



**AUDIT, COMPLIANCE AND GOVERNANCE OF THE
CONNECTICUT GREEN BANK**
Special Meeting Minutes

Monday, June 14, 2021
8:30 a.m. – 9:30 a.m.

A special meeting of the Audit, Compliance and Governance Committee of the **Connecticut Green Bank (the “Green Bank”)** was held on June 14, 2021.

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

Committee Members Present: Thomas Flynn, Michael Li, Matt Ranelli, Lonnie Reed

Committee Members Absent: None

Staff Attending: Lindsay Alfano, Brian Farnen, Bryan Garcia, Bert Hunter, Jane Murphy, Cheryl Samuels, Ariel Schneider, Eric Shrago

Others present: None

1. Call to Order

- Matt Ranelli called the meeting to order at 8:32 am.

2. Public Comments

- No public comments.

3. Approve Meeting Minutes for May 18, 2021

Resolution #1

Motion to approve the minutes of the Audit, Compliance, and Governance Committee meeting for May 18, 2021.

Upon a motion made by Lonnie Reed and seconded by Thomas Flynn, the ACG Committee voted to approve Resolution 1. None opposed. Motion approved unanimously.

4. Proposed Update to Tuition Reimbursement Benefit

- Eric reviewed the existing Tuition Reimbursement policy. He continued with the historical turnover rates which were primarily driven by the legislative sweeps in the last few years.
 - Lonnie Reed asked if it is known where employees who left the Green Bank ended up. Eric Shrago responded past employees tend to leave to the private sector.
- Eric Shrago continued to review the hiring process questions. He expressed the changes to the hiring process and feedback from employee candidates, including reasons as to why they declined offers.
 - Tom Flynn commented that he agrees with benchmarking the Green Bank against private companies instead of against other quasi-public agencies in order to be progressive and competitive. Matt Ranelli commented that the Green Bank's retention rate looks pretty good and but noted his concern that the Green Bank continue to maintain a close level to other quasi-public agencies to avoid possibly becoming bigger than is deemed necessary by legislature. Tom Flynn agreed and stated that he believes the better performance and incentives may be able to be used to display the better results the Green Bank's choices create.
- Eric Shrago explained the historical use of the tuition reimbursement program and other considerations based on the legal possibilities of the program.
 - Matt Ranelli asked if the money would be paid to the servicer or employee, and Eric Shrago commented that both are possible. Bert Hunter also noted that most servicers take ACH payments, so the details could be worked out.
- Eric Shrago continued to note that many other agencies are beginning to offer this program or are considering it.
 - Tom Flynn noted that he believed the program option should end when the federal government program ends, thereby ending the tax benefits. Eric Shrago stated that it was the intent and would be noted in the wording of the program.

Resolution #2

WHEREAS, pursuant to Section 5.2.2 of the Connecticut Green Bank (Green Bank) Bylaws, the Audit, Compliance and Governance (ACG) Committee is charged with the review and approval of, and in its discretion recommendations to the Board of Directors (Board) regarding employee policies and oversight of the administrative functions of the organization; and

WHEREAS, the Budget, Operations, and Compensation (BOC) Committee is reviewing this recommendation for recommendation of approval to the Board at its May 12, 2021 meeting;

NOW, therefore be it:

RESOLVED, that the ACG Committee hereby recommends the Board of Directors of the Green Bank approval of the revisions to the Tuition Reimbursement Policy in the Green Bank Employee Handbook presented on June 14, 2021.

Upon a motion made by Lonnie Reed and seconded by Thomas Flynn, the ACG Committee voted to approve Resolution 2. None opposed. Motion approved unanimously.

5. Proposed Methodology to Assess Customer Savings due to Solar Methodology

- Eric Shrago explained the desire to formalize the methodology for determining customer savings and reduction of the energy burden for programs where the Green Bank has the information on system generations and customer expenses for installing a solar system through its various financing programs. He explained the savings formula and noted it may be used elsewhere in future evaluations if possible. It was presented to DEEP and PURA for their input and both organizations were impressed by the work and felt that the approach was reasonable.
 - Tom Flynn asked if this information has been reviewed by the external auditors and Eric Shrago said yes, and the approach seemed reasonable. Tom Flynn also asked if this has been run by other state agencies and Eric Shrago said yes, and they were impressed with the work and comfortable with the methodologies. Tom Flynn asked if there is a federal authority it can be run by to confirm the approach is solid, and Eric Shrago answered that transparency is not an issue and it is absolutely replicable year-over-year. However, he is unsure of a federal authority that would assist. Bryan Garcia noted that a possibility is NREL (National Renewable Energy Laboratory). Matt Ranelli asked if there is any way the methodology could be displayed to other Green Banks to help standardize the practice. Eric Shrago and Bert Hunter both agreed that helping spread it is a good idea.

Resolution #3

WHEREAS, the Connecticut Green Bank (Green Bank) has long sought to gauge 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 Utility 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;

NOW, therefore be it:

RESOLVED, that the ACG Committee hereby recommends the Board of the Green Bank approval 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.

Upon a motion made by Thomas Flynn and seconded by Lonnie Reed, the ACG Committee voted to approve Resolution 3. None opposed. Motion approved unanimously.

6. Adjourn

Upon a motion made by Lonnie Reed and seconded by Thomas Flynn, the Audit, Compliance and Governance Committee Meeting adjourned at 9:07 am.

Respectfully submitted,

Matthew Ranelli, Chairperson