



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

Friday, December 17, 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 December 17, 2021.

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

Board Members Present: Binu Chandy, Dominick Grant, Victoria Hackett, John Harrity, Adrienne Farrar-Houël, Matthew Ranelli, Lonnie Reed, Brenda Watson, Jeffery Beckham, and Sarah Sanders.

Board Members Absent: Thomas Flynn, Laura Hoydick,

Staff Attending: David Beech, Sergio Carrillo, Mackey Dykes, Brian Farnen, Bryan Garcia, Sara Harari, Bert Hunter, Ed Kranich, Cheryl Lumpkin, Jane Murphy, Eric Shrago, Dan Smith, Mike Yu, Matt Macunas, Shawne Cartelli

Others present: Monica Reed from Kestrel Verifiers, Claire Sickinger, DEEP, Giulia Bambera, DEEP, Louise Della Pesca (Clean Energy Finance Consultant)

**1. Call to Order**

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

**2. Public Comments**

- No public comments.

**3. Consent Agenda**

- Bryan Garcia summarized each of the Consent Agenda items.

**a. Meeting Minutes of October 22, 2021**

**Resolution #1**

Motion to approve the meeting minutes of the Board of Directors for October 22, 2021.

**b. Revisions to the Operating Procedures**

**Resolution #2**

**RESOLVED**, that the Board of Directors of the Connecticut Green Bank approves the revisions to the Operating Procedures.

**c. Position Description for the Vice President of Operations**

**Resolution #3**

Motion to approve the position description for Vice President of Operations

**RESOLVED**, that the Board of Directors of the Connecticut Green Bank approves the revisions to the Operating Procedures.

**d. FuelCell Energy Project – Extension**

**Resolution #4**

**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 315 days from the date of authorization by the Board (June 16, 2021) which was further extended by the Board in July 2021 to October 29, 2021 and which was further extended by the Board in October 2021 to December 31, 2021;

**WHEREAS**, Green Bank has further advised the Board that the Credit Facility is now expected to close within the next 60 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 378 days from the original date of authorization by the Board (December 31, 2021) to not later than 409 days from the date of authorization by the Board (i.e., to January 31, 2022);

**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 409 days from the original date of authorization by the Board (i.e., not later than January 31, 2022); 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 Brenda Watson, the Board of Directors voted to approve the Consent Agenda which contains Resolutions 1-4. None opposed or abstained. Motion approved unanimously.**

#### **4. Incentive Programs Updates and Recommendations**

##### **a. Residential Solar Investment Program**

- Sergio Carrillo reviewed the status of RSIP and RSIP-E as of 12/13/21. For RSIP, there are only 2.1 MW of projects that need to be completed, which should be done by the end of January 2022. For RSIP-E, all but 1 MW of projects are approved, and a little less than half of Step 16 and Step 17 projects are completed. By the end of the calendar year, all of RSIP-E should be approved and the team can shift towards completing projects. He explained the next steps and upcoming important dates.
  - John Harrity asked what the solar installers have said about the end of the RSIP program. Sergio Carrillo answered that they are discouraged by the end of the upfront incentive, though the tariff will provide equivalent compensation over time, so it may be a harder selling point for the program.
- Sergio Carrillo summarized the Revenue Grade Meter replacement update. Currently about 13% of the replacements are completed and continue despite equipment

shortages. The algorithm developed by Prof. Ken Gillingham should help calculate generations that may not be able to be reported when the 3G network shuts down on March 1, 2022, and a decision by NEPOOL GIS to approve the use of the algorithm should be approved by the end of January 2022.

- Matt Ranelli asked if there are financial agreements with third parties, and if so to make sure those agreements are okay so long as the methodology is approved. Brian Farnen answered that a review was done and should be all set, assuming the methodology is approved.

