BOARD OF DIRECTORS OF THE
CONNECTICUT GREEN BANK
Regular Meeting Minutes

Friday, January 20, 2023
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 January 20, 2023.

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

Board Members Present: Binu Chandy, Dominick Grant, John Harrity, Adrienne Houël, Matthew Ranelli, Lonnie Reed, Sarah Sanders, Brenda Watson, Victoria Hackett

Board Members Absent: Thomas Flynn, Laura Hoydick, Joanna Wozniak-Brown

Staff Attending: David Beech, Larry Campana, Sergio Carrillo, Shawne Cartelli, Louise Della Pesca, James Desantos, Mackey Dykes, Brian Farnen, Bryan Garcia, Sara Harari, Bert Hunter, Alysse Lembo-Buzzeli, Cheryl Lumpkin, Jane Murphy, Ariel Schneider, Eric Shrago, Marianna Trief, Ed Kranich,

Others present: Vijay Gopalakrishnan, Satyen Moray

1. Call to Order

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

2. Public Comments

- No public comments.

Bryan Garcia noted Agenda item 6 to follow item 3 and asked for a motion to approve.

Upon a motion made by Binu Chandy and seconded by Matthew Ranelli, the Board of Directors voted to approve the change to the Agenda. None opposed or abstained. Motion approved unanimously.

3. Consent Agenda

a. Meeting Minutes of December 16, 2022

Resolution #1

Motion to approve the meeting minutes of the Board of Directors for December 16, 2022.

b. Energy Storage Solutions

Resolution #2

WHEREAS, in its June 24, 2022 meeting the Connecticut Green Bank Board of Directors (Board) approved the implementation of an Upfront Incentive Project Approval procedures ("Procedures") for non-residential projects under the Energy Storage Solutions Program (Program) with an estimated upfront incentive payment greater than $500,000 and procedures for less than $500,000;

WHEREAS, as part of the approved Procedures, Green Bank staff shall present Program projects via the consent agenda utilizing a standard form Tear Sheet process described in the memorandum to the Board dated June 24, 2022;

WHEREAS, in its December 9, 2002 meeting the Board approved updated Procedures to better align with the Program process;

WHEREAS, in its July 22, 2022 meeting the Board approved that upfront incentive payments of 13 non-residential projects totaling $16,513,170 and an aggregate capacity of 33.8 MW;

WHEREAS, the Program administrators, which include the Green Bank and our utility partners, reassessed the annual peak demand of 4 projects that had previously received Board approval of their estimated upfront incentives;

WHEREAS, the reviewed amount of these upfront incentives represents a reduction in the amount of $1,233,060; which is expected to have a positive impact in the Program Ratepayer Impact Measure (RIM);

WHEREAS, Green Bank Staff reviewed funding requests for projects with incentives below $500,000, and approved them via Project Approval Forms for a total amount of $1,869,906 and intends to issue Reservation of Fund letters upon Board authorization.

NOW, therefore be it:

RESOLVED, that the Board hereby approves the reassessed upfront incentives sought by 4 non-residential projects totaling $9,587,980 from their original $10,821,040;

RESOLVED, that the Board hereby approves the estimated upfront incentives sought by 1 non-residential projects above $500,000 totaling $598,917 consistent with the approved Procedures;

RESOLVED, that the Board hereby approves the estimated upfront incentives sought by 6 non-residential projects individually under $500,000, totaling $1,869,906 consistent with the approved Procedures; and

RESOLVED, that the proper Green Bank officers are authorized and empowered to do all other acts and execute and deliver any and all documents and regulatory filings as they shall deem necessary and desirable to affect the above-mentioned incentives consistent with the Procedures.

Upon a motion made by John Harrity and seconded by Matthew Ranelli, the Board of Directors voted to approve the Consent Agenda which includes Resolutions 1 – 2. None opposed or abstained. Motion approved unanimously.

4. Committee Updates and Recommendations

a. Audit, Compliance, and Governance Committee

i. Proposed Revisions of Accounting and Internal Control Procedures

- Jane Murphy summarized the proposed changes to the Internal Control Procedures which includes adjusting the titles within the procedures to be generic and changes to the approval processes to remove redundancies and increase temporary flexibility for approvals when certain staff are out of the office and unavailable. She stated the auditors were allowed to review the changes and only substantive update is for the approval recommendations, which the auditors agreed that the delegations should be made in-writing and that the designee be a Senior member of the Accounting team. This is reflected to be either the Controller or Associate Director, which have been included in the proposed changes as presented.

