



## Board of Directors

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### **Meeting Date**

**October 20, 2023**





## Board of Directors

<b>Lonnie Reed</b> Chair	<b>Hank Webster</b> Vice Chair Connecticut Department of Energy and Environmental Protection (DEEP)
<b>Matthew Ranelli</b> Secretary Partner Shipman & Goodwin	<b>Bettina Bronisz</b> State Treasurers Office State of Connecticut
<b>Thomas Flynn</b> Managing Member Coral Drive Partners	<b>Robert Hotaling</b> Deputy Director DECD
<b>Adrienne Farrar Houel</b> President and CEO Greater Bridgeport Community Enterprises, Inc.	<b>Dominick Grant</b> Director of Investments Dirt Capital Partners
<b>John Harrity</b> Chair CT Roundtable on Climate and Jobs	<b>Brenda Watson</b> CEO Operation Fuel
<b>Joanne Wozniak-Brown</b> Office of Policy and Management (OPM)	<b>TBD</b>





October 13, 2023

Dear Connecticut Green Bank Board of Directors:

We have a **regular meeting** of the Board of Directors scheduled for **Friday, October 20, 2023 from 9:00-11:00 a.m.**

Please take note, for those of you that want to be at the meeting in-person, we will have space at our offices for you to join. Otherwise, this will be an online meeting.

For the agenda, we have the following:

- **Consent Agenda** – we have several items on the consent agenda, including:
  - Meeting Minutes of July 21, 2023
  - Meeting Minutes of August 3, 2023
  - Under \$500,000 and No More than \$1,000,000 – Staff Transaction Approvals
  - Progress to Targets for FY23 – Incentive Programs (Final)
  - Progress to Targets for FY23 – Financing Programs (Final)
  - Progress to Targets for FY23 – Investments (Final)
  - Board of Directors Regular Meeting Schedule for 2024
  - Audit, Compliance, and Governance Committee Regular Meeting Schedule for 2024
  - Budget, Operations, and Compensation Committee Regular Meeting Schedule for 2024
  - Deployment Committee Regular Meeting Schedule for 2024
  - Joint Committee Regular Meeting Schedule for 2024

In addition to items requiring resolution, there are also documents that you might be interested in perusing, including:

- Under \$100,000 and No More in Aggregate than \$500,000 – Staff Transaction Write-Off
  - Progress to Targets for FY23 – Organization (Final)
  - FY23 Q4 Financial Report
  - IPC FY23 Q4 report
  - Progress to Targets for Q1 of FY24
- **Audit, Compliance, and Governance Committee** – we have several items to work through as recommendations from the committee, including:
  - **FY23 Annual Comprehensive Financial Report** – a detailed financial and non-financial statistics review and audit of the organization;
  - **Employee Handbook** – proposed modifications to the employee handbook;



- **Legislative Process** – proposed process to engage members of the Board on legislative and regulatory matters; and
- **Impact Methodologies** – proposed updates to environmental impact methodologies.
- **Financing Programs Updates and Recommendations** – if time allows, a Q1 of FY24 progress to targets update, and a transaction, including:
  - **Winsted – C-PACE project.**
- **Incentive Programs Updates and Recommendations** – if time allows, a Q1 of FY24 progress to targets update.
- **Investment Updates and Recommendations** – if time allows, a Q1 of FY24 progress to targets update, and the following transactions:
  - **Capital for Change Smart-E Loan** – modification to the facility and increase in the investment in Smart-E lender;
  - **Budderfly – modification to current facility;**
  - **Sunwealth** – modification to current facility; and
  - **US Bank** – withdrawal from current facility.
- **Environmental Infrastructure Updates and Recommendations** – if time allows, a Q1 of FY24 progress to targets update.
- **Connecticut Institute for Resilience and Climate Adaptation** – presentation by our colleagues at UCONN on their resilience work, including insights into their vulnerability index.
- **Other Business** – if we have time, a few quick updates on DOE LPO-SEFI designation, IPC Health and Safety Revolving Loan Fund final report, and more.

And lastly, immediately following the conclusion of the meeting, representatives from the Office of State Ethics will provide a virtual State Ethics training for Green Bank Staff and Board members.

A reminder that this is a required annual training. If you can participate in our session (scheduled for 11:00am – 12:00pm), you can simply remain logged into the GoToMeeting link. If you cannot participate, we ask that you please complete the online “Ethics 101” training (available here: <https://portal.ct.gov/Ethics/Online-Ethics-Training/Training/Online-Training>) and email a copy of your Certificate of Completion to [Joe.Buonannata@ctgreenbank.com](mailto:Joe.Buonannata@ctgreenbank.com) prior to December 31, 2023. If you have already completed the training in calendar year 2023, please email your Certificate of Completion at your earliest convenience.



Please note, those items *underlined, italicized, and highlighted* above, are materials coming by the close of business on Tuesday, October 17, 2023.

Have a great weekend ahead.

Appreciatively,

A handwritten signature in black ink, appearing to be 'B. Garcia', with a long horizontal stroke extending to the right.

Bryan Garcia  
President and CEO





## **AGENDA**

Board of Directors of the  
Connecticut Green Bank  
75 Charter Oak Avenue  
Hartford, CT 06106

Friday, October 20, 2023  
9:00 a.m.– 11:00 a.m.

Dial (646) 749-3122  
Access Code: 828-198-429

Staff Invited: Sergio Carrillo, Mackey Dykes, Brian Farnen, Bryan Garcia, Bert Hunter, Jane Murphy, Eric Shrago, and Leigh Whelpton

1. Call to Order
2. Public Comments – 5 minutes
3. Consent Agenda – 5 minutes
4. Audit, Compliance, and Governance Committee – 30 minutes
  - a. FY23 Annual Comprehensive Financial Report
  - b. Employee Handbook – Proposed Revisions
  - c. Legislative Process
  - d. Impact Methodology Updates
5. Financing Programs Updates and Recommendations – 10 minutes
  - a. FY 2024 Report Out – Financing Programs
  - b. C-PACE Transaction – Winsted
6. Incentive Programs Updates and Recommendations – 10 minutes
  - a. FY 2024 Report Out – Incentive Programs
7. Investment Programs Updates and Recommendations – 30 minutes
  - a. FY 2024 Report Out – Investments
  - b. C4C Smart-E Financing Facility Modification
  - c. Budderfly Facility Modification
  - d. Sunwealth Senior Secured Term Loan Facility
  - e. US Bank Withdrawal from Solar Lease 2 Partnership



8. Environmental Infrastructure Programs Updates and Recommendations – 5 minutes
  - a. FY 2024 Report Out – Environmental Infrastructure Programs
9. Connecticut Institute for Resilience and Climate Adaptation – 30 minutes
10. Other Business – 5 minutes
11. Adjourn

Join the meeting online at  
<https://meet.goto.com/828198429>  
Or call in using your telephone:  
Dial (646) 749-3122  
Access Code: 828-198-429

***Next Regular Meeting: Friday, December 15, 2023 from 9:00-11:00 a.m.  
Colonel Albert Pope Room at the  
Connecticut Green Bank, 75 Charter Oak Avenue, Hartford***





## **RESOLUTIONS**

Board of Directors of the  
Connecticut Green Bank  
75 Charter Oak Avenue  
Hartford, CT 06106

Friday, October 20, 2023  
9:00 a.m.– 11:00 a.m.

Dial (646) 749-3122  
Access Code: 828-198-429

Staff Invited: Sergio Carrillo, Mackey Dykes, Brian Farnen, Bryan Garcia, Bert Hunter, Jane Murphy, Eric Shrago, and Leigh Whelpton

1. Call to Order
2. Public Comments – 5 minutes
3. Consent Agenda – 5 minutes

### **Resolution #1**

Motion to approve the meeting minutes of the Board of Directors for July 21, 2022, and August 3, 2022.

### **Resolution #2**

**WHEREAS**, on January 18, 2013, the Connecticut Green Bank (the “Green Bank”) Board of Directors (the “Board”) authorized the Green Bank staff to evaluate and approve funding requests less than \$300,000 which are pursuant to an established formal approval process requiring the signature of a Green Bank officer, consistent with the Green Bank Comprehensive Plan, approved within Green Bank’s fiscal budget and in an aggregate amount not to exceed \$500,000 from the date of the last Deployment Committee meeting, on July 18, 2014 the Board increased the aggregate not to exceed limit to \$1,000,000 (“Staff Approval Policy for Projects Under \$300,000”), on October 20, 2017 the Board increased the finding requests to less than \$500,000 (“Staff Approval Policy for Projects Under \$500,000”); and

**WHEREAS**, Green Bank staff seeks Board review and approval of the funding requests listed in the Memo to the Board dated October 20, 2023 which were approved by Green Bank staff since the last Deployment Committee meeting and which are consistent with the Staff Approval Policy for Projects Under \$500,000;

**NOW**, therefore be it:



**RESOLVED**, that the Board approves the funding requests listed in the Memo to the Board dated October 13, 2023 which were approved by Green Bank staff since the last Deployment Committee meeting. The Board authorizes Green Bank staff to approve funding requests in accordance with the Staff Approval Policy for Projects Under \$500,000 in an aggregate amount to exceed \$1,000,000 from the date of this Board meeting until the next Deployment Committee meeting.

### **Resolution #3**

**WHEREAS**, in July of 2011, the Connecticut General Assembly passed Public Act 11-80 (the Act), "AN ACT CONCERNING THE ESTABLISHMENT OF THE DEPARTMENT OF ENERGY AND ENVIRONMENTAL PROTECTION AND PLANNING FOR CONNECTICUT'S ENERGY FUTURE," which created the Connecticut Green Bank (the "Green Bank") to develop programs to finance and otherwise support clean energy investment per the definition of clean energy in Connecticut General Statutes Section 16-245n(a);

**WHEREAS**, the Act directs the Green Bank to 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;

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

**WHEREAS**, on July 22, 2022, the Board approved a Comprehensive Plan for FY 2023;

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

**WHEREAS**, on July 21, 2023, the Board of Directors of the Connecticut Green Bank approved of the draft Program Performance towards Targets for FY 2023 memos for the Incentive Programs, Financing Programs, and Investments.

**NOW**, therefore be it:

**RESOLVED**, that Board has reviewed and approved the restated Program Performance towards Targets for FY 2023 memos dated October 13, 2023, which provide an overview of the performance of the Incentive Programs, Financing Programs, and Investments with respect to their FY 2023 targets.

### **Resolution #4**

Motion to approve the Regular Meeting Schedules for 2024 for the Board of Directors, ACG Committee, BOC Committee, Deployment Committee, and Joint Committee.

4. Audit, Compliance, and Governance Committee – 30 minutes

a. FY23 Annual Comprehensive Financial Report

### **Resolution #5**



**WHEREAS**, Article V, Section 5.3.1(ii) of the Connecticut Green Bank (“Green Bank”) Operating Procedures requires the Audit, Compliance, and the Governance Committee (the “Committee”) to meet with the auditors to review the annual audit and formulation of an appropriate report and recommendations to the Board of Directors of the Green Bank (the “Board”) with respect to the approval of the audit report;

**WHEREAS**, the Committee met on October 10, 2023 and recommends to the Board the approval of the proposed draft Annual Comprehensive Financial Report (ACFR) contingent upon no further adjustments to the financial statements or additional required disclosures which would materially change the financial position of the Green Bank as presented.

**NOW**, therefore be it:

**RESOLVED**, that the Board approves of the proposed draft Annual Comprehensive Financial Report (ACFR) contingent upon no further adjustments to the financial statements or additional required disclosures which would materially change the financial position of the Green Bank as presented.

b. Employee Handbook – Proposed Revisions

#### **Resolution #6**

**WHEREAS**, pursuant to Section 5.2.1 of the Connecticut Green Bank (Green Bank) Bylaws, the Audit, Compliance, & Governance Committee recommends that the Board of Directors (Board) approve of the above noted revisions to the Green Bank Employee Handbook;

**NOW**, therefore be it:

**RESOLVED**, that the Board hereby approves of the revisions to the Green Bank Employee Handbook presented on October 20, 2023.

c. Legislative Process

#### **Resolution #7**

**WHEREAS**, pursuant to Section 5.2.1 of the Connecticut Green Bank (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, all governance and administrative matters affecting the Green Bank.

**WHEREAS**, on October 3, 2023, the ACG Committee recommended approval to the Board of a systematic process and associated timeline to align with (1) Connecticut legislative session deadlines, (2) Board and ACG Committee Meetings, and (3) PURA regulatory proceeding process per appropriate docket.

**NOW**, therefore be it:

**RESOLVED**, that the Green Bank Board approves of the proposed recommendations as outlined in the proposed Legislative & Policy Board Process Memo dated October 13, 2023 and previously submitted to the ACG Committee on October 3, 2023.



d. Impact Methodology Updates

**Resolution #8**

**WHEREAS**, the Audit, Compliance, & Governance Committee recommends that the Connecticut Green Bank Board of Directors (Board) approve the updated EPA AvERT Model for the Evaluation and Measurement of the environmental impact of Green Bank supported projects including the new pollutants;

**NOW**, therefore be it:

**RESOLVED**, that the Board hereby approves of the updated EPA AvERT Model for the Evaluation and Measurement of the environmental impact of Green Bank supported projects including the new pollutants.