## **b. Energy Storage Solutions Program**

- Bryan Garcia summarized a timeline of the history building up to the creation of the Energy Storage Solutions Program.
- Sara Harari reviewed the overall goals of the program, the key policy objectives of cost-effectiveness, resilience, to serve vulnerable communities, and economic development. She summarized the benefit cost analysis tests performed and the results, which are technically only good-faith estimates.
- Ed Kranich explained the program design, which is divided into residential and commercial/industrial customers. He reviewed the elements of both the upfront and performance-based incentives and gave an example of how both passive and active dispatch events will function. He summarized the EDC collaboration efforts, division of responsibilities, Residential Incentive levels, and Commercial Incentive levels.
  - Matt Ranelli asked if the grid edge customers eligibility would include those in flood hazard areas, whether any assets are put into harm's way by doing so, and what protections are in place for those customers. Sara Harari answered that Circa is developing a vulnerability index tool and the Green Bank is working with Circa to make sure that those in flood risk areas are included in the grid outage definition. Matt Ranelli suggested to review the 2017 Building Code Amendment to address the issue of structures that receive state funding.
  - Matt Ranelli asked if the performance incentives have a penalty if a project goes offline prior to the ten-year duration completion. Ed Kranich answered that on the upfront incentive there is a claw-back mechanism at the end of each year, customers would be assessed for participation and notified if they do not meet the requirements. For the performance-based incentive, the customers would not be paid if they don't participate in the Active Dispatch events.
  - John Harrity commented that the incentives being offered to commercial entities must have an aggressive marketing program as history has shown that many businesses are hesitant to participate in a program that they are unfamiliar with. Bryan Garcia noted that the benchmarks looked at were other C&I markets as well the local ZREC market, so the Green Bank staff feels confident that the transition with this program should be smooth. He also added that the Green Bank's role is to ensure that PURA's policy objective of maximizing battery storage deployment is upheld in areas of resilience as well as deploying it into vulnerable communities.
  - Victoria Hackett commented that the program is very exciting and that a Bureau of Energy and Technology team is involved in the PURA Docket and its marketing approach. She is also abstaining from the vote because of that team's involvement.
  - Dominick Grant asked for more elaboration about the marketing of the backup functionality for the target market. Sara Harari answered that though it is a marketing challenge, there is a strong element of education within the marketing

plan. As well, part of the program design is that when any storm event is declared, customers will have complete control over their batteries for 2 days preceding the storm to fully charge it. Eric Shrago added that in the marketing materials is information about a battery's capacity and capabilities. Sell sheets for determining which batteries to sell to customers will also be included but have not yet been finalized.

## **Resolution #5**

**WHEREAS**, pursuant to Public Act 21-53 (attached hereto as Appendix A) and §§ 16-11 and 16-244i of the General Statutes of Connecticut Per and as implemented through the Public Utilities Regulatory Authority ("PURA") Docket No. 17-12-03RE03 "PURA Investigation into Distribution System Planning of the Electric Distribution Companies – Electric Storage" ("the Docket") requires the Connecticut Green Bank ("Green Bank") together with Eversource and United Illuminating ("EDCs") to design, implement and administer a behind-the-meter storage program (the "Program") that results in a minimum of five hundred and eighty (580) megawatts of new residential and non-residential electric storage installation in Connecticut before December 31, 2030.

**WHEREAS**, pursuant to the Final Decision of the Docket issued December 8, 2021 (attached hereto as Appendix B, the "Final Decision"), PURA ordered the Green Bank and the EDCs (the "Program Administrators") to jointly administer the Program (Green Bank to administer the upfront incentive portion of the Program and be responsible for Program communication and promotion; EDCs to administer the performance incentive and the active dispatch portions of the Program; and together the Program Administrators will develop the appropriate program documents necessary to effectively implement the Program beginning January 1, 2022) pursuant to which the Green Bank has prepared the Program Manual (attached hereto as Appendix C) to offer direct financial incentives, in the form of upfront incentives for qualifying electric storage systems and Marketing Plan (attached hereto as Appendix D) to achieve the goals of customer enrollment, marketing & outreach, data aggregation & reporting, and evaluation, measurement & verification.

**WHEREAS**, pursuant to the Final Decision the Green Bank has prepared a declining incentive block schedule ("Schedule") for the first three-year cycle of the Program that: (1) provides for a series of storage capacity blocks the combined total of which shall be a minimum of 100 megawatts of new electric storage installation in Connecticut before December 31, 2024 and projected incentive levels for each such block; (2) provides incentives (the "Incentives") that are sufficient to meet reasonable payback expectations of residential and non-residential consumers; and (3) provides incentives that decline over time and will foster the sustained, orderly development of a state-based storage industry.