<u>Resolution #3</u>

WHEREAS, all Accounting internal control procedures of the Green Bank are being updated to revise the written delegation of authority process and replace specific position titles with generic position titles, with the goal of having the procedures remain up to date if staff titles change;

NOW, therefore be it:

RESOLVED, that the Board of Directors hereby approve the proposed revisions to the Internal Accounting Controls and Procedures as presented herein.

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

b. Budget, Operations, and Compensation Committee

i. Proposed Revisions to FY23 Targets and Budget including "Dream Big" Option

- Eric Shrago summarized the proposed changes to the FY23 targets starting with the Incentive Program Targets. The number of projects is decreasing but the capital investment and MW of deployed energy are both increasing. This is affected by a change to when Incentive projects are considered closed and therefore included in the targets based on previous experience and influence over projects. The increase in the capital invested and MW deployed is due to some large commercial battery storage projects anticipated to be approved.
- Eric Shrago reviewed the Financing Programs Target which are not expects to change but clarified the amount of Green Bank capital invested and how it is different from total capital

deployed. He then summarized the changes to the Budget Revenues and Expenses.

- Eric Shrago summarized the "Dream Big" growth scenario expected due to the passage of the Inflation Reduction Act, starting with five key areas of product, policy, promotion, people, and places. As a result of the research done, the proposed changes to the budget for 5 additional staff focused on bringing in projects, an additional $50,000 for additional marketing assets, and $50,000 for holding Green Bank events to get into the community more such as pop-ups and office hours in areas of high interest and need.
- Eric Shrago reviewed the IPC PSA Amendments for clarity as IPC does not require an RFP because they spun out of the Green Bank initially and have a long-term contract.
    - Victoria Hackett asked for clarification regarding promotional events and materials that the Green Bank is coordinating with DEEP to communicate with one voice and be comprehensive. Eric Shrago responded absolutely in agreement.

<u>Resolution #4</u>

WHEREAS, per Section 5.2.2 of the Bylaws of the Connecticut Green Bank, the Budget, Operations, and Compensation Committee of Board of Directors recommends that the board approve (1) the revised FY2023 Targets and Budget, (2) the addition of the Dream Bigger Strategy and budget, and (3) extend the professional services agreements (PSAs) with Inclusive Prosperity Capital for fiscal year 2023 with the amounts of each PSA not to exceed the applicable approved budget line item;

NOW, therefore be it:

RESOLVED, that the Board of Directors approves the: (1) the revised FY2023 Targets and Budget, (2) the addition of the Dream Bigger Strategy and budget, and (3) the extension of the professional services agreements (PSAs) with Inclusive Prosperity Capital for fiscal year 2023 with the amounts of each PSA not to exceed the applicable approved budget line item.

Upon a motion made by Matthew Ranelli and seconded by John Harrity, the Board of Directors voted to approve Resolution 4. None opposed or abstained. Motion approved unanimously.

c. Other Recommendations

i. Proposed Revisions to the FY23 Comprehensive Plan

- Bryan Garcia summarized the proposed revisions to the Comprehensive Plan including non-substantive edits and substantive edits which includes the executive summary, updates, targets and budget revisions, the removal of the waste and recycling primer from FY to FY24, and the inclusion of battery recycling under research and project development.

<u>Resolution #5</u>

WHEREAS, on June 24, 2022, the Board of Directors ("Board") of the Connecticut Green Bank ("Green Bank") approved of the annual budgets, targets, and investments for FY 2023.

WHEREAS, on July 22, 2022, the Board of the Green Bank reviewed and approved the Comprehensive Plan as presented.

WHEREAS, on January 20, 2023 the Board of the Green Bank reviewed and approved the revised FY 2023 Targets and Budget, including the addition of the Dream Bigger Strategy and budget.

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 revised Comprehensive Plan presented to the Board on January 20, 2023.

Upon a motion made by Binu Chandy and seconded by Adrienne Houël, the Board of Directors voted to approve Resolution 5. None opposed and Victoria Hackett abstained. Motion approved.

5. Investment Updates and Recommendations
a. PosiGen – Final Documentation

- Bert Hunter summarized the history of the PosiGen transaction and the changes due to the previous Resolution not in strict alignment with the final agreed structure. He explained the details of the structure for clarity.

