staff has recommended to the Board approval of Polamer’s

requested modification, pursuant to the Board approved Loan Loss Decision Framework and Process for managing assets requiring restructuring or write-off from the Green Bank's balance sheet as modified by the Board's approval of a COVID-19 pandemic response to enable restructuring of transactions.

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 documentation to affect the C-PACE Modification consistent with the memorandum submitted to the Board dated July 19, 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 affect the above-mentioned legal instruments.

Upon a motion made by John Harrity and seconded by Matthew Ranelli, the Board of Directors voted to approve Resolution 14. None opposed and Matthew Ranelli abstained. Motion approved.

b. Cargill Falls

Resolution #15

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 \$7,100,000 (the "Current Loan") to Historic Cargill Falls Mill, LLC ("HCFM"), the property owner of 52 and 58 Pomfret Street, Putnam, Connecticut, to finance the construction of specified clean energy measures (the "Project") in line with the State's Comprehensive Energy Strategy and the Green Bank's Strategic Plan;

WHEREAS, the Project as part of a larger property redevelopment effort (the "Mill Redevelopment") requires additional gap financing from the Green Bank in the amount of \$1,000,000 to supplement additional funds being provided by the Connecticut Department of Housing of approximately \$1,800,000 in order to complete the financing requirements for this project that will result in 82 units of housing for Putnam, CT including 4 additional affordable units as a result of the additional gap financing (for a total of 34) of which 9 would be set aside for prospective tenants at or below 50% of area median income;

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

WHEREAS, the Green Bank now seeks approval to amend the Current Loan to HCFM to provide up to \$1,000,000 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 Current Loan being secured by a C-PACE benefit assessment (inclusive of \$300,000 and \$600,000 in additional funding approved at meetings of the Board January 24, 2020 and January 22, 2021, respectively), plus (ii) \$1,000,000, with terms and conditions consistent with the memorandum submitted to the Board dated July 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 July 23, 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 affect the above-mentioned legal instrument.

Upon a motion made by Matthew Ranelli and seconded by John Harrity, the Board of Directors voted to approve Resolution 15. None opposed and Claire Coleman abstained. Motion approved.

9. Adjourn

Upon a motion made by Matthew Ranelli and seconded by John Harrity, the Board of Directors Meeting adjourned at 11:33 am.

Respectfully submitted,

Lonnie Reed, Chairperson