**NOW**, therefore be it:

**RESOLVED**, that the Green Bank Board of Directors (the "Board") hereby approves the Program Manual and Marketing Plan substantially in the form attached in as Appendix C and Appendix D, respectively.

**RESOLVED**, the Board directs the Green Bank to submit the proposed Program Manual to PURA pursuant to the Draft Decision in Docket No. 21-08-05.

**RESOLVED**, that the Board approves the Green Bank participation in Energy Storage Solutions as a Program Administrator, which is expected to be cost recovered pursuant to the Final Decision.

**RESOLVED**, that this Board action is consistent with Public Act 21-53 and PURA Dockets No. 17-12-03RE03 & Docket No. 21-08-05.

**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 these Resolutions.

**Upon a motion made by John Harrity and seconded by Matt Ranelli, the Board of Directors voted to approve Resolution 5. None opposed and Victoria Hackett and Brenda Watson abstained. Motion approved.**

## **5. Financing Programs Updates and Recommendations**

### **a. Small Business Energy Advantage (SBEA) Program – Extension**

- Mackey Dykes summarized the SBEA Loan partnership with Eversource. On December 21, 2021 the program is expiring and all parties are interested in extended the program for another 3 years. The Green Bank has been pushing for changes to increase access to capital and increase its position and revenue. The Green Bank's share of the loans are proposed to be increased from 10% to 20% with a term length increased from 4 years to 7 years. As well, there are proposed changes to customer loan limits and aggregate loan balances to gain access to capital for all eligible borrowers. Currently there is a request for a 6-month extension to the existing agreement to give time to finalize the discussions, with a resolution for the finalized agreement presented to the Board at a future date.
- Mackey Dykes requested a change to the initial request. He requested that staff be given the authority to change the benchmark for the interest rate with a result that would yield a similar interest rate. Bert Hunter commented that the 1-month LIBOR benchmark will continue to be posted after December 31, 2021 but after the first week of the March it will cease to be representative in an official sense, hence the need to adjust the interest rate benchmark and pricing described by Mackey Dykes. Mackey Dykes requested the approval and resolution be updated to reflect this.

### **Resolution #6**

**WHEREAS**, the successful Connecticut Green Bank (Green Bank), Eversource Energy and Amalgamated Bank Small Business Energy Advantage (SBEA) financing facility, pursuant to that certain Second Amended and Restated Master Purchase and Servicing Agreement dated September 30, 2020 ("MPA"), will expire on December 20, 2021;

**WHEREAS**, the parties expect to agree to terms to extend and expand the MPA in early 2022; and

**WHEREAS**, a short-term extension of the MPA is necessary to maintain loan servicing and additional loan purchases until final terms are reached

**NOW**, therefore be it:

**RESOLVED**, that the Green Bank Board of Directors authorizes the Green Bank to extend the MPA under the existing terms for up to six months; 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 Matt Ranelli and seconded by Brenda Watson, the Board of Directors voted to approve Resolution 6. None opposed or abstained. Motion approved unanimously.**

**6. Investment Updates and Recommendations**  
**a. Skyview Ventures – Additional Investment**

- Louise Della Pesca summarized the Skyview Ventures history and request which was brought to the Deployment Committee and was recommended by that committee. The investment request is for a senior secured term loan facility with a special purpose vehicle (Skyview SPV) 100% owned by Skyview Ventures. The reason for the amendment is that the Green Bank supports the deployment of energy storage solutions in Connecticut and Skyview SPV has a pipeline of several projects already. As well, they have a commercial solar PPA pipeline of several MW which means an increased commitment would be needed. Louise Della Pesca reviewed the transaction structure and facility structure. She summarized the proposed controls and changes to the facility, and the risks and mitigants.
- Matt Ranelli commented that he would be abstaining from the vote.