5. Financing Programs Updates and Recommendations – 10 minutes

- a. FY 2024 Report Out – Financing Programs
- b. C-PACE Transaction – Winsted

**Resolution #9**

**WHEREAS**, pursuant to Connecticut General Statute Section 16a-40g (the “Statute”), 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 Green Bank Board of Directors (the “Board”) has approved a \$40,000,000 C-PACE construction and term loan program;

**WHEREAS**, the Green Bank seeks to provide a \$1,355,448 construction and term loan under the C-PACE program to W.L. Gilbert Trust Corporation, the building owner of 200 Litchfield Avenue, Winchester, Connecticut (the “Loan”), to finance the construction of specified clean energy measures in line with the State’s Comprehensive Energy Strategy and the Green Bank’s Strategic Plan as more particularly described in the memorandum submitted to the Green Bank Board of Directors dated October 17, 2023 (the “Memo”); and

**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 execute and deliver the Loan in an amount not to be greater than one hundred ten percent of the Loan amount with terms and conditions consistent with the Memo , and as he or she shall deem to be in the interests of the Green Bank and the ratepayers no later than 120 days from the date of authorization by this resolution;

**RESOLVED**, that before executing the Loan, the President of the Green Bank and any other duly authorized officer of the Green Bank shall receive confirmation that the C-PACE transaction meets the statutory obligations of the Statute, including but not limited to the savings to investment ratio and lender consent requirements; and

**RESOLVED**, that the duly authorized 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 effect the above-mentioned legal instruments.



6. Incentive Programs Updates and Recommendations – 10 minutes

a. FY 2024 Report Out – Incentive Programs

7. Investment Programs Updates and Recommendations – 30 minutes

a. FY 2024 Report Out – Investments

b. C4C Smart-E Financing Facility Modification

**Resolution #10**

**WHEREAS**, the Connecticut Green Bank (“Green Bank”) entered into a Smart-E Loan program financing agreement with Capital for Change (“C4C”);

**WHEREAS**, C4C is the largest Smart-E lender on the Green Bank Smart-E platform;

**WHEREAS**, C4C, Amalgamated Bank and Green Bank have an existing medium term loan facility to C4C’s CEEFCo subsidiary to fund C4C’s Smart-E Loan and other residential energy efficiency loan portfolio growth and C4C’s executive leadership has requested an increase in said facility as explained in the memorandum dated October 13, 2023 to the Connecticut Green Bank (“Green Bank”) Board of Directors (the “Board”) (the “Modification Memo”); and

**WHEREAS**, Green Bank staff recommends approval by the Board for an amended secured and subordinated medium term revolving loan facility for CEEFCo (the “Amended CEEFCo Revolving Loan”) in order to fund CEEFCo’s residential energy efficiency and Smart-E Loan portfolio in partnership with Amalgamated Bank.

**NOW**, therefore be it:

**RESOLVED**, that the Board approves the Amended CEEFCo Revolving Loan in an amount of up to \$15 million in capital from the Green Bank balance sheet in support of energy efficiency and Smart-E Loans in partnership with Amalgamated Bank generally consistent with the Modification Memo as a Strategic Selection and Award pursuant to the Green Bank Operating Procedures Section XII given the special capabilities, strategic importance, urgency and timeliness, and multi-phase characteristics of the Amended CEEFCo Revolving Loan transaction;

**RESOLVED**, that the President of the Green Bank; and any other duly authorized officer of the Green Bank, is authorized to execute and deliver, any contract or other legal instrument necessary to effect the CEEFCo Revolving Loan on such terms and conditions as are materially consistent with the Modification 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 effect the above-mentioned legal instrument.

c. Budderfly Facility Modification

**Resolution #11**

**RESOLVED**, that the Connecticut Green Bank (“Green Bank”) is authorized to modify its security position related to its six (6) year subordinated term loan agreement with Budderfly,



Inc., which was closed in June 2022 in the maximum cash advanced amount of \$5,000,000 as more fully explained in the memorandum to the Green Bank Board of Directors (the “Board”) dated October 17, 2023; 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 effect the above-mentioned legal instruments.

d. Sunwealth Senior Secured Term Loan Facility

#### **Resolution #12**

**WHEREAS**, the Connecticut Green Bank (“Green Bank”) Board of Directors approved, at its meeting held on October 26, 2018, investments in third-party owned commercial solar ownership in the form of debt or equity, and since that date Green Bank has made several such investments, including two with special purpose vehicles (“SPV”) of Sunwealth Power, Inc. (“Sunwealth”); and

**WHEREAS**, in October 2023, Sunwealth responded to the Open Request for Proposals for Green Bank Capital Solutions with a request for up to \$4.82 million in long term debt financing for commercial solar photovoltaic projects located in Connecticut to be built in 2023 and 2024 (“Solar Projects”), and such proposal response has been evaluated favorably by Green Bank staff.

**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 execute and deliver, any contract or other legal instrument necessary to effect the transaction on such terms and conditions as are materially consistent with the memorandum to the Board of Directors dated October 13, 2023; 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 effect the above-mentioned legal instrument.

e. US Bank Withdrawal from Solar Lease 2 Partnership

#### **Resolution #13**

**WHEREAS**, the Board of Directors (the “Board”) of Connecticut Green Bank (“Green Bank” then known as “The Clean Energy Finance and Investment Authority) approved the establishment on June 28, 2013 of a tax equity partnership (“CT Solar Lease 2, LLC”) via its subsidiary CEFIA Solar Services, Inc., with Firstar Development, LLC, a subsidiary of U.S. Bancorp Community Development Corporation (“U.S. Bank”) to enable lease financing for residential and commercial solar PV projects in Connecticut under a program referred to as the “CT Solar Lease Program”; and



**WHEREAS**, the CT Solar Lease Program has concluded with ongoing activities limited to servicing a portfolio of residential and commercial solar PV projects and U.S. Bank has expressed an interest to exit CT Solar Lease 2, LLC following the completion of an independent valuation exercise to arrive at a buy-out price for U.S. Bank's equity stake in CT Solar Lease 2, LLC.

**NOW**, therefore be it:

**RESOLVED**, that the Board approves staff's request to permit the Green Bank or an eligible subsidiary to purchase U.S. Bank's equity stake in CT Solar Lease 2, LLC consistent with the memorandum to the Board dated October 13, 2023 (the "Board Memo");

**RESOLVED**, that the President of the Green Bank; and any other duly authorized officer of the Green Bank, is authorized to execute and deliver, any contract or other legal instrument necessary to effect the transaction 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 effect the above-mentioned legal instrument.

8. Environmental Infrastructure Programs Updates and Recommendations – 5 minutes

a. FY 2024 Report Out – Environmental Infrastructure Programs

9. Connecticut Institute for Resilience and Climate Adaptation – 30 minutes

10. Other Business – 5 minutes

11. Adjourn

Join the meeting online at  
<https://meet.goto.com/828198429>  
Or call in using your telephone:  
Dial (646) 749-3122  
Access Code: 828-198-429

***Next Regular Meeting: Friday, December 15, 2023 from 9:00-11:00 a.m.  
Colonel Albert Pope Room at the  
Connecticut Green Bank, 75 Charter Oak Avenue, Hartford***



# **ANNOUNCEMENTS**

- **In-Person Option** – if anyone wants to join future BOD or Committee meetings in person, we are inviting you to our offices in Hartford
- **Mute Microphone** – in order to prevent background noise that disturbs the meeting, if you aren't talking, please mute your microphone or phone.
- **Chat Box** – if you aren't being heard, please use the chat box to raise your hand and ask a question.
- **Recording Meeting** – we continue to record and post the board meetings.
- **State Your Name** – for those talking, please state your name for the record.





# Board of Directors Meeting

October 20, 2023

Colonel Albert Pope Conference Room



# Board of Directors

## Agenda Item #1

### Call to Order



# Board of Directors

## Agenda Item #2

### Public Comments



# Board of Directors

## Agenda Item #3

### Consent Agenda



# Consent Agenda

## Resolutions #1 through #4



1. **Meeting Minutes** – approve meeting minutes of July 21 and August 3, 2023
2. **Under \$500,000 and No More in Aggregate than \$1,000,000** – one transaction
3. **Progress to Target FY23 Programs** – Q3 year-end memos for Incentive Programs, Financing Programs and Investment
4. **CY 2024 Regular Meeting Schedules** – for the BOD, ACG Committee, BOC Committee, Deployment Committee and Joint Committee



# Consent Agenda

## Report Outs



- **Under \$100,000 and No More than \$500,000** – one transaction
- **Progress to Targets FY23** – overall report out, including J40
- **FY23 Q4 Financial Report** – year-end quarterly BOD abridged financial package
- **IPC Quarterly Report** – Q4 of FY23
- **Progress to Targets** – Q1 of FY24



# Board of Directors

Agenda Item #4a

Audit, Compliance, and Governance Committee  
FY23 Annual Comprehensive Financial Report



# Annual Consolidated Financial Report Agenda

- Discuss the reports issued
  - Annual Comprehensive Financial Report (ACFR)
    - ✓ Audit Opinion and auditor level of responsibility
    - ✓ Financial Overview
- Required communications and recommendation
- Contacts



# Annual Consolidated Financial Report

- Opinion on Financial Statements

Unmodified opinion on financial statements

- Level of auditor responsibility for other ACFR information:

- ☐ Required Supplementary Information (RSI) (limited)

- ☐ Other information:

- Introductory section (no responsibility)

- Statistical section (no responsibility)



# Statement of Revenues, Expenses & Changes in Net Position

	June 30, 2023	June 30, 2022	Variance
<b>Operating Revenues</b>			
Utility remittances	\$ 24,609,111	\$ 25,279,305	\$ (670,194)
Interest income - promissory notes	6,766,463	6,142,849	623,614
RGGI auction proceeds	9,138,709	11,568,905	(2,430,196)
Energy system sales	1,328,079	451,092	876,987
REC sales	16,833,021	13,065,877	3,767,144
Leases	1,866,025	1,934,519	(68,494)
Other	3,406,116	2,272,830	1,133,286
Total operating revenues	63,947,524	60,715,377	3,232,147
<b>Operating Expenses</b>			
Cost of goods sold - energy systems	1,328,079	451,092	876,987
Provision for loan losses	1,533,886	(3,560,588)	5,094,474
Grants and incentive programs	7,738,390	15,997,021	(8,258,631)
Program administration expenses	14,657,020	15,683,365	(1,026,345)
General and administrative expenses	3,503,070	3,779,852	(276,782)
Depreciation/Amortization	3,475,445	3,468,679	6,766
Total operating expenses	32,235,890	35,819,421	(3,583,531)
<b>Operating Income (Loss)</b>	31,711,634	24,895,956	6,815,678

**Operating Revenues** increased \$3.2M year over year.

- \$3.8M increase in **REC sales** due to inclusion of Tranche 6 SHREC revenues from CT's two public utilities and additional Non-SHREC RECs from the 32MW RSIP extension.
- \$1.1M increase in **Other** due to ESSOL program reimbursements, higher loan fees and EV carbon offset receipts.
- \$0.9M increase in **Energy system sales** of PPA projects to Inclusive Prosperity Capital.
- \$2.4M decrease in **RGGI auction proceeds** due to the December auction hitting a calendar year ratepayer relief threshold lowering proceeds by \$2.0M.



# Statement of Revenues, Expenses & Changes in Net Position

	<u>June 30, 2023</u>	<u>June 30, 2022</u>	<u>Variance</u>
<b>Operating Revenues</b>			
Utility remittances	\$ 24,609,111	\$ 25,279,305	\$ (670,194)
Interest income - promissory notes	6,766,463	6,142,849	623,614
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Total operating expenses	<u>32,235,890</u>	<u>35,819,421</u>	<u>(3,583,531)</u>
<b>Operating Income (Loss)</b>	<u>31,711,634</u>	<u>24,895,956</u>	<u>6,815,678</u>

## Operating Expenses decreased \$3.6M year over year.

- \$8.3M decrease in **Grants and incentive programs** due to decreases in RSIP incentive payments and lower ARRA IRBs as programs complete.
- \$1.3M decrease in **Program and general administration expenses** due to decreases in CGBs share of actuarially determined OPEB and Pension expenses.
- \$0.9M increase in **Cost of goods sold-energy systems** of PPA projects to Inclusive Prosperity Capital.
- \$5.1M increase in **Provision for loan losses** due to FY22 release of COVID-19 pandemic reserves where losses did not materialize as anticipated.



# Statement of Revenues, Expenses & Changes in Net Position

	June 30, 2023	June 30, 2022	Variance
<b>Nonoperating Revenue (Expenses)</b>			
Interest income - deposits	1,364,033	141,950	1,222,083
Other nonoperating revenues	131,909	-	131,909
Interest expense	(2,690,297)	(3,525,746)	835,449
Debt issuance costs	(12,500)	(13,500)	1,000
Gain (loss) on disposal of assets	(113,398)	-	(113,398)
Distributions to member	(347,629)	(600,604)	252,975
Net change in fair value of investments	(31,056)	(47,162)	16,106
Unrealized gain on interest rate swap	252,601	792,130	(539,529)
Total nonoperating revenue (expenses)	<u>(1,446,337)</u>	<u>(3,252,932)</u>	<u>1,806,595</u>
<b>Change in Net Position</b>	30,265,297	21,643,024	8,622,273
<b>Net Position - July 1</b>	<u>111,138,269</u>	<u>89,495,245</u>	
<b>Net Position - June 30</b>	<u>\$ 141,403,566</u>	<u>\$ 111,138,269</u>	

## Nonoperating Revenue (Expenses) decreased \$1.8M year over year.

- \$1.2M increase in **Interest income - deposits** due to higher interest rates and balances on our deposit accounts.
- \$0.8M decrease in **Interest expense** due to the \$10M prepayment on the SHREC ABS bond.
- \$0.3M decrease in **Distributions to member** due to the completion of priority return payments for the SL2 tax equity program.
- \$0.5M decrease in **Unrealized gain on interest rate swap** due to rising interest rates.



