



**DEPLOYMENT COMMITTEE OF THE
CONNECTICUT GREEN BANK**
Regular Meeting Minutes

Wednesday, November 16, 2022
2:00 p.m. – 3:00 p.m.

A regular meeting of the Deployment Committee of the **Connecticut Green Bank (the “Green Bank”)** was held on November 16, 2022.

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

Committee Members Present: Binu Chandy (DECD), Matthew Ranelli, Lonnie Reed, Bettina Bronisz as a proxy for Sara Sanders, Kristen Rigney as a proxy for Victoria Hackett

Committee Members Absent: Dominick Grant, Victoria Hackett (DEEP), Sarah Sanders

Staff Attending: Mackey Dykes, Bryan Garcia, Bert Hunter, Alexei Kovtunenکو, Cheryl Lumpkin, Desiree Miller, Jane Murphy, Ariel Schneider, Eric Shrago, Dan Smith

Others present: Giulia Bambara, Claire Sickinger

1. Call to Order

- Kristen Rigney called the meeting to order at 2:04 pm.

2. Public Comments

- No public comments.

3. Consent Agenda

Resolution #1

Motion to approve the minutes of the Deployment Committee meeting for February 23, 2022.

Upon a motion made by Matthew Ranelli and seconded by Lonnie Reed, the Deployment Committee voted to approve Resolution 1. None opposed and Bettina Bronisz abstained. Motion approved.

4. Incentive Programs Updates and Recommendations

- a. Smart-E Loan – Expansion to include Environment Infrastructure Measures (Climate Adaptation and Resilience)**

- Bryan Garcia summarized the history of the Green Bank’s public policy, planning process, and the Smart-E Loan program. The Smart-E Loan program has resulted in 6316 projects being funded for \$116.3MM. He reviewed the collaborators with the Green Bank (i.e., DEEP, Insurance Department, and CIRCA) for climate adaptation and resiliency measures which includes the United States Climate Alliance in partnership with the European Union and with support by the Climate Finance Advisors.
- Bryan Garcia reviewed the proposed measures to expand the Smart-E Loan program to cover projects that address climate adaptation and resiliency which is a list of 31 measures including energy efficiency, landscaping, loss prevention, water intrusion reduction, and waterproofing. The list was vetted with the State Agencies Fostering Resilience (SAFR) Council and final review for recommendation is being sought by a FEMA regional insurance specialist.
 - Lonnie Reed asked if FEMA is offloading more to the Green Bank as a collaborator as they back away from some of their coverages. Bryan Garcia responded that the resilience and insurance measures process is very complicated but will pass the question along to the insurance team.
 - Matthew Ranelli stated he had several questions but was willing to discuss them in more detail offline after the meeting. He asked if under the state building code, if the project accepts state funds there is a different requirement for that, so will the Smart-E Loan recipients be required to meet those requirements. He also asked if there will be protections in place within building contracts to comply with certain standards as many projects are completed by less familiar contractors. Bryan Garcia agreed that he would like to be able to discuss them more thoroughly later, and explained the Resolution is just to get the list approved but nothing is being underwritten or hard-set yet.
 - Bettina Bronisz asked for clarification about the third Resolved statement. Bryan Garcia answered that under Environmental Infrastructure, Climate Adaptation and Resiliency is one measure and there are other measures, such as related to water, that are not being presented today but will be in the future, so the statement is just allowing for future instruction and guidance.

Resolution #2

WHEREAS, in May of 2013, Green Bank launched the Smart-E Loan program, currently operating statewide, with nine local lenders providing low cost and long-term financing for measures that are consistent with the state energy policy and the implementation of the State’s Comprehensive Energy Strategy; and

WHEREAS, at the March 25th, 2022 Connecticut Green Bank Board of Directors (the “Board”) meeting the Board approved the staff recommendation that the Smart-E Loan term sheet be further enhanced to allow for the addition of environmental infrastructure measures to the list of “eligible improvements,” and that the Board authorized the Deployment Committee to determine the specific measures by segment (e.g., water, waste and recycling, etc.) to be supported through the Smart-E program.