Resolution #6

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 (including battery storage) 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 back leverage credit facility (the "BL Facility") collateralized by 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 a facility to finance performance based incentives earned by PosiGen on its solar PV portfolio in Connecticut;

WHEREAS, PosiGen repayment performance is satisfactory;

WHEREAS, the passage of the federal Inflation Reduction Act of 2022 (the "IRA") creates a variety of new tax credit value streams that are available in early 2023 but likely to be delayed in terms of monetizable cash flow as explained in the memorandum to the Board dated December 9, 2022 (the "Board Memo");

WHEREAS, PosiGen is currently documenting a new tax equity facility that will incorporate that additional value from IRA and has applied under the Capital Solutions Open RFP program for a revolving loan facility (the "Facility") to bridge this value to be derived from the IRA provisions being included in the Internal Revenue Code, as further explained in the Board Memo;

WHEREAS, Staff has advised the Board that legal counsel has recommended modification of the resolutions in respect of the Facility explained in the December Board Memo to be in conformity with the final documentation for the Facility, and staff agrees with legal counsel and recommends the Board amend and restate the resolutions passed in December 2022 in respect of the Facility; and

NOW, therefore be it:

RESOLVED, that the Green Bank Board of Directors (the “Board”) amends and restates the resolutions passed during a meeting of the Board held December 16, 2022 as follows:

RESOLVED, that the Green Bank may advance up to $6 million in an uncommitted, discretionary financing associated with tax equity cash flows to be remitted as capital contributions by a member of the affiliated SPV directly to the SPV, under a revolving loan facility as further explained in the Board Memo; and

RESOLVED, that the Green Bank may make the advances to the existing Borrower for distribution to the SPV, to be repaid through the Managing Member of the SPV to a blocked cash collateral account under the irrevocable control of Green Bank, as further explained in the Board Memo; 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 Matthew Ranelli and seconded by Dominick Grant, the Board of Directors voted to approve Resolution 6. None opposed or abstained. Motion approved unanimously.

b. Cargill Falls – C-PACE Investment Modification

- Mariana Trief highlighted an update to Cargills Falls from over the holiday season which required some weed removal. She then summarized the project background and a real estate update, which includes that residential occupancy is at 100% and reviewed details for both residential and commercial leases. There was a lead concern in a unit and so it and other units have been tested and are awaiting results. The abatement plan for the first unit was completed and approved by the Northeast District Department of Health (NDDH). The owner is taking a more comprehensive plan for testing, abatement, and remediation, if necessary, of other units. For the hydroelectric plant, there are delays due to difficulties in locating contractors, getting equipment, and obtaining equipment breakdown insurance. One hydro turbine is being tested this week, but the delays have negatively impacted the operating revenue of the property.
- Mariana Trief reviewed the proposed payment modification due to those issues in operating revenue. The project has been funded by the Green Bank with 2 C-PACE benefit assessment liens. The proposal is to have 80% of the payments associated with the First Lien for 2023 and 2024 be added to the Second Benefit Assessment Lien as well as extend the term of the Second Benefit Assessment Lien to 15 years to give more flexibility to allow the hydro plant to commence operations and to allow for cash flows to address the lead concerns.

- Bert Hunter added additional information as to the history of the project in relation to the involvement by the Haynes Company. He stated if the project is allowed to go into default, there will be much greater financial risk and exposure than this modification.
    - John Harrity asked if this is expected to be the last modification request, as there have been so many previously. Bert Hunter responded that he hopes it is the last one but acknowledged the frustrations from new issues popping up.
    - Matthew Ranelli expressed concerns over the continuous issues despite praising the potential of the project and asked how urgent it is to act on the Resolution. He asked for more information as to the true extent of the lead exposure and its source. As well in relation to the SIR, he asked if any of the REC terms have been lost and what the cash flow position currently is. Bert Hunter responded that the lead exposure cannot be discussed further due to litigation issues, but for the timeline concerns, the payments will go into default without more support. As for the idea to threaten foreclosure in order to force a sale to a more capitalized owner, the property needs to be stabilized with everything with the hydroelectric facility working first before it would be attractive enough to a potential buyer. To attempt to do so now would be putting it in a worst case presentation. Marianna Trief answered that some ZRECs have been lost but she hopes it is the last time this will happen and reiterated that payment is due at the end of the month and without modification the project will go into default.
    - Matthew Ranelli asked what the payment due at the end of the month is and if there is any discretionary money available to get more time before extending the deadline. He also asked if there is something the Green Bank should obtain now in terms of a signable right in order to have more leverage to push a sale in the future if still necessary. Bert Hunter answered with a proposed deferral of the first lien payment until the Board Meeting in June, which is just before the July payment is due. When the payment is deferred the lien has to be refiled, which can be done, but he reiterated that the Green Bank is entitled to all residual cash flows. Victoria Hackett agreed with the deferral to June as proposed by Matthew Ranelli.
    - Lonnie Reed asked if the deferral would cause a negative impact in any way and Bert Hunter responded no. It would require some additional paperwork but that is primarily it and is feasible.