# Statement of Net Position

	<u>June 30, 2023</u>	<u>June 30, 2022</u>	<u>Variance</u>
<b>Net Position</b>			
Investment in capital assets	\$ 5,362,778	5,515,929	\$ (153,151)
Restricted net position:			
Nonexpendable	57,281,736	57,729,657	(447,921)
Restricted for energy programs	19,123,339	16,865,215	2,258,124
Unrestricted (deficit)	<u>59,635,713</u>	<u>31,027,468</u>	<u>28,608,245</u>
<b>Total Net Position</b>	<u>\$ 141,403,566</u>	<u>\$ 111,138,269</u>	<u>\$ 30,265,297</u>

**Net Position** increased  
\$30.3M year over year.

- \$28.6M increase in **Unrestricted net position** due to increases of:
  - \$21.0M CT Green Bank due to \$22.3M of operating income.
  - \$3.6M SHREC ABS 1 due to REC Sale income in excess of interest expense on the bond.
  - \$3.1M SHREC Warehouse 1 due to REC Sale income in excess of limited operating expenses. No draws are outstanding on the line of credit.
  - \$1.2M CEFIA Holdings due to loan portfolio interest income and income from Non-SHREC REC sales.
- \$2.3M increase in **Restricted for energy programs** due to an increase in restricted cash in CGB and SHREC Warehouse 1.



# Required Communications / Recommendation

## Communication with those charged with governance

- Estimates
  - ✓ Net pension and OPEB liabilities
  - ✓ Allowance for uncollectible accounts
  - ✓ Asset retirement obligation
- Disclosures are neutral, consistent, and clear
- Management representations were requested
- No material uncorrected misstatements
- Passed adjustment GASB vs. FASB for deferred financing fees

## Recommendation



## Key Engagement Team Members

Joseph Centofanti

Phone: (860) 419-3402

Email: [jcentofanti@pkfod.com](mailto:jcentofanti@pkfod.com)

Katherine Patnaude

Phone: (860)-419-3404

Email: [kpatnaude@pkfod.com](mailto:kpatnaude@pkfod.com)



# Resolution #5



**NOW**, therefore be it:

**RESOLVED**, that the Board approves of the proposed draft Annual Comprehensive Financial Report (ACFR) contingent upon no further adjustments to the financial statements or additional required disclosures which would materially change the financial position of the Green Bank as presented.



# Board of Directors

Agenda Item #4b

Audit, Compliance, and Governance Committee  
Employee Handbook – Proposed Revisions



# Employee Handbook Revisions



Green Bank Staff are proposing the following revisions:

## Wording:

- Replacing all references to “CGB” with “Green Bank” to align with the Green Bank’s brand guidelines -- **(see throughout)**
- Replacing all references to “he or she” or “he/she” with “they” or “their” to align with the Green Bank’s commitment to BeREADI (belonging, racial equity, access, diversity, and inclusion) -- **(see throughout)**
- Updating position titles (e.g., changing “President” to “President and CEO” and “Managing Director, Operations” to “Vice President of Operations”) -- **(see throughout)**
- Miscellaneous, non-material changes to sentence structure and formatting to improve readability -- **(see throughout)**



# Employee Handbook Revisions



Green Bank Staff are proposing the following revisions:

## Policies and Procedures:

- Clarifying that expense reporting and requests for time off are now automated through SharePoint -- **(see pages 26, 31, 51)**
- Adding Juneteenth to the list of company holidays as per Public Act 22-128 -- **(see pages 36-37)**
- Amending the Educational Assistance Policy:
  - Aligning the cost per credit hour limit with that of the University of Connecticut
  - Clarifying that non-credit hour-based tuition can be approved at the manager's discretion based on the relevance to the employee's current position, job responsibilities, and promotional path -- **(see pages 42-43)**
- Adding an employee benefit for gym membership -- **(see page 44)**
- Outlining the Green Bank's Mobile Device Management policy -- **(see pages 72-73)**



# Employee Handbook Revisions



- Outlining the Green Bank's Mobile Device Management policy -- **(see pages 72-73)**
  - Employees will be required to enroll in the “Company Portal” app to access Green Bank data (e.g., Outlook, Teams) from their mobile device (i.e., cell phone or tablet)

## Device management and your privacy

Here is what Connecticut Green Bank can and cannot see or do on your device. Data collected will only be used to ensure your device is compliant with policies to protect Connecticut Green Bank data.

Can't

Can



- View browsing history on this device
- See your personal emails, documents, contacts, or calendar
- Access your passwords
- View, edit or delete your photos
- See the location of a personal device

## Device management and your privacy

Here is what Connecticut Green Bank can and cannot see or do on your device. Data collected will only be used to ensure your device is compliant with policies to protect Connecticut Green Bank data.

Can't

Can



- View model, serial number, and operating system
- Identify your device by name
- Reset lost or stolen device to factory settings
- View information collected by corporate apps and networks
- For corporate devices, see your full phone number
- For corporate devices, see all apps installed on your device
- For corporate devices, see the location of a lost device



# Resolution #6



**NOW**, therefore be it:

**RESOLVED**, that the Board hereby approves of the revisions to the Green Bank Employee Handbook presented on October 20, 2023.



# Board of Directors

Agenda Item #4c

Audit, Compliance, and Governance Committee

Legislative Process



## 4c: Legislative Process



**To create greater transparency and engagement throughout the organization while fostering and strengthening relationships with like minded organizations and state agencies to further the Green Bank's objectives.**

**Begins with developing a systematic process & associated timeline to align with:**

- a) Connecticut legislative session deadlines
- b) BOD and ACG Committee Meetings
- c) Fall and winter (Legislative Session preparation)
- d) Winter and spring (Execution)

**Formalizing processes related to:**

- a) Pre-Session
- b) Bill Tracking & Policy Development
- c) Public Hearing Process
- d) Session Updates
- e) Post Session





# Resolution #7



**NOW**, therefore be it:

**RESOLVED**, that the Green Bank Board approves of the proposed recommendations as outlined in the proposed Legislative & Policy Board Process Memo dated October 13, 2023 and previously submitted to the ACG Committee on October 3, 2023.



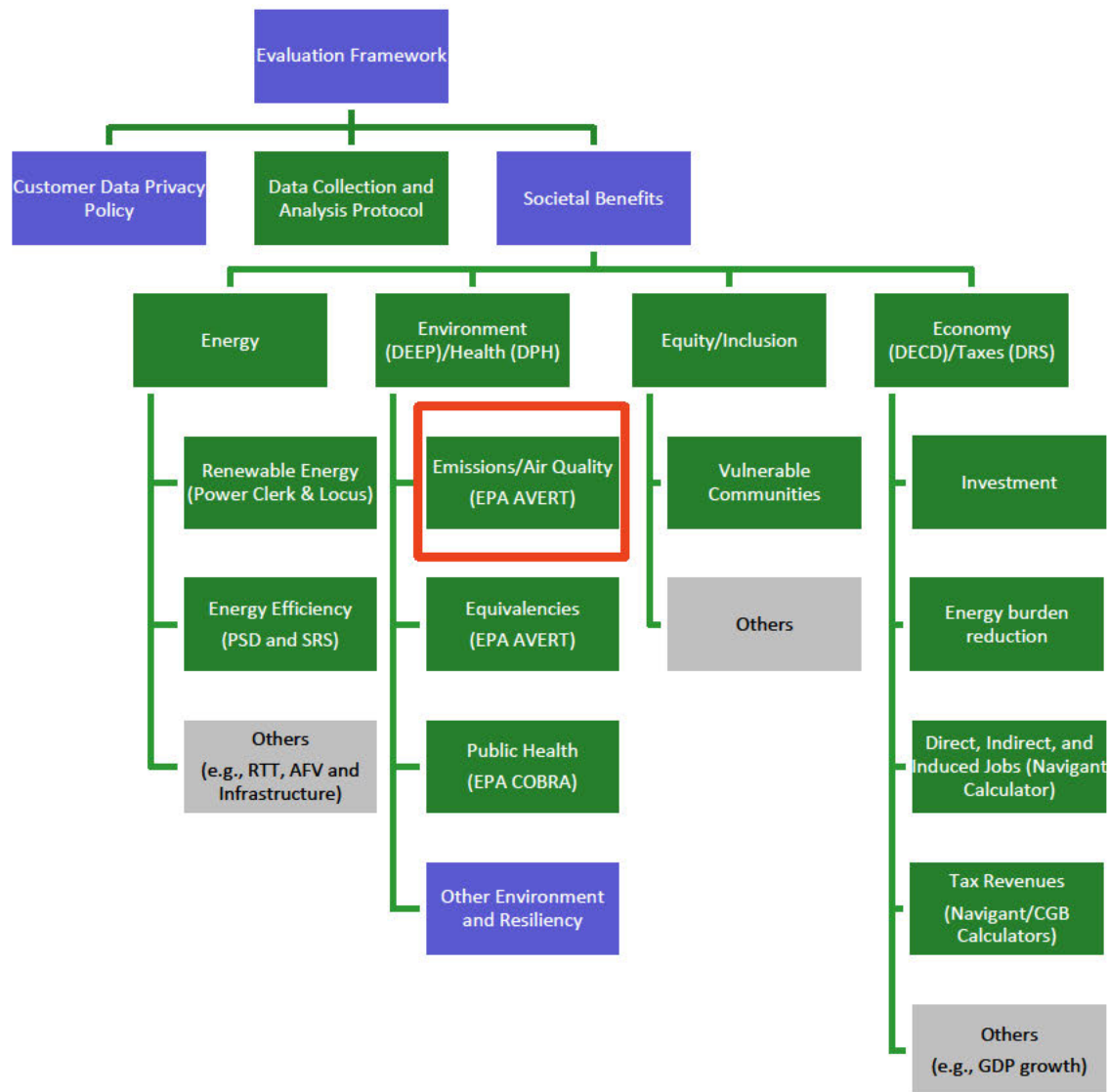
# Board of Directors

Agenda Item #4d

Audit, Compliance, and Governance Committee  
Impact Methodology Updates



# Evaluation Framework





# Impact Methodology Updates

## Air Quality Impact



### **Currently**

- Use CT Green Bank derived Factors based on EPA's Avert Model
- Produces estimates of reductions in CO<sub>2</sub>, SO<sub>2</sub>, NO<sub>x</sub>, and PM<sub>2.5</sub> (particulate matter)

### **Updated version**

- Use EPA factors directly (save staff time)
- More accurate model
- Produces estimates of reductions in CO<sub>2</sub>, SO<sub>2</sub>, NO<sub>x</sub>, PM<sub>2.5</sub> (particulate matter), Volatile Organic Compounds, and Ammonia (NH<sub>3</sub>)



# Resolution #8



**NOW**, therefore be it:

**RESOLVED**, that the Board hereby approves of the updated EPA AvERT Model for the Evaluation and Measurement of the environmental impact of Green Bank supported projects including the new pollutants.