**Resolution #7**

**WHEREAS**, the Connecticut Green Bank (“Green Bank”) has significant experience in the development and financing of commercial solar power purchase agreement (“PPA”) projects in Connecticut;

**WHEREAS**, the Green Bank Board of Directors (the “Board”) approved at its meeting held on March 25, 2020 a senior secured loan facility (“Original Term Loan”) transaction with a Skyview Ventures special purpose vehicle (“Skyview”) in an amount not to exceed \$2.3M as a Strategic Selection and Award pursuant to the Green Bank Operating Procedures Section XII given the special capabilities, uniqueness, strategic importance, urgency and timeliness, and multi-phase characteristics of the Original Term Loan transaction. The Original Term Loan was first expanded to \$3.5M, and then to \$7M (the (Existing Term Loan”), as approved by the Board at its meetings on April 24 and October 23, 2020, respectively;

**WHEREAS**, as of November 2021, approximately 70% of the Existing Term Loan commitment has been advanced to finance PPA projects;

**WHEREAS**, in light of the financial incentives available (starting 2022) for the deployment of energy storage solutions (“ESS”) projects, Skyview is developing a pipeline of ESS projects in CT; and

**WHEREAS**, given the rate of utilization of the Existing Term Loan by Skyview for

Skyview PPA projects, and the opportunity to develop ESS projects, following diligence of Green Bank staff, Green Bank staff proposes increasing the Existing Term Loan size and amending its terms to allow for ESS project financing, and requests Board approval.

**WHEREAS**, the Green Bank Deployment Committee recommended that the Board approve of the staff's request to amend and restate the Board's existing approval of the Existing Term Loan transaction as described in the Project Qualification Memo submitted by the staff to the Deployment Committee and dated November 12, 2021 (the "Deployment Committee Memorandum")

**NOW**, therefore be it:

**RESOLVED**, that the Board approves staff's request to amend and restate the Board's existing approval of the Existing Term Loan transaction as described in the "Deployment Committee Memorandum and consistent with the memorandum to the Board dated December 10, 2021 (the "Memorandum") to include ESS projects to be qualified for future advances within the increased limit of \$10,000,000 on terms and conditions substantially consistent with those described in the Memorandum as a Strategic Selection and Award pursuant to the Green Bank Operating Procedures Section XII given the special capabilities, uniqueness, strategic importance, urgency and timeliness, and multi-phase characteristics of the Existing Term Loan transaction.

**Upon a motion made by Binu Chandy and seconded by John Harrity, the Board of Directors voted to approve Resolution 7. None opposed and Matt Ranelli abstained. Motion approved.**

## **7. Environmental Infrastructure Programs Update**

- Bryan Garcia reviewed the mission of the Green Bank and the Environmental Infrastructure topic approach plan. He explained the plan for Nature Based Solutions and Forest Carbon Markets.
  - John Harrity asked if there will be funds available to assist local land trusts to purchase land and remove from the development stream. Bryan Garcia answered that it is to be determined but broadly speaking there is an opportunity to support landowners in those kinds of efforts. Lonnie Reed commented that she agrees with John Harrity but understands the need for a good plan before diving in.
  - Victoria Hackett commented that there is some overlap with the current discussion and the new Executive Order 21-3 as well as the Green Bank's role in the Clean Economy Council. There is also a provision about climate resilient economic development as well as several other provisions.
  - Matt Ranelli advised to not lose sight of the opposite side of land conservation which are healthy urban environments.
  - Dominick Grant commented that the Green Bank has been successful in leveraging capital in the past and to think about what is needed to provide that flexibility in the different facets of environmental infrastructure.

## **8. Other Business**



- Monica Reed from Kestrel Verifiers summarized the shared history with the Green Bank and company overview.
  - Eric Shrago and Lonnie Reed thanked Monica Reed for her and her team's efforts.
- Bert Hunter noted that the Historic Cargill Falls project closed during the week and thanked the Board for their support.
  - John Harrity commented that he hoped for signage to indicate the Green Bank's involvement and Bert Hunter answered that it was worked into the paperwork and so one may be ready for the ribbon cutting expected in the Spring.
  - Adrienne Houël asked if that project had any connection to Preservation CT and Bert Hunter responded that he did not believe they were involved.
  - Matt Ranelli thanked the team and gave his congratulations.
- David Beech gave an update on the Green Liberty Notes which Kestrel Verifiers verified. The Notes went live on Tuesday, December 14, 2021, and are backed by the SBEA capitalization. First prioritization are Connecticut residents who invest \$1000 or less, then secondarily all others investors of \$1000 or less, and then all others (over \$1,000) after that.

## 9. Adjourn

**Upon a motion made by John Harrity and seconded by Victoria Hackett, the Board of Directors Meeting adjourned at 11:00 am.**

Respectfully submitted,

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Lonnie Reed, Chairperson