Resolution #7

WHEREAS, pursuant to Conn. Gen. Stat. 16a-40g, the Connecticut Green Bank ("Green Bank") has established 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 financing, secured by a C-PACE benefit assessment lien, not-to-exceed amount of $8,100,000 (the "Current Lien") 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 includes numerous energy conservation measures that align with the goals and priorities of the Green Bank's multifamily housing program;

WHEREAS, Green Bank staff now seeks approval to amend the Current Lien to HCFM to provide non-cash funding (the "Financing Amendment") for the Project, to account for an extension of time to repay principal and interest for the Project as explained in the memorandum in respect of this matter submitted to the Board on January 17, 2023 (the "Board Memo").

NOW, therefore be it:

RESOLVED, that the President of the Green Bank and any other duly authorized officer of the Green Bank is authorized to defer the first lien payment due January 2023 and Staff is directed to return to the Board in June 2023 with an update and any additional request for modification if necessary; 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 Victoria Hackett, the Board of Directors voted to approve Resolution 7 as amended. None opposed or abstained. Motion approved unanimously.

c. EV Carbon Credit Pilot Program Authorization

- Eric Shrago summarized the EV Carbon Credit program history, methodology, initial filing, and status of the credits. He reviewed the proposed process to sell the credits which includes quantity verification, market consultation, review and approval from Green Bank Officers, the Head of Finance, and the Head of Operations, and then the transaction will be memorialized with the plan to repeat the transactions on an annual basis. The forecast of revenue is currently low but the forecast shows the potential to be a significant revenue stream as the Green Bank expands into environmental infrastructure.

<u>Resolution #8</u>

WHEREAS, CGS Sec. 16-245n (as amended by Public Act 21-115) empowers the Connecticut Green Bank to leverage the carbon offset markets to monetize environmental attributes that accelerate the deployment of clean energy;

WHEREAS, the Green Bank has led the creation of a methodology with the Verified Carbon Standard to monetize electric vehicle charging activity and is the leader of a consortium that has earned credits under this methodology;

NOW, therefore be it:

RESOLVED, the Board of Directors of the Connecticut Green Bank direct staff to sell the credits aggregated as part of this project using the aforementioned process and to update the Board as to this process by 2025.

Upon a motion made by John Harrity and seconded by Dominick Grant, the Board of Directors voted to approve Resolution 8. Motion approved.
Victoria Hackett abstained

Dominick Grant, Victoria Hackett, and Matthew Ranelli left the meeting at 11:03 am.