# Board of Directors

## Agenda Item #5a

### Financing Programs

### Updates and Recommendations

### FY 2024 Report Out



# Financing Programs

## Q1 of FY24 Progress to Targets Update



### Progress to Targets

ProgramSegment	Project Counter Actual	Project Counter Target	% of Target	Capital Deployed Actual	Capital Deployed Target	% of Target	MW Actual	MW Target	% of Target
Financing	169	515	32.8%	\$13,396,068	\$58,979,668	22.7%	1.6	8.2	20.0%

### Progress to Targets

Program2	Project Counter Actual	Project Counter Target	% of Target	Capital Deployed Actual	Capital Deployed Target	% of Target	MW Actual	MW Target	% of Target
Commercial Lease		16			\$16,081,668			8.2	
CPACE	8	19	42.1%	\$10,556,598	\$21,170,000	49.9%	1.6	0.0	
Multi-Family Term		3			\$300,000			0.3	
SBEA	161	480	33.5%	\$2,839,470	\$11,728,000	24.2%	0.0	0.0	

### Vulnerable Community (excluding SBEA)

Vintage Vulnerable Community ProgramSegment	Not Vulnerable Capital Deployed	% of Total Capital Deployed	# Projects	% of Total Projects	Vulnerable Capital Deployed	% of Total Capital Deployed	# Projects	% of Total Projects	Total Capital Deployed	% of Total Capital Deployed	# Projects	% of Total Projects
Financing	\$6,664,496	63.13%	4	50.00%	\$3,892,101	36.87%	4	50.00%	\$10,556,598	100.00%	8	100.00%

### Vulnerable Community (excluding SBEA)

Vintage Vulnerable Community ProgramName	Not Vulnerable Capital Deployed	% of Total Capital Deployed	# Projects	% of Total Projects	Vulnerable Capital Deployed	% of Total Capital Deployed	# Projects	% of Total Projects	Total Capital Deployed	% of Total Capital Deployed	# Projects	% of Total Projects
CPACE	\$6,664,496	63.13%	4	50.00%	\$3,892,101	36.87%	4	50.00%	\$10,556,598	100.00%	8	100.00%



# Board of Directors

## Agenda Item #5a

### Financing Programs

### Updates and Recommendations

### C-PACE Transaction – Winchester

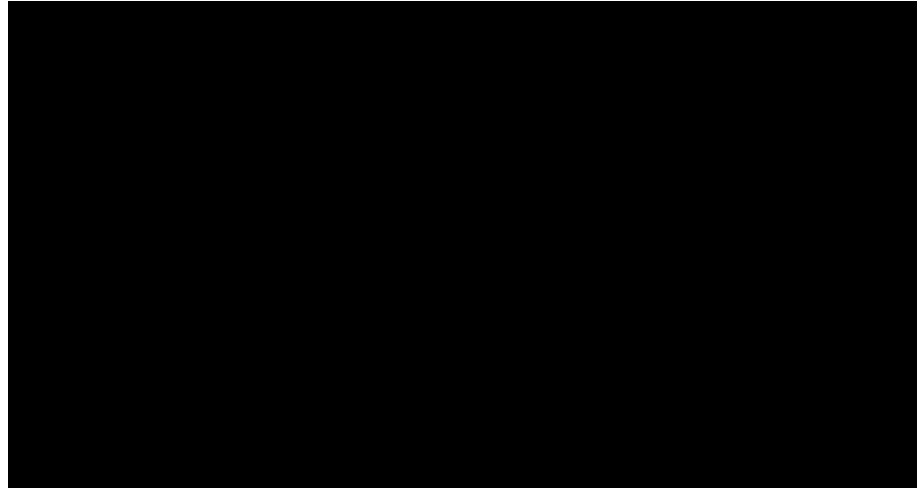


# 200 Litchfield Ave, Winchester

## Ratepayer Payback



- **\$1,355,448** for a 415 kW Solar PV System (2 arrays) with bi-facial panels, and an installation of a reflective white membrane roof
- Projected savings are **31,443 MMBtu** versus **\$1,355,448** of ratepayer funds at risk.



- Ratepayer funds will be paid back in one of the following ways
  - ❑ (a) through a take-out by a private capital provider at the end of construction (project completion);
  - ❑ (b) subsequently, when the loan is sold down to a private capital provider; or
  - ❑ (c) repayment of the C-PACE benefit assessment by the property owner.



# 200 Litchfield Ave, Winchester

## Terms and Conditions



- **\$1,355,448** construction loan at 5% and term loan set at a fixed 5.75% over the 20-year term
- **\$1,355,448** loan against the property
  - ❑ Property valued at [REDACTED]
  - ❑ Loan-to-value ratio equals [REDACTED] & Lien-to-value ratio equals [REDACTED]
  - ❑ DSCR > [REDACTED]



# 200 Litchfield Ave, Winchester



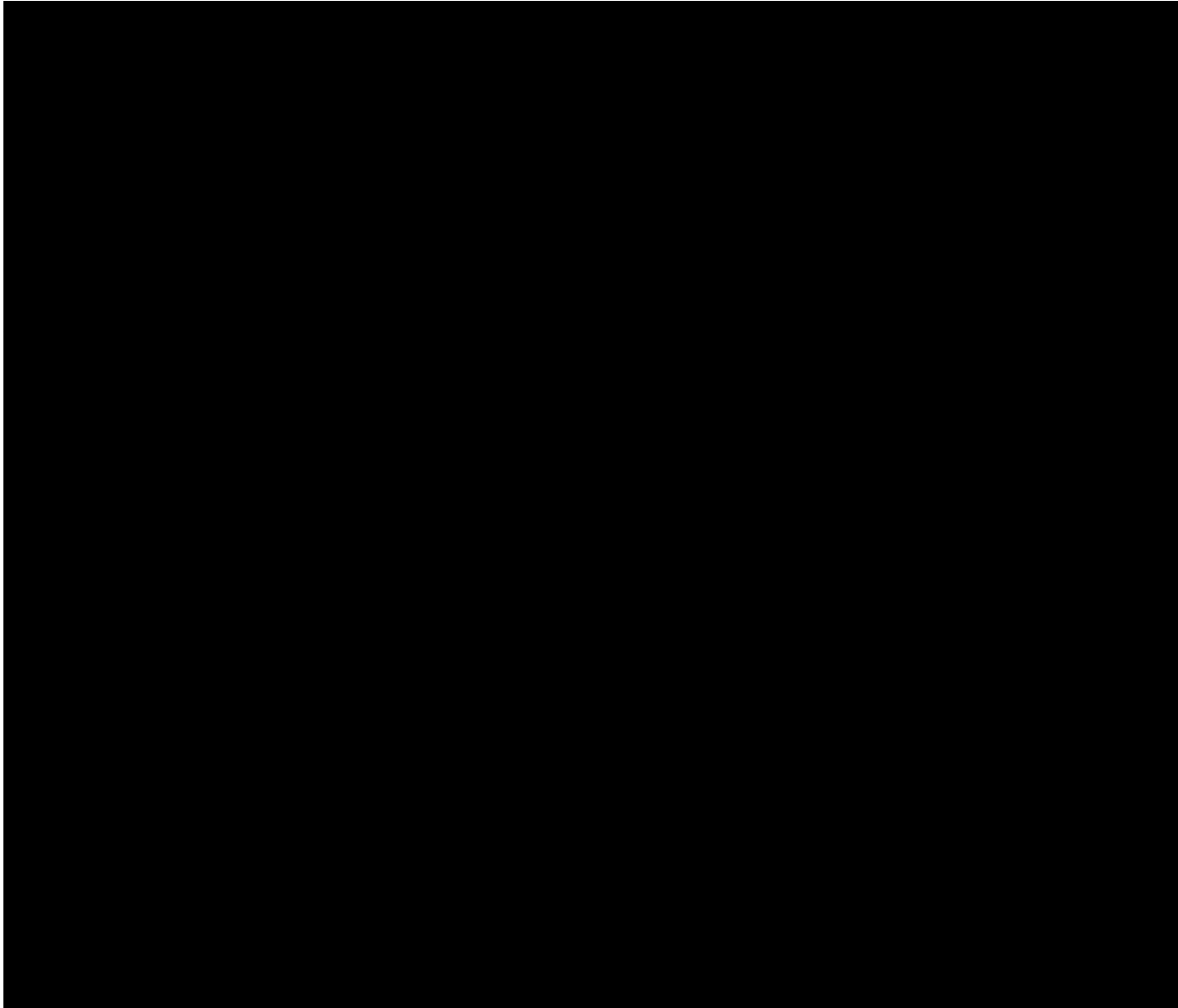
## The Five W's

- **What?** Receive approval for a \$1,355,448 construction and term loans under the C-PACE program to W.L. Gilbert Trust Corporation to finance the construction of specified energy upgrades.
- **When?** Project to commence 2023.
- **Why?** Allow Green Bank to finance this C-PACE transaction continue to build momentum in the market, and potentially provide term financing for this project until Green Bank sells it along with its other loan positions in C-PACE transactions.
- **Who?** W.L. Gilbert Trust Corporation, owner of 200 Litchfield Ave, Winchester, CT
- **Where?** 200 Litchfield Ave, Winchester, CT 06098



# 200 Litchfield Ave, Winchester

## Project Tear Sheet

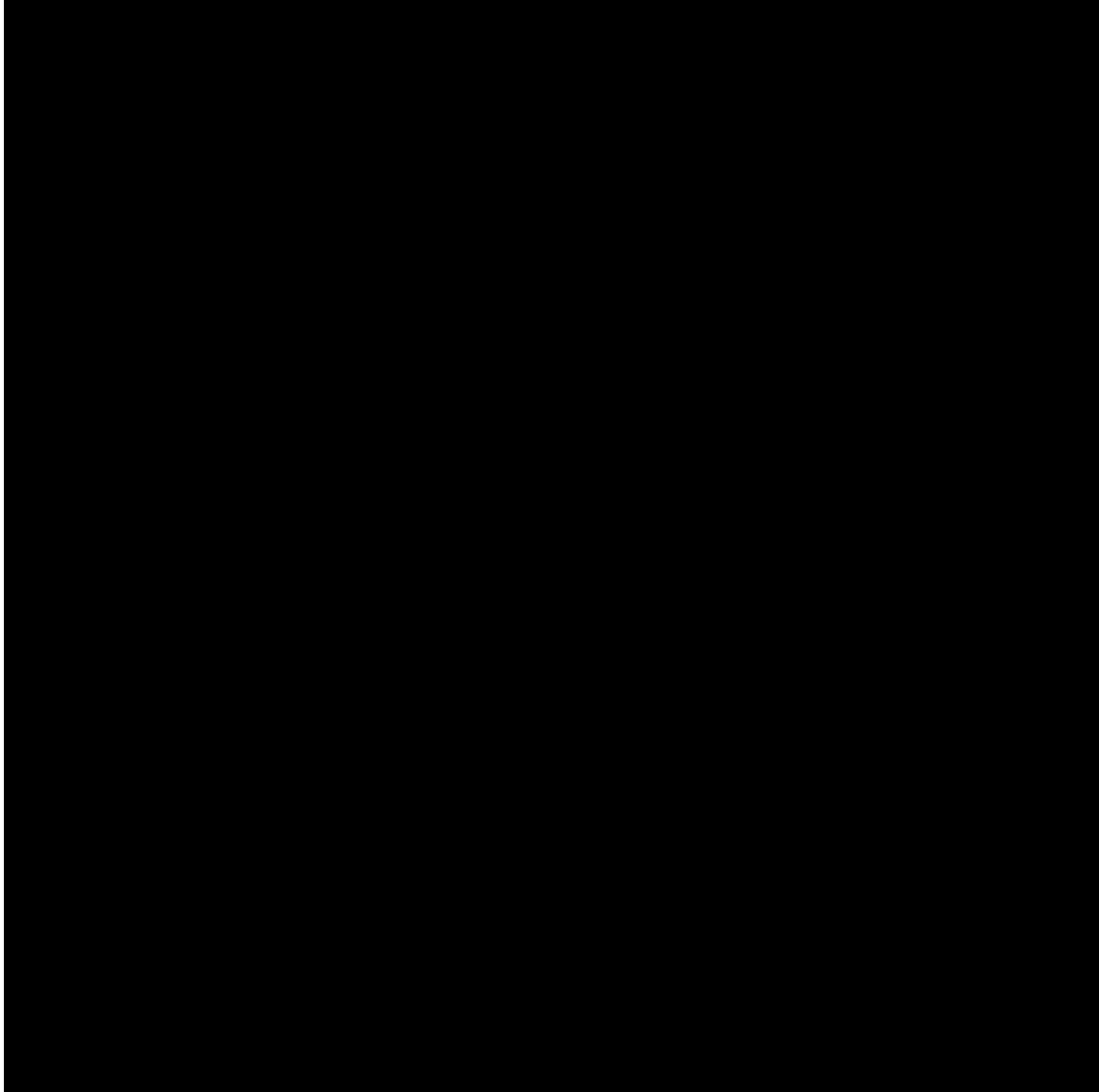




**200 Litchfield Ave, Winchester**



## Key Financial Metrics





# Resolution #9



**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 execute and deliver the Loan in an amount not to be greater than one hundred ten percent of the Loan amount with terms and conditions consistent with the Memo , and as he or she shall deem to be in the interests of the Green Bank and the ratepayers no later than 120 days from the date of authorization by this resolution;

**RESOLVED**, that before executing the Loan, the President of the Green Bank and any other duly authorized officer of the Green Bank shall receive confirmation that the C-PACE transaction meets the statutory obligations of the Statute, including but not limited to the savings to investment ratio and lender consent requirements; and

**RESOLVED**, that the duly authorized 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 effect the above-mentioned legal instruments.