NOW, therefore be it:

RESOLVED, that the Deployment Committee approves of the “climate adaptation and resiliency” measures proposed by the Green Bank staff in the memo dated November 9, 2022 be included as “eligible improvements” within the Smart-E Loan.

RESOLVED, that the Deployment Committee requests that the Collaborators seek a final review by the Federal Emergency Management Agency for how “climate adaptation and resiliency” measures may benefit insurance.

RESOLVED, that the Deployment Committee seeks review and approval of additional environmental infrastructure measures for consideration as “eligible improvements” within the Smart-E Loan at a future date.

RESOLVED, that the Deployment Committee seeks review and approval of a plan for the staff rollout of environmental infrastructure measures within the Smart-E Loan, including, but not limited to contractor participation, project inspections, loss reserve budgeting, and customer marketing and outreach.

Upon a motion made by Lonnie Reed and seconded by Bettina Bronisz, the Deployment Committee voted to approve Resolution 2 as amended. None opposed or abstained. Motion approved unanimously.

5. Investment Updates and Recommendations

a. Green Bank Capital Solutions – Energy Resources Proposal for Bradley International Airport Project

- Desiree Miller summarized the proposal for a new debt facility for a project for Energy Resources USA. She reviewed the transaction details including the funding sources and explained the need for capital and therefore the debt facility.
 - Bettina Bronisz asked for clarification about what the projects at Bradley Airport were specifically. Desiree Miller answered it is for lighting, refrigeration, and HVAC at two different parking lots, multiple terminals, firehouse, and other outside locations.
 - Matthew Ranelli asked how Energy Resources USA was selected and what their original plan for capital was. Mackey Dykes explained they were selected by the Airport Authority. Mackey Dykes responded that for their original capital funding plan, it may have been a situation where the market conditions were better and it may not have originally been an issue, though he is not completely sure.
 - Lonnie Reed noted there may be marketing opportunities available as part of this project.

Resolution #3

WHEREAS, the Connecticut Green Bank (“Green Bank”) has significant experience in the development and financing of commercial energy efficiency projects in Connecticut;

WHEREAS, the Green Bank continually seeks new ways to facilitate the deployment of energy efficiency and renewable energy in the State; and

WHEREAS, the Green Bank has established the Capital Solutions Open RFP Program (the “Capital Solutions Program”) to accommodate clean energy and environment infrastructure capital needs not met by other existing Green Bank programs; and

WHEREAS, Energy Resources USA LLC (“Energy Resources”) has applied to the Capital Solutions Program and staff is recommending approval of Energy Resources’ application for a construction loan facility (the “Construction Loan”), substantially on the terms

and conditions explained in a memorandum to the Deployment Committee of the Green Bank Board of Directors (the “Deployment Committee”) dated November 14, 2022 (the “Deployment Committee Memo”);

NOW, therefore be it:

RESOLVED, that the Green Bank approves the Capital Solutions application of Energy Resources and the establishment of a construction line of credit for funding its obligations under contracts for energy efficiency retrofits for state projects pursuant to the Eversource Small Business Energy Advantage program in an amount not to exceed \$2.5 million on terms substantially similar to those described in the Deployment Committee 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 Binu Chandy and seconded by Matthew Ranelli, the Deployment Committee voted to approve Resolution 3. None opposed or abstained. Motion approved unanimously.

6. Financial Updates and Recommendations

- Alexei Kovtunenکو summarized the new IRA Tax Credits opportunities and how they affect existing and future programs on a general level. Some of the tax credits he reviewed are the Energy Efficient Home Improvement Credit and Energy Investment Credit. He reviewed the comments submitted by the CT Green Bank and by stakeholders.
- Alexei Kovtunenکو briefly went over some of the other provisions within the IRA such as funding to State Energy Offices to develop a more robust HOMES rebate program, HEEH rebate program, EECB deduction, and more.

7. Other Business

- None

8. Adjourn

Kristen Rigney adjourned the Deployment Committee Meeting at 3:00 pm.

Respectfully submitted,

Kristen Rigney as proxy for Victoria Hackett, Vice Chairperson