6. Financing Programs Updates and Recommendations

a. C-PACE SIR Policy Revision

- Mackey Dykes summarized the proposed changes to the SIR Policy of electrification C-PACE projects to not require a SIR of 1 or higher. This would require a statutory change then program guidelines change. The SIR is a calculation to determine if the savings over the life of the equipment is greater than the total investment costs.
- Alysse Lembo-Buzzelli and Vijay Gopalakrishnan explained the reasoning for the proposed change and the details of it more thoroughly. Some of the issues with the SIR is that several HVAC projects do not have a SIR of greater than 1 despite the fact that those projects align with Connecticut's decarbonization goals and strategies. Energize CT uses a different approach, Incremental Cost, to determine incentive eligibility and the presence of two different calculations can lead to confusion and uncertainty for contractors. Alysse Lembo-Buzzelli summarized some recent projects in which the SIR calculation caused financing reductions for property owners.
- Alysse Lembo-Buzzelli reviewed the proposed revision which is to continue to require the calculation but remove the necessity for the SIR to be greater than 1 for technologies identified as high-efficiency electrification technologies with no fossil fuels. The energy audit, underwriting requirements, and other programmatic requirements will continue as normal, and it is also proposed to require the borrower to review the SIR calculation and sign a document stating they understand they are financing a project with a SIR of less than 1. She reviewed the Benefits and Challenges that would come with the acceptance of the proposed changes.
- Mackey Dykes commented that in the range of all C-PACE programs across the country, Connecticut seems to be on the conservative side in that it requires it, despite the fact that the PACE Alliance actually discourages including a SIR calculation. He stated he thinks the calculation is beneficial but, in some cases like for those proposed, can inhibit projects with positive impacts.
  - John Harrity stated he supports the change. He recognizes the cost is large but if people are willing to agree then it should be encouraged in order to reduce carbon emissions.
  - Matthew Ranelli agrees with John about the goal but stated his concerns and desire for more information. He also stated he believes the optics are low and concerns of how it could reflect with those buyers later and in terms of getting lender consent. He stated the number of electrification programs may be low now but is likely to increase in the future and become a greater focus for the program. He asked if there are other options available to explore that would not change the total C-PACE program.
  - Victoria Hackett asked for clarity regarding the current approach compared to the proposed change, as she did not understand the reason to include the total cost in the SIR. Mackey Dykes agreed her interpretation was correct. Victoria Hackett proposed adopting the same incremental cost model that Energize CT uses. She then asked what energy savings are being considered in the SIR calculation. Alysse Lembo-Buzzelli responded that the incremental cost conversation was the first version of a proposed changed but was moved away from as it didn't quite line up with how the SIR is calculated and other requirements. Mackey Dykes added the incremental cost calculation was weakening the SIR calculation more than the proposed change presented and explained why. He added details about what information is used as the baseline for the calculation and that using an incremental cost version would allow more fossil fuel equipment to get through than was

desirable. Victoria Hackett responded that she suggested adopting more standard approaches, but recognizes the other issues that may cause, as well as more thorough discussions about how electrification cost-effectiveness testing. However, she believes the SIR not being required for electrification projects may make defending the integrity of the program more difficult. Mackey Dykes clarified more about the reasoning and intent for the proposed change.

  - Matthew Ranelli agreed with Victoria Hackett and proposed another idea to make the change work in a way that addresses their concerns.

- Sarah Sanders asked about the other reasons a customer may want to go forward despite a low SIR calculation. Mackey Dykes responded typically there is a definitive need for the equipment to be replaced due to aging and malfunction. Since those replacement decisions are made very infrequently, its crucial to have the tools to be able to best assist getting the most efficient equipment installed since it has to be replaced one way or another.
- Adrienne Houël asked if there is a minimum SIR calculation that will be required. She also asked how many cases are currently being considered especially since the inflationary period currently happening which affects the interest rates being included in the calculation.
- The group agreed to discuss the idea and changes more thoroughly at a special meeting between the Audit, Compliance, and Governance Committee and the Deployment Committee.

Resolution #9

Staff recommends that the Green Bank Board (the "Board") authorize staff to pursue a statutory change of the SIR policy to make financing certain electrification energy efficiency projects more accessible through C-PACE in accordance with this memorandum and welcomes all feedback.

Upon a motion made by Victoria Hackett and seconded by Matthew Ranelli, the Board of Directors voted to discuss Resolution #9 further at a special joint meeting of the Audit, Compliance, and Governance Committee and the Deployment Committee at a future date. None opposed or abstained. Motion passed unanimously.

b. Commercial Solar Program – Modification

- Mackey Dykes summarized the Commercial Solar program as it is today and the proposed modification request to add a new financing option for Non C-PACE secured financing for entities that are unable to access C-PACE secured financing such as condominium associations, municipalities, and more. The key issue being faced was security but the changes to the solar policy of Connecticut finally allowed the Green Bank to serve this section of the market. He explained how the security for these types of projects would be attained by utilizing the Utility Companies as a counterparty. Mackey Dykes explained the program outline and approval structure for projects included.
  - Matthew Ranelli praised the proposed idea overall. He asked if with the NRES buy-all tariff, if it would be possible to know the tax-exempt status of the systems before proceeding. Mackey Dykes responded yes it would as it is a key issue for all the solar buy-all projects and the Green Bank is working with the industry to address it.
  - John Harrity stated it is important to be as aggressive as possible in helping Connecticut residents to be able to change to lower carbon technologies and stated

his support for this expansion into the market.