# Board of Directors

## Agenda Item #6

### Incentive Programs

### Updates and Recommendations

### FY 2024 Report Out



# Incentive Programs

## Q1 of FY24 Progress to Targets Update



### Progress to Targets

ProgramSegment	Project Counter Actual	Project Counter Target	% of Target	Capital Deployed Actual	Capital Deployed Target	% of Target	MW Actual	MW Target	% of Target
Incentive	481	1,211	39.7%	\$32,538,297	\$98,998,148	32.9%	26.2	52.3	50.0%

### Progress to Targets

Program2	Project Counter Actual	Project Counter Target	% of Target	Capital Deployed Actual	Capital Deployed Target	% of Target	MW Actual	MW Target	% of Target
Energy Storage Solutions - Commercial	5	29	17.2%	\$22,755,780	\$73,529,412	30.9%	25.6	50.0	51.2%
Energy Storage Solutions - Residential	24	250	9.6%	\$762,650	\$8,000,000	9.5%	0.1	2.0	6.7%
Smart-E	452	944	47.9%	\$9,019,867	\$17,852,737	50.5%	0.4	0.3	137.7%

### Vulnerable Community

Vintage Vulnerable Community ProgramSegment	Not Vulnerable Capital Deployed	% of Total Capital Deployed	# Projects	% of Total Projects	Vulnerable Capital Deployed	% of Total Capital Deployed	# Projects	% of Total Projects	Total Capital Deployed	% of Total Capital Deployed	# Projects	% of Total Projects
Incentive	\$23,666,456	72.73%	314	65.28%	\$8,871,841	27.27%	167	34.72%	\$32,538,297	100.00%	481	100.00%

### Vulnerable Community

Vintage Vulnerable Community ProgramName	Not Vulnerable Capital Deployed	% of Total Capital Deployed	# Projects	% of Total Projects	Vulnerable Capital Deployed	% of Total Capital Deployed	# Projects	% of Total Projects	Total Capital Deployed	% of Total Capital Deployed	# Projects	% of Total Projects
Energy Storage Solutions - Commercial	\$16,925,204	74.38%	2	0.42%	\$5,830,576	25.62%	3	0.62%	\$22,755,780	100.00%	5	1.04%
Energy Storage Solutions - Residential	\$656,450	86.07%	21	4.37%	\$106,200	13.93%	3	0.62%	\$762,650	100.00%	24	4.99%
Smart-E	\$6,084,802	67.46%	291	60.50%	\$2,935,065	32.54%	161	33.47%	\$9,019,867	100.00%	452	93.97%



# Board of Directors

## Agenda Item #7a

### Investments

### Updates and Recommendations

### FY 2024 Report Out



# FY 2024 Investments

## Progress to Targets



- **17% of the way to the target** – For FY2024, staff committed and closed transactions \$5.4 MM, against a target of \$31 MM.
- \$4.9M from CPACE
- \$500K from SBEA



# Board of Directors

## Agenda Item #7b

### Investments

### Updates and Recommendations

### Smart-E Financing Facility Modification

### C4C and Amalgamated Bank



# Capital for Change



## Smart-E & EE Loan Funding Facility

- Staff Assisting C4C to Recapitalize funding for Smart-E & EE Loans
- Ongoing relationship with C4C (formerly CHIF) since 2014 to assist with funding for this portfolio
- Green Bank & Amalgamated Bank now provide C4C a \$25m term facility

	Original	Dec 2022	Proposed
Green Bank	\$ 4.5M /P +0.5%	\$10M / 4%	\$15M / 4%
Amalgamated	\$22.5M /Prime Flat	\$15M / 6%	\$15M / 6%
TOTAL	\$27M @ 8.6%	\$25M @ 5.2%	\$30M @ 5.0%

- Recent increases in the cost of electricity in CT result in most heat pump projects not having projected savings as compared to heating with natural gas, oil, or propane.
- This ratio represents the "ability to repay" compliance component of lending to consumers under the Heat Loan since credit is not reviewed for this product.
- With heat pumps being increasingly popular – and homeowners not qualifying for the Heat Loan – the result is increased Smart-E demand **plus** more solar PV demand



# Resolution #10



**NOW**, therefore be it:

**RESOLVED**, that the Board approves the Amended CEEFCo Revolving Loan in an amount of up to \$15 million in capital from the Green Bank balance sheet in support of energy efficiency and Smart-E Loans in partnership with Amalgamated Bank generally consistent with the Modification Memo as a Strategic Selection and Award pursuant to the Green Bank Operating Procedures Section XII given the special capabilities, strategic importance, urgency and timeliness, and multi-phase characteristics of the Amended CEEFCo Revolving Loan transaction;

**RESOLVED**, that the President of the Green Bank; and any other duly authorized officer of the Green Bank, is authorized to execute and deliver, any contract or other legal instrument necessary to effect the CEEFCo Revolving Loan on such terms and conditions as are materially consistent with the Modification 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 effect the above-mentioned legal instrument.



# Board of Directors

## Agenda Item #7c

### Investments

### Updates and Recommendations

### Budderfly Facility Modification



# Budderfly's Business Model

## CT-Based Energy Efficiency as a Service Company



Budderfly pays for the energy efficiency upgrades and owns the equipment

- Specify upgrades to achieve desired savings
- Select contractors and manage installation
- Install submeters to measure usage
- Maintain the equipment



Customer signs EaaS contract with Budderfly and we assume the location's utilities

- 10-year contracts with an automatic renewal
- Budderfly becomes utility's "customer of record"
- Customer agrees to pay Budderfly for "energy"
- Budderfly pays utility for location's energy use



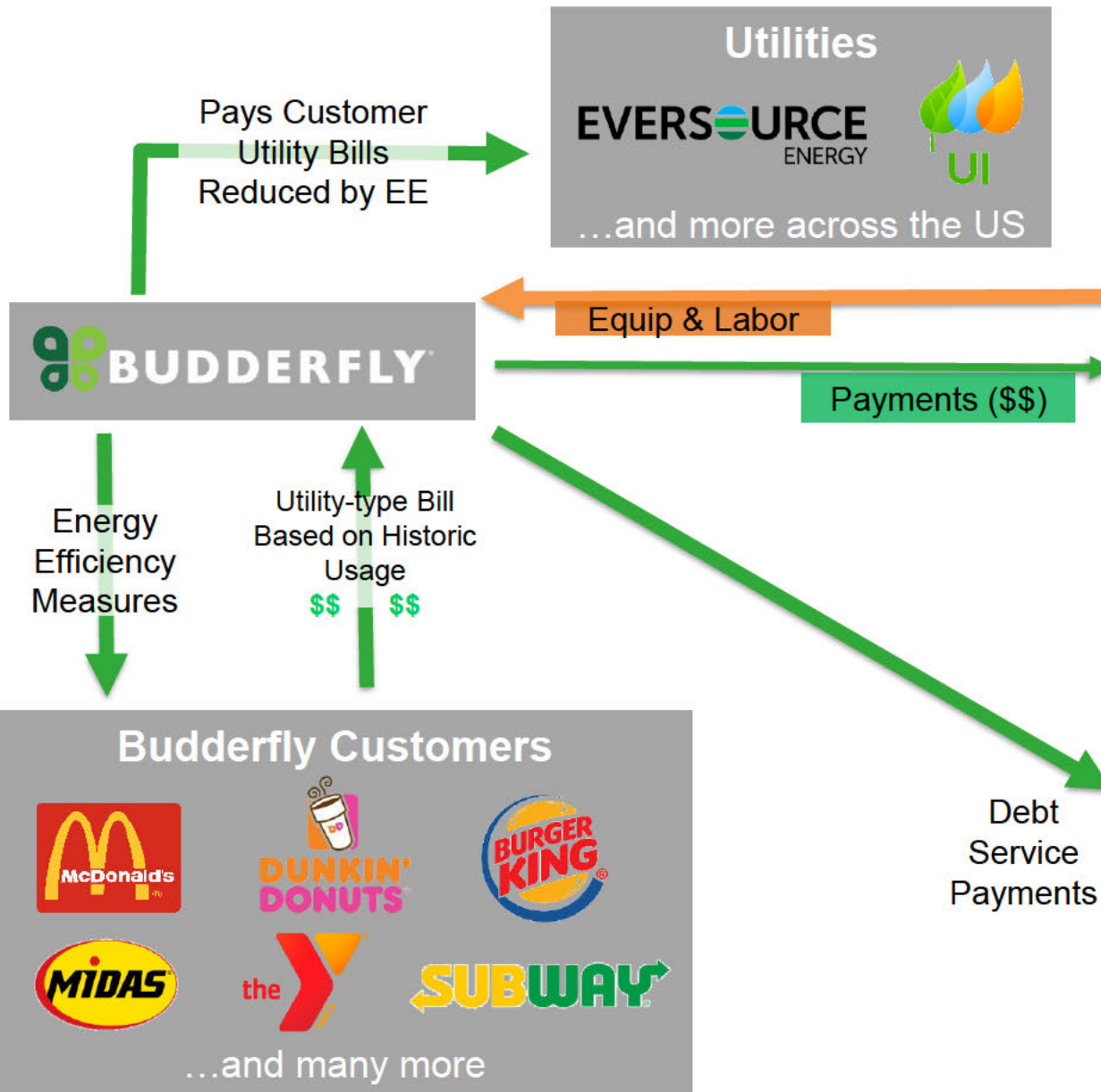
Customer makes recurring monthly payments to Budderfly through the contract term

- Budderfly bills for usage just like a utility
- Usage determined by applying a discount to a "baseline" established prior to upgrades
- Budderfly earns difference between **billed** usage and customer's **actual** usage
- No commodity price risk for Budderfly

**One payment for energy that delivers savings, sustainability and reporting**



# Budderfly Payment Flow (current)



**Outsourced CAPEX & Labor**  
(various vendors nationwide)

**Ownership<sup>1</sup>**

**Partners Group**  
REALIZING POTENTIAL IN PRIVATE MARKETS

**Debt Providers**

**MIZZEN CAPITAL**

**Connecticut**  
Department of Economic and Community Development

**connecticut innovations**

**CONNECTICUT GREEN BANK**



- Partners Group majority shareholder ~\$500M equity
- Equity & debt funding prior to Partners Group ~\$84.5M
- Exit from Edison Partners (invested 2017-2022)
- Continued debt with Mizzen Capital, CGB, CI, and DECD

