



**BUDGET, OPERATIONS, AND COMPENSATION COMMITTEE OF THE
CONNECTICUT GREEN BANK**
Regular Meeting Minutes

Wednesday, May 10, 2023
2:00 p.m. – 3:30 p.m.

A regular meeting of the Budget, Operations, and Compensation Committee of the **Connecticut Green Bank (the “Green Bank”)** was held on May 10, 2023.

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

Committee Members Present: Binu Chandy, John Harrity, Adrienne Houël, Lonnie Reed,
Brenda Watson

Committee Members Absent: None

Staff Attending: Shawne Cartelli, Bryan Garcia, Cheryl Lumpkin, Jane Murphy, Ariel Schneider,
Eric Shrago

Others present: None

1. Call to Order

- John Harrity called the meeting to order at 2:02 pm.

2. Public Comments

- No public comments.

3. Approve Meeting Minutes from January 11, 2023

Resolution #1

Motion to approve the meeting minutes of the Budget, Operations, and Compensation Committee from the meeting on January 11, 2023.

Upon a motion made by Binu Chandy and seconded by Adrienne Houël, the Budget, Operations, and Compensation Committee voted to approve Resolution 1. None opposed and Brenda Watson and John Harrity abstained. Motion approved.

4. FY 2024 Comprehensive Plan – Budget and Targets

- Eric Shrago reviewed the results to date for targets of projects, capital, capacity, and CO2 avoided for FY2012 through FY2023. For FY2023, so far 1837 projects have been completed, over \$113million of capital deployed, 44.6 MW of capacity installed, and over 145,000 tons of CO2 avoided. The lowered target goals for FY2023 from FY2022 is due to the sunseting of the RSIP program.
 - John Harrity asked what the total amount of MW of electric power that Connecticut uses. Bryan Garcia responded that in terms of consumption its about 25,000 Gigawatt hours, and in terms of peak capacity it may be 6000 MW and the Green Bank has helped deploy about 550 MW, so approximately 10% of the peak.
 - John Harrity asked what the State's goals are and Bryan Garcia responded that the State's Green House Gas Emission target is no less than 80% reduction of 2001 levels by 2050. The 2020 target was met, which was 10% below 1990 levels.
 - John Harrity asked how Connecticut compares to other neighboring states. Eric Shrago responded that per capita Connecticut has the highest deployment in New England of Residential solar.
- Eric Shrago reviewed the proposed goals for FY2024 which includes a total of 1726 projects, \$147,977,816 of capital deployed, and 60.5 MW of capacity installed. There are no targets for Environmental Infrastructure until the new director is settled in and programs are developed. For Financing Programs, the targets are 515 projects, \$48,979,688 capital deployed, and 8.2 MW of capacity installed. For Incentive Programs, the targets are 1211 projects, \$98,998,148 capital deployed, and 52.3 MW capacity installed. He explained the reasoning behind the smaller targets, which includes the fact that RSIP is done and reduced targets for SBEA.
- Eric Shrago reviewed the detailed breakdown of the proposed targets for the Financing Programs and Incentive Programs.
 - John Harrity asked for clarification about the Transportation line under Financing Programs. Eric Shrago explained it was incorporated so that the carbon savings from the EV Carbon Credit program could be included in the final calculations, but it takes a long time for the credits to be issued but he has an estimation of how many credits are anticipated and that is included in the Revenue section of the Budget.
 - John Harrity asked where Heat Pumps fit in. Eric Shrago responded that some may be funded by C-PACE as part of the Energy Efficiency Retrofits, but most are going to be done through Smart-E under the Incentive Programs.
 - Adrienne Houël asked for both Smart-E and Battery Storage if there is more of a breakdown between residential and commercial for those programs. Eric Shrago responded there are 29 C&I projects for battery storage and 250 residential projects. Adrienne Houël asked about the cost of the residential battery storage projects and Bryan Garcia responded the cost is unfortunately high as installation costs have skyrocketed recently. He mentioned there may be much to learn from colleagues in Puerto Rico. Eric Shrago explained that all of the Smart-E program is residential, and he estimates about 864 projects to be energy efficiency and home HVAC related.
 - Adrienne Houël asked if the incentive is still \$7500 and Bryan Garcia responded that is correct but other measures now apply to battery storage installation so he estimates 25% to 50% of the installation costs to be uneconomic which means the homeowner would have to value it from a resiliency perspective.

- John Harrity asked if there are battery storage projects being installed on multi-family homes or only single-family homes. Bryan Garcia responded work has been done under Public Act 21-48 which allows for Affordable Housing to be treated as residential in the RRES program, and through a PURA decision about the categorization of Affordable Housing about two-thirds of Connecticut's multi-family units can now be treated as Residential under RRES. In the decision, PURA also stated that it would also apply to energy storage solutions. So, there is much work to be done to examine all the possibilities for those units. John Harrity emphasized his desire for the simplest route possible, as complexity often deters people, and hopefully that simplicity is kept in mind.
- Brenda Watson asked about the health impacts of the data and if that has been shared with DPH. Eric Shrago responded that he will examine it and get back to her. As for the current estimates of health impacts, a report can be made for the expected environmental impacts and co-related health impacts. The initial numbers just need some refining.
- Adrienne Houël asked if the targets will be met by the end of FY2023. Eric Shrago responded he believes they will not be met for residential battery storage, but Smart-E should be met very soon, as will C-PACE and PPA. The projections are very good aside from battery storage.
- Eric Shrago reviewed the key Revenue insights for the FY2023 Budget.
 - John Harrity asked where the federal funding comes into play. Eric Shrago responded he believes it will be in two forms, Incentives and Rebates which are expected to flow through DEEP, and there is other money from the IRA which is expected to flow into other initiatives which will require applications to those grants. The overall philosophy is to work to ensure Connecticut receives at least its fair share, though nothing is being included in the Budget as the Notices of Funding Opportunity have yet to be issued.
 - John Harrity asked about the magnitude of the funds being sought. Eric Shrago responded that each pot of money is different, some are standard awards, some are competitive grants, and others are based on an allocation formula, so an amount can't be determined currently. Bryan Garcia commented more on those determinations.
 - John Harrity asked if Connecticut's tribes are going after the funding and if the Green Bank could assist or encourage them. Bryan Garcia responded he believes there is a Tribal Association that is bringing in tribes and Eric Shrago elaborated that the Intertribal Trade Council may be working to partner with the tribes and other organizations to seek the funding. Eric Shrago responded that they have strong backing from the DOE to get a successful application built but he isn't sure about the Connecticut Tribe's engagement specifically. Bryan Garcia answered that through the Disadvantaged Communities Locator from the DOE map, he's reached out to the Mohegan tribe and there is work being done to stay engaged with them but it is a complicated matter. The group discussed the topic further.
- Eric Shrago reviewed the Staffing Plan for FY2024 which includes a 5% COLA, 5% Merit (with up to an 8% increase), a 1.5% promotion pool and increasing the ranges as previously approved.

5. Compensation

- Eric Shrago reviewed the Benchmarking which determined the Green Bank is paying

97.5% of the market and the study is planned to be refreshed for FY2025. He reviewed the Merit Compensation approach and rubric. He and Bryan Garcia explained the goals of the Merit Compensation plan in further detail.

6. Adjourn

Upon a motion made by Binu Chandy and seconded by Lonnie Reed, the Budget, Operations, and Compensation Committee Meeting adjourned at 3:22 pm.

Respectfully submitted,

John Harrity, Chairperson