Resolution #10

WHEREAS, the Connecticut Green Bank ("Green Bank") Board of Directors (the "Board") passed resolutions at its March 25, 2020 meeting to approve funding, in a total not-to-exceed amount of $30 million in new money, subject to budget constraints, for the continued development by Green Bank, and financing of development by 3rd parties, of commercial- scale solar PV projects, to be utilized for the following purposes pursuant to market conditions and opportunities:

1. Development capital;
2. Construction financing;
3. Financing one or more 3rd-party ownership platforms, in the form of sponsor equity and/or debt; and
4. Sell solar PPA projects developed by Holdings to third parties.

WHEREAS, the Green Bank is uniquely positioned to continue developing a commercial solar project pipeline through local contractors in response to continued demand;

WHEREAS, the market for commercial solar financing continues to evolve, as public policy changes create opportunities for financing innovation;

WHEREAS, there is still demonstrated need for flexible capital to continue expanding access to financing for commercial-scale customers looking to access solar, while both bolstering project returns for investors and enhancing project savings profiles for customers, including for property owned non-profit and commercial solar PV systems where it is not possible to place a Commercial Property Assessed Clean Energy benefit assessment lien as security, subject to appropriate credit assessment by Green Bank staff of the third party owner as explained in a memorandum submitted to the Green Bank Board of Directors (the "Board") dated January 13, 2023 (the "Board Memo"); and

WHEREAS, the Green Bank is implementing a Sustainability Plan that invests in various clean energy projects and products to generate a return to support its sustainability in the coming years.

NOW, therefore be it:

RESOLVED, that the Board approves financing of third party owned commercial solar PV systems where it is not possible to place a Commercial Property Assessed Clean Energy benefit assessment lien as security, subject to appropriate credit assessment of the third party owner as explained in the Board Memo;

RESOLVED, that the President of Green Bank; and any other duly authorized officer of Green Bank, is authorized to execute and deliver, any contract or other legal instrument necessary to continue to develop and finance commercial projects on such terms and conditions as are materially consistent with the Board Memo; and

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

Upon a motion made by John Harrity and seconded by Matthew Ranelli, the Board of Directors voted to approve Resolution 10. None opposed or abstained. Motion approved unanimously.

7. Incentive Programs Updates and Recommendations

a. ESS Update of Final Decision in the Year 1 Review

- Sergio Carrillo summarized various points within the Year-2 Final Decision including updated incentive levels due to battery discharge rate variance, LMI and Underserved community upfront incentive changes due to low adoption in those market segments, changes to the upfront incentive cap, and changes to the active dispatch only program participation requirements. He also reviewed updates to the vacated commercial project capacity to increase program participation and RRES Annual Review updates. Overall, Sergio Carrillo stated the changes reflecting positively and the staff of the Green Bank are pleased with the outcomes.

8. Environmental Infrastructure Programs Updates and Recommendations

- Bryan Garcia reviewed the updates to the Environmental Infrastructure program including finding the Director of the program, the wrap-up of primers for water and environmental markets with the expectation to finalize by Earth Day 2023, and the continuation to learn from and support Bridgeport Regional Energy Partnership for community engagement. Adrienne Houël added that it's been exciting work and there is more to do. She discussed some recent progress to the outreach plan.

9. Other Business

a. Hydrogen Power Study Task Force Update

- Sara Harari summarized the process and history of the Hydrogen Task Force and the report developed through its efforts. She reviewed some of the outreach efforts and locations where some of the meetings took place in order to learn more and develop the report which was delivered on January 15, 2023 and includes recommendations for actions to be taken by Legislature, State Agencies, UConn, and other industry participants.
    - John Harrity expressed his concern with hydrogen energies in relation to its connection to natural gas and hopes this will be a step towards improving the technology or at least sustaining natural gas longer, as he expressed the desire to lower the dependence on natural gas. Bryan Garcia responded that looking at transportation, storage, and infrastructure of hydrogen energy was deemed an important element as part of the process and that many perspectives are included in the report and acknowledged those issues are not easy to solve, but there is much that was examined and included.
- Bryan Garcia summarized a Concept Paper that was submitted to the DOE through their Grid Innovation Program in collaboration with Hawai'i and Puerto Rico in relation to the Infrastructure, Investment, and Jobs Act. As well, a website was developed to receive public comments on the report out.
- Sarah Sanders asked about gas heating pollution within the home and potential changes to the stance on supporting gas heating within homes to be discussed at a future meeting.

10. Adjourn

Upon a motion made by John Harrity and seconded by Adrienne Houël, the Board of Directors Meeting adjourned at 11:28 am.

Respectfully submitted,

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Lonnie Reed, Chairperson