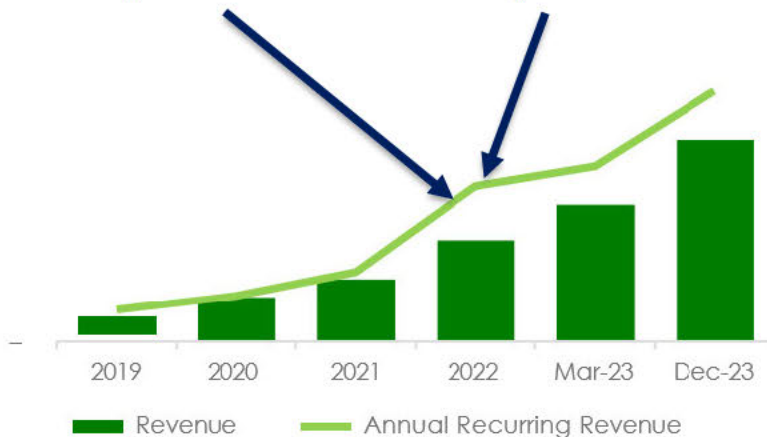


**\$5M Term Loan  
April 2022**

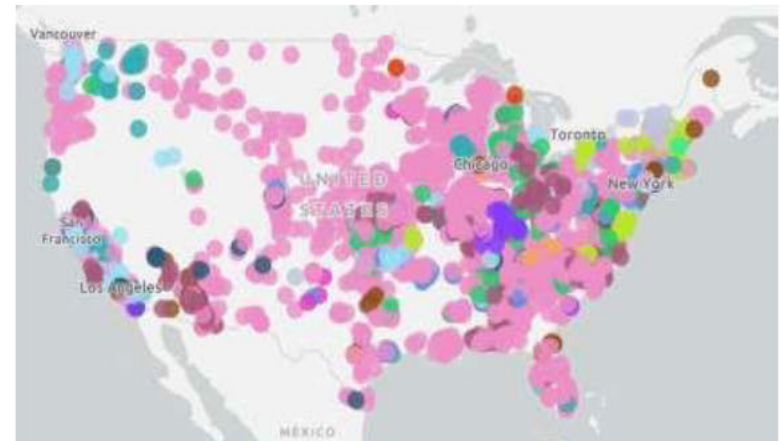


**Partners Group**  
REALIZING POTENTIAL IN PRIVATE MARKETS

**~\$500M Equity  
July 2022**



## Location of Budderfly Sites Managed







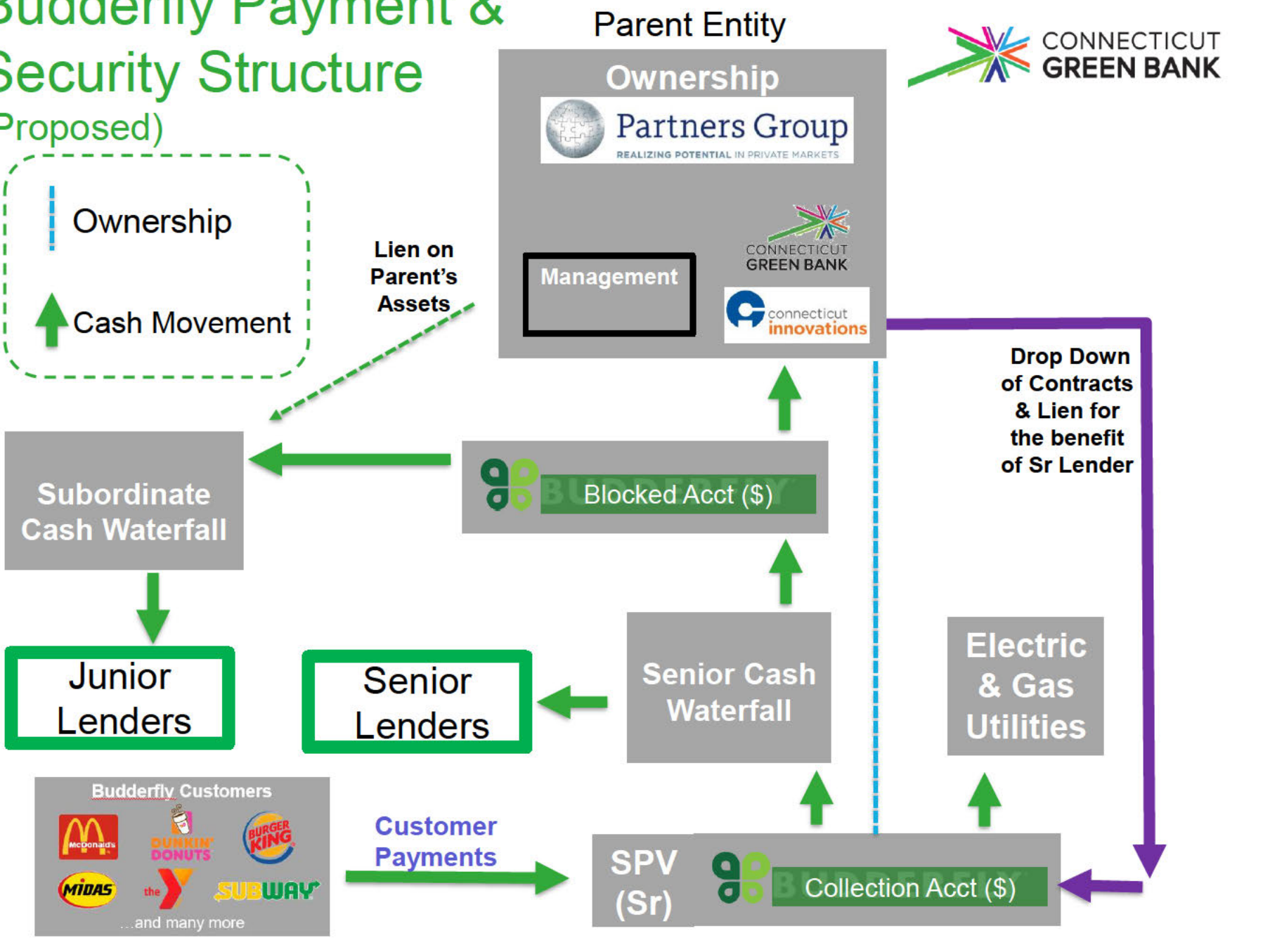
**BUDDERFLY**

**Budderfly's newest brands**





# Budderfly Payment & Security Structure (Proposed)





# Resolution #11



**NOW**, therefore be it:

**RESOLVED**, that the Connecticut Green Bank (“Green Bank”) is authorized to modify its security position related to its six (6) year subordinated term loan agreement with Budderfly, Inc., which was closed in June 2022 in the maximum cash advanced amount of \$5,000,000 as more fully explained in the memorandum to the Green Bank Board of Directors (the “Board”) dated October 17, 2023; 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 effect the above-mentioned legal instruments.



# Board of Directors

Agenda Item #7d

Investments

Updates and Recommendations

Sunwealth Senior Secured Term Loan Facility



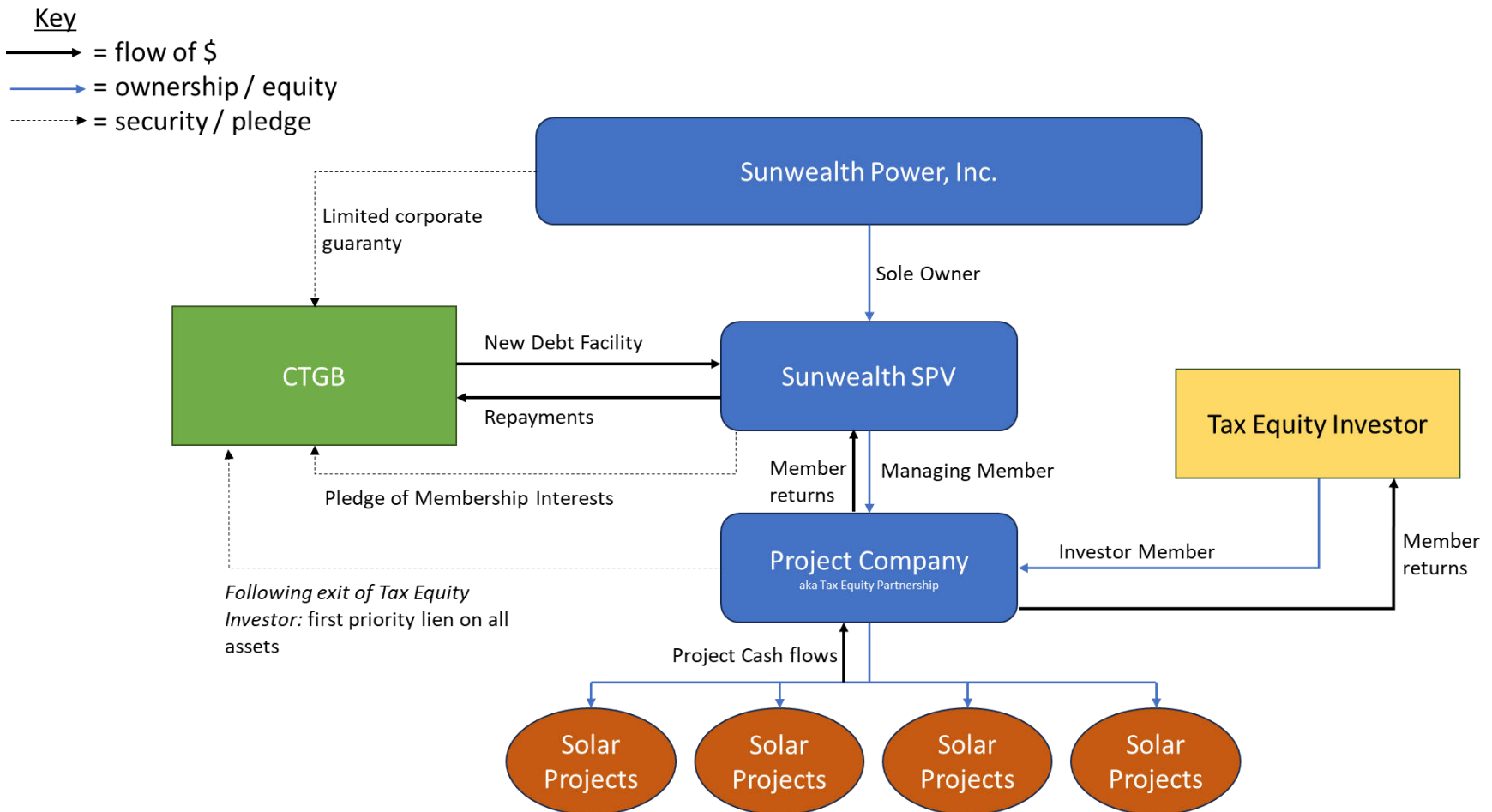
- **Background** – Green Bank currently provides term and construction financing to third party solar developers:
  - IPC
  - Skyview Ventures
  - Sunwealth (2018, 2019 transactions)
- **Latest developments** – Sunwealth is developing ■■■ MW of ■■■ ‘mission aligned’ solar projects in 2023/24 and seeks a term financing facility
- **Request to Board** – Grant approval to conduct further due diligence with a view to enter into legal documentation for a \$4.2M term financing facility with an SPV of Sunwealth



# Sunwealth

## New Term Debt Facility

### ■ Structure Diagram





# Resolution #12



**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 execute and deliver, any contract or other legal instrument necessary to effect the transaction on such terms and conditions as are materially consistent with the memorandum to the Board of Directors dated October 13, 2023; 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 effect the above-mentioned legal instrument.



# Board of Directors

Agenda Item #7e

Investments

Updates and Recommendations

US Bank Withdrawal from Solar Lease 2  
Partnership



# CT Solar Lease 2

## Tax Equity Partnership



- **Background** –

- Green Bank (via its subsidiary CEFIA Solar Services) and US Bank set up a tax equity partnership (CT Solar Lease 2, LLC) in 2013 to own residential and commercial solar assets.
- ‘Partnership flip’ structure envisioned US Bank exit after ITC recapture period had ended; US Bank expressed interest in exiting now

- **Valuation work performed** –

- Commissioned independent fair market valuation (FMV) services from CohnReznick, who used a discounted cashflow model to value equity stake
- Obtained a FMV ‘range’ depending on assumptions; to be finalized with US Bank

- **Request to Board** – Grant approval to transact with US Bank to effect its exit, at a ‘not to exceed’ FMV of its equity stake



# Resolution #13



**NOW**, therefore be it:

**RESOLVED**, that the Board approves staff's request to permit the Green Bank or an eligible subsidiary to purchase U.S. Bank's equity stake in CT Solar Lease 2, LLC consistent with the memorandum to the Board dated October 13, 2023 (the "Board Memo");

**RESOLVED**, that the President of the Green Bank; and any other duly authorized officer of the Green Bank, is authorized to execute and deliver, any contract or other legal instrument necessary to effect the transaction 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 effect the above-mentioned legal instrument.



# Board of Directors

## Agenda Item #8a

### Environmental Infrastructure Programs

### Updates and Recommendations

### FY 2024 Report Out



# Welcome Aboard

## Director of Environmental Infrastructure



**Leigh Whelpton**



# Board of Directors

## Agenda Item #9

### Connecticut Institute for Resilience and Climate Adaptation



# Resilience

## Comprehensive Plan



- **Mission** – to **confront climate change** by increasing and accelerating investment in Connecticut’s green economy to create more **resilient**, healthier, and equitable communities.
- **Resilience** – the ability to **prepare for and adapt to** changing conditions and **withstand and recover rapidly from** deliberate attacks, accidents or naturally occurring threats or incidents, including, but not limited to, **threats or incidents associated with the impacts of climate change**
- **Vulnerable Communities** – **populations that may be disproportionately impacted by the effects of climate change**, including, but not limited to, low and moderate income communities, environmental justice communities pursuant to section 22a-20a, communities eligible for community reinvestment pursuant to section 36a-30 and the Community Reinvestment Act of 1977, 12 USC 2901 et seq., **as amended from time to time, populations with increased risk and limited means to adapt to the effects of climate change, or as further defined by DEEP in consultation with community representatives.**



# CIRCA

## CT Institute for Resilience and Climate Adaptation



**Jim O'Donnell**  
Executive Director  
and Professor



**John Truscinski**  
Director of  
Resilience Planning



# Board of Directors

## Agenda Item #10

### Other Business



# Other Business

## Quick Updates



- **DOE LPO SEFI** – per our Comprehensive Plan, we sought and received designation from the DOE that the Connecticut Green Bank is a State Energy Financing Institution (“SEFI”)
- **IPC Health and Safety Grant** – included final report from IPC to DEEP on the conclusion of the health and safety grant
- **PosiGen** – clarification from John Harrity on prior comments made about PosiGen

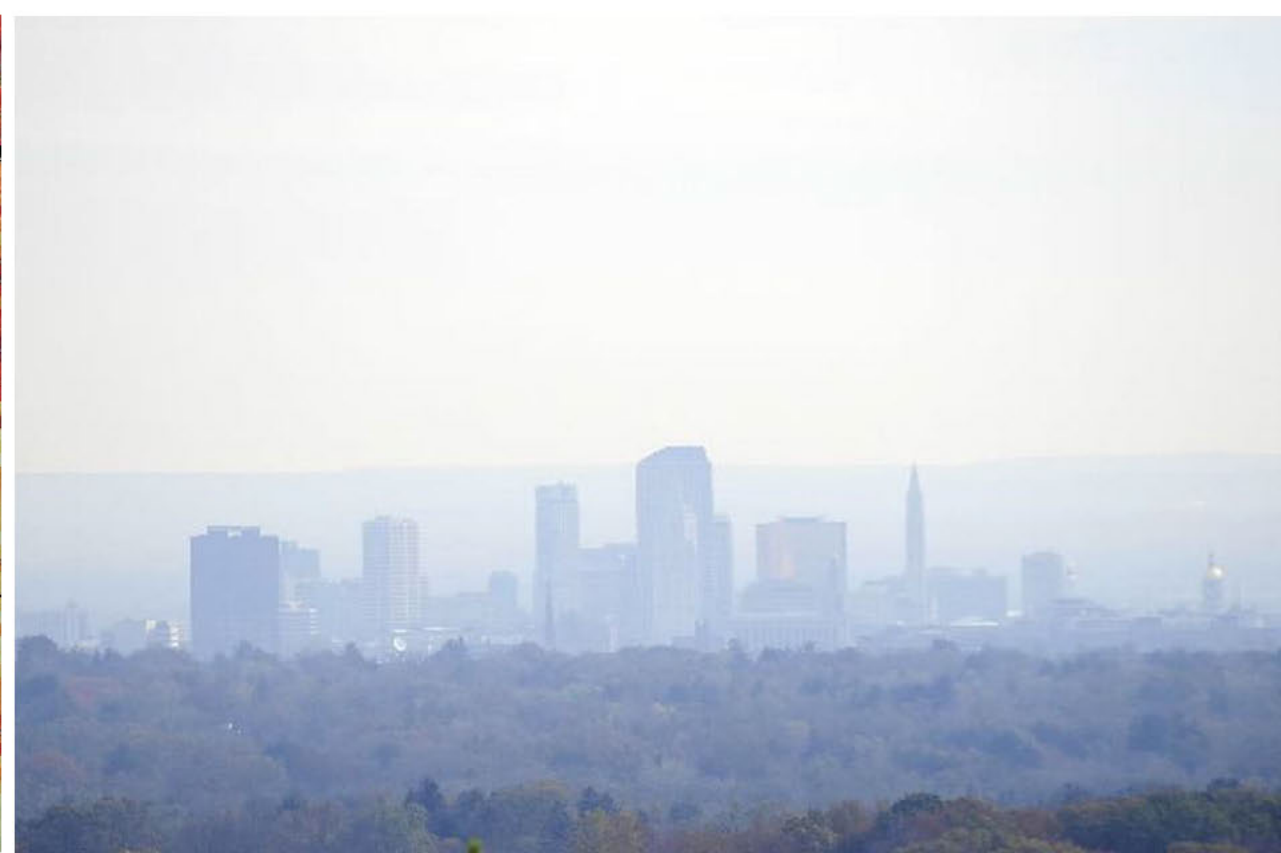
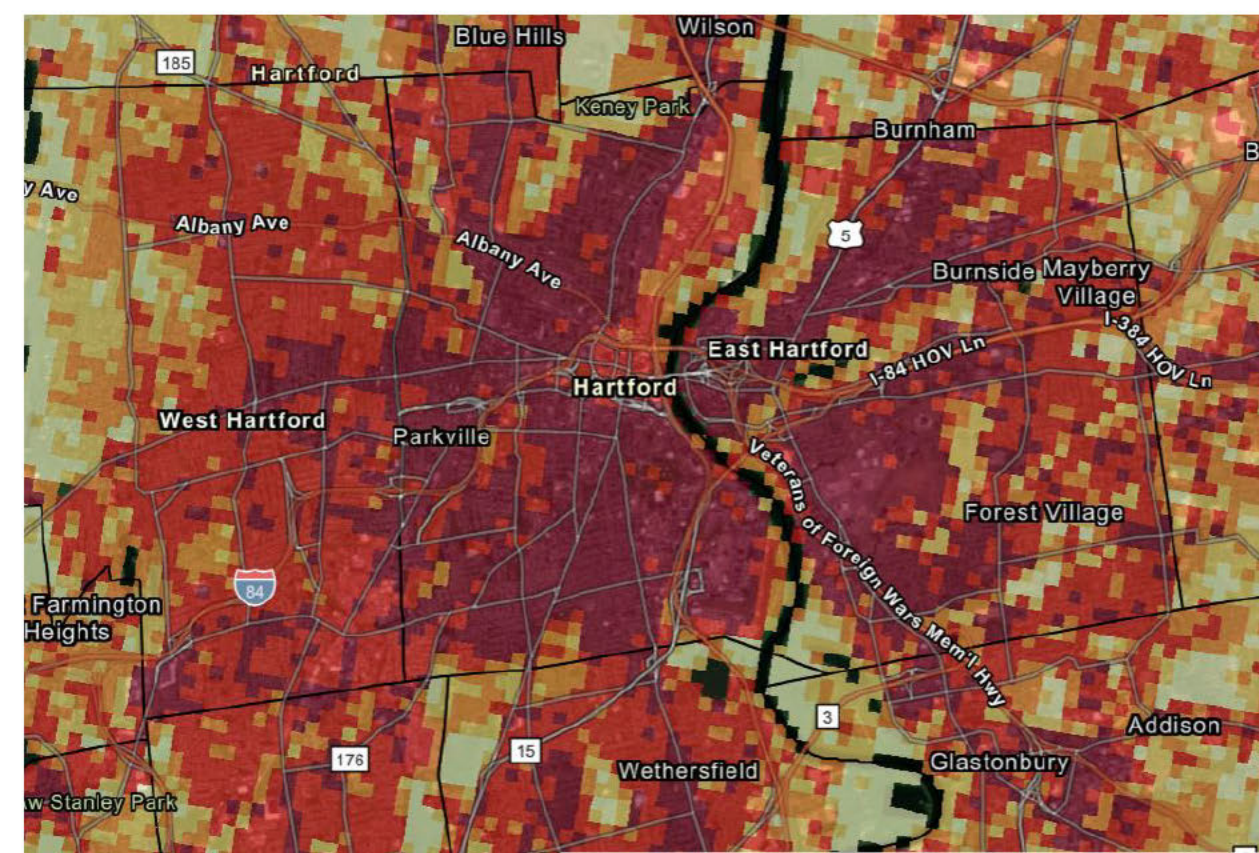


# Board of Directors

## Agenda Item #11

### Adjourn





# Resilient Connecticut

## Vulnerability Assessment Tools for Project Development and Prioritization

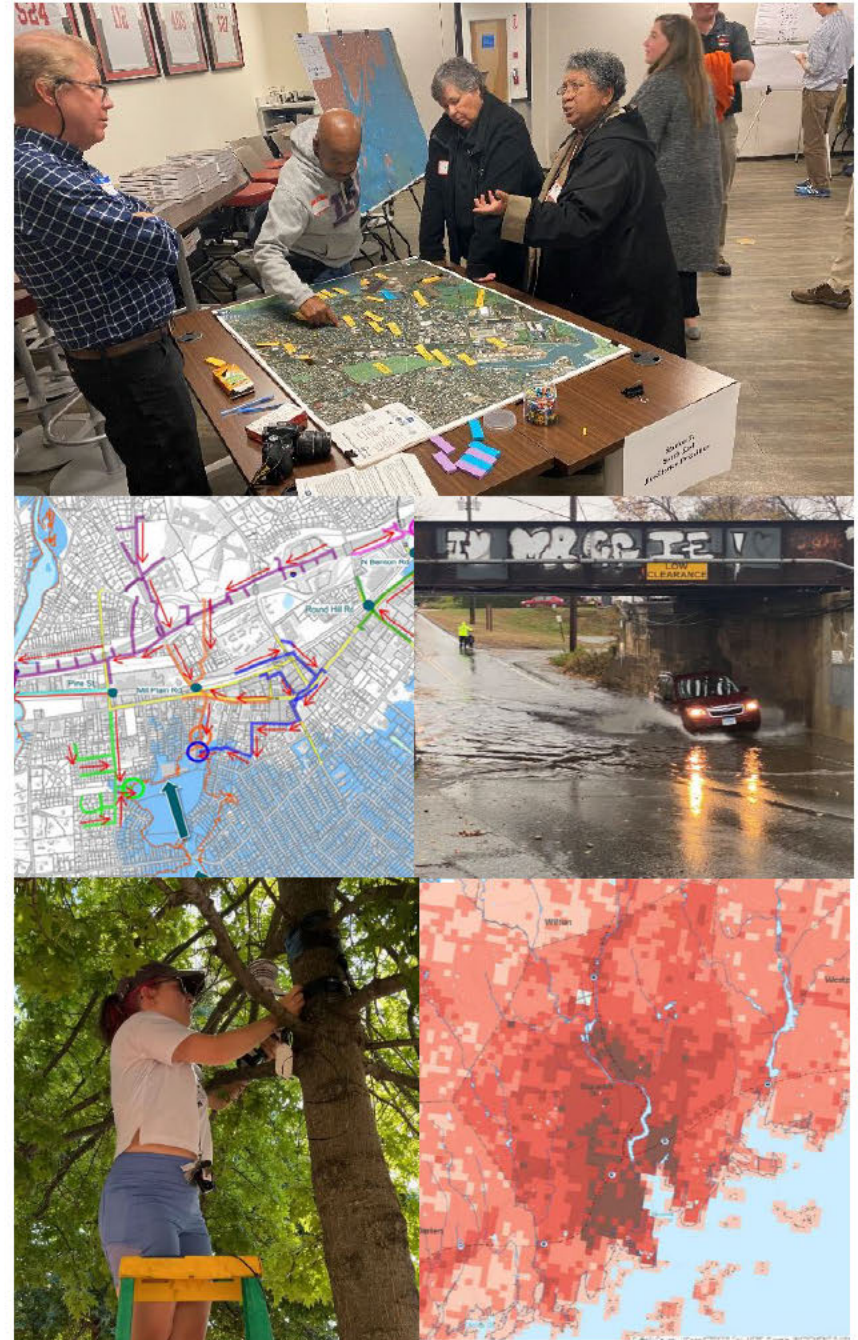
**John Truscinski**  
Director of Resilience Planning  
Connecticut Institute for Resilience  
and Climate Adaptation

October 20<sup>th</sup>, 2023

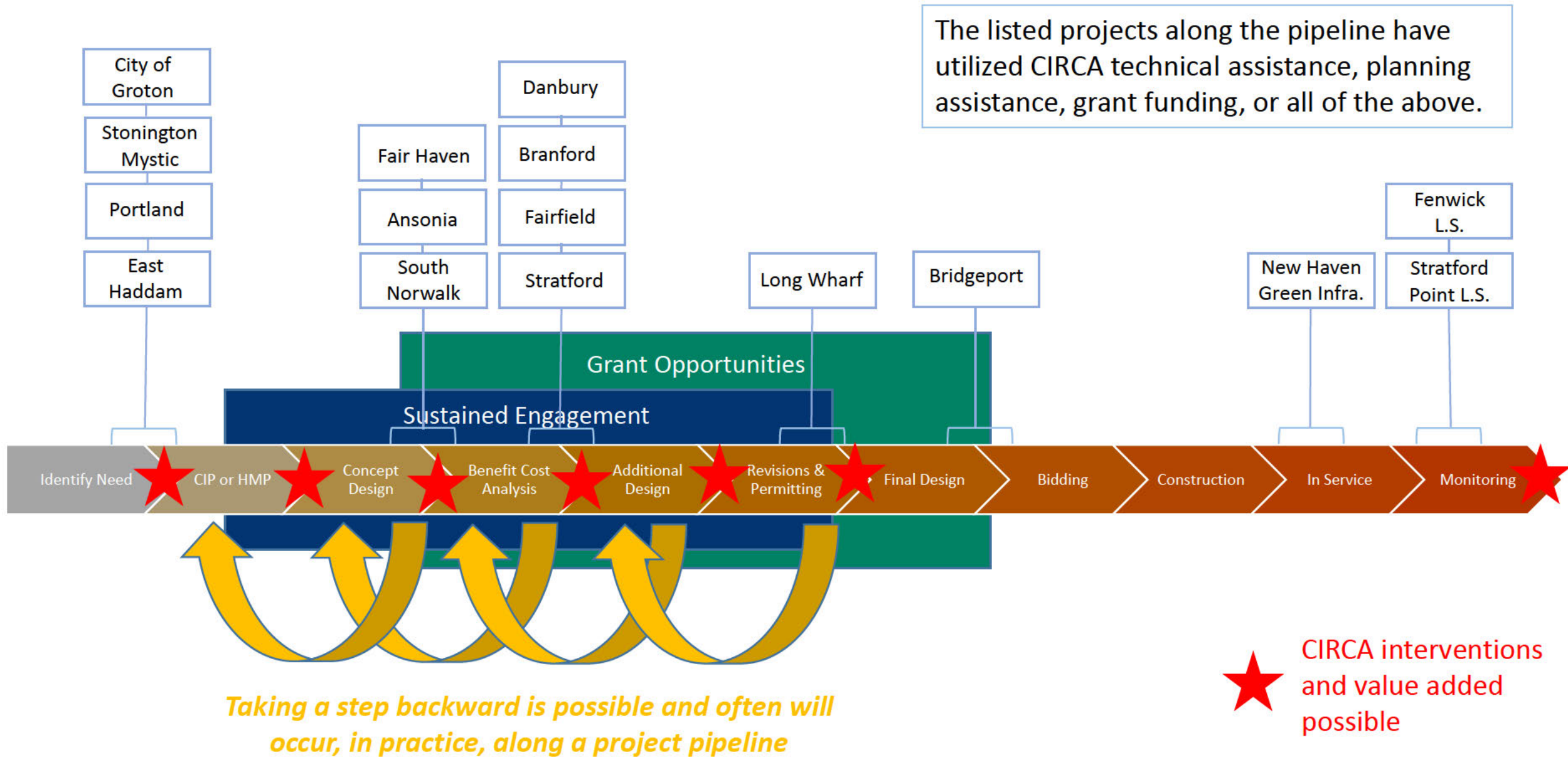


# CIRCA – Resilient Connecticut

- The CT Institute for Resilience & Climate Adaptation (CIRCA) initiated Resilient CT in Fairfield and New Haven Counties 2018 – 2023. Program expanded to New London, Middlesex, Hartford, and Tolland Counties in 2021-2024.
- Goals are to support development of a statewide resilience project pipeline, increase coordination across municipal, regional, and state planning.
- Data & mapping tools to support project development include: Climate Change Vulnerability Index (CCVI) for flooding and heat, zones of shared risk, resilience opportunity areas.
- EJ projects include creation of a statewide EJ Screen mapping tool in partnership with DEEP/DPH and EJ community organizations, and Climate & Equity Grants program w/ DEEP.



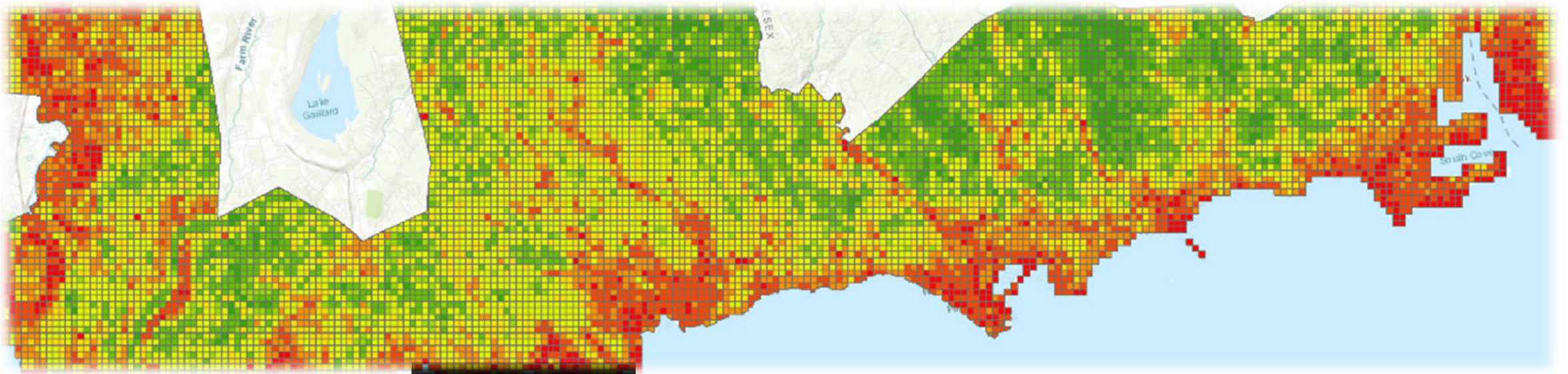






# CIRCA Vulnerability Assessment Tools

- ✓ **Spatial mapping tools** that can be used, in conjunction with other resources, for **planning and developing projects**
  - ✓ **Zones of Shared Risk Mapping**
  - ✓ **Climate Change Vulnerability Index (CCVI)**
  - ✓ **Environmental Justice Screen**
- ✓ **Synthesize available information to determine potential impacts**

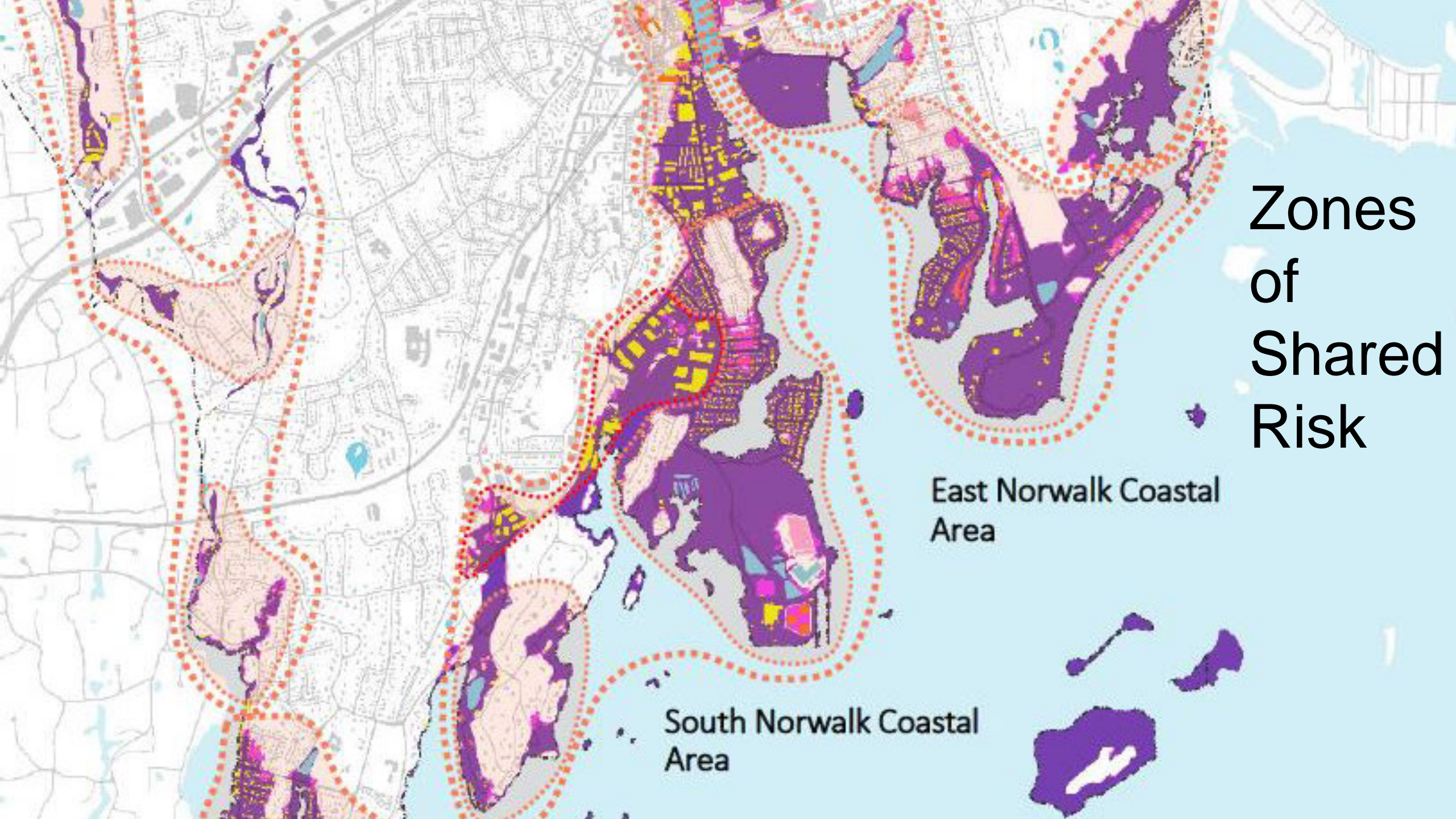




# Zones of Shared Risk

East Norwalk Coastal  
Area

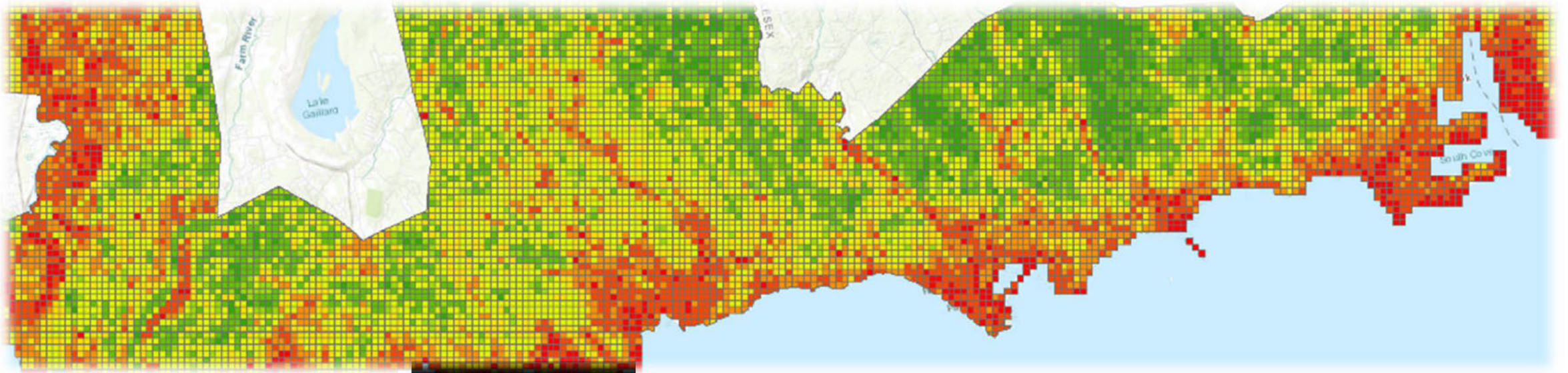
South Norwalk Coastal  
Area





# Climate Change Vulnerability Index (CCVI)

- ✓ An **index** that aggregates **sensitivity, exposure, and adaptive capacity**
  - Brings together lots of different data that contributes to vulnerability
  - Helps us visualize patterns of vulnerability across a wide area
- ✓ **Vulnerability scores are relative** to the State of Connecticut as a whole

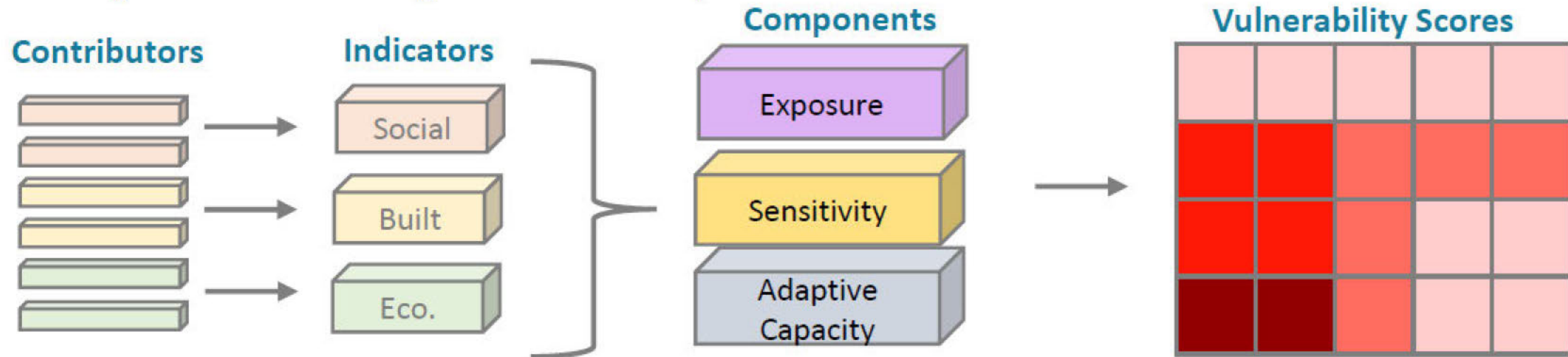




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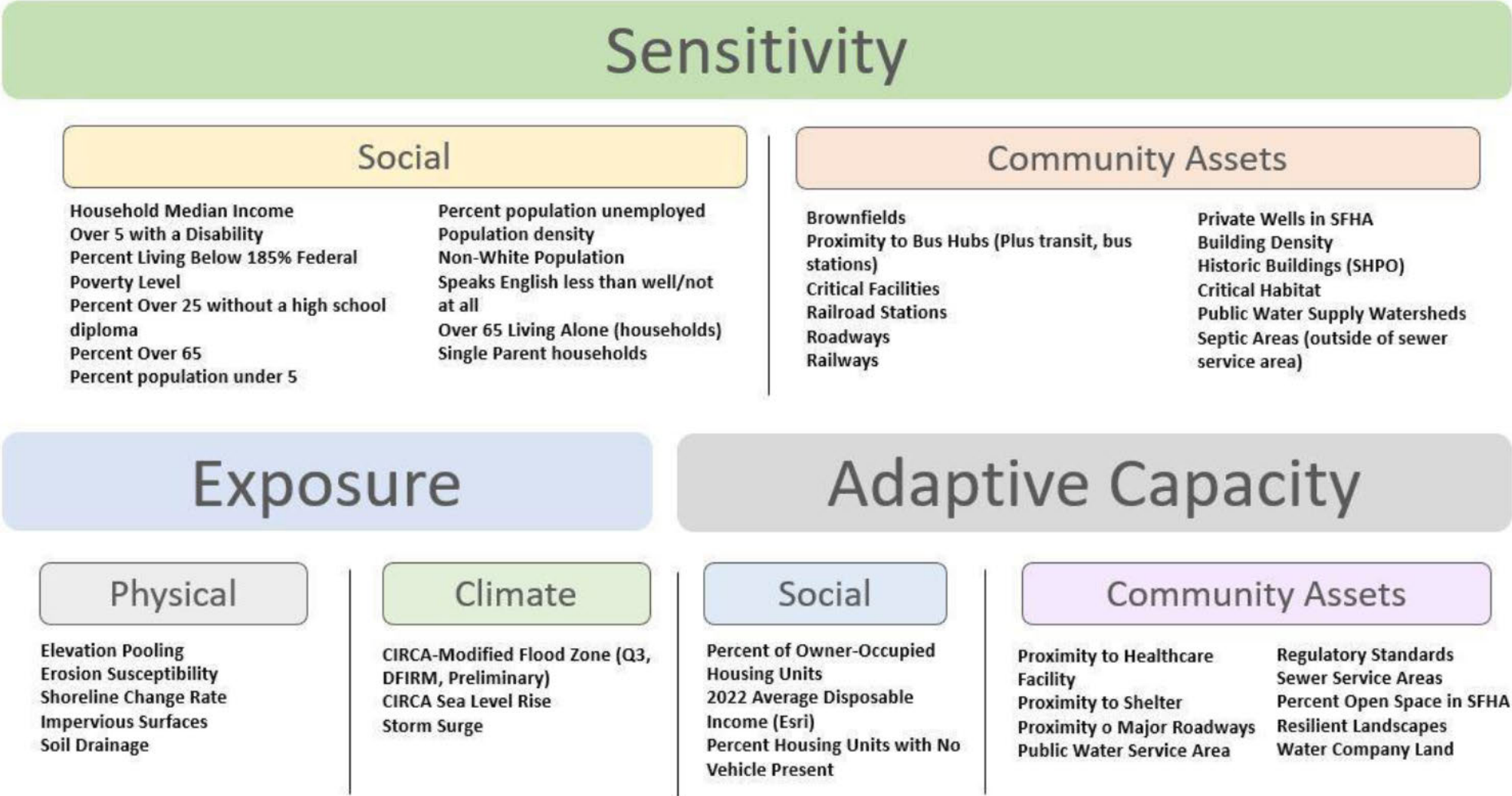
## How does it work?

The CCVI process is based on combinations of exposure, sensitivity, and adaptive capacity applied to thousands of grid cells. For example, the sensitivity component includes many different contributors that fall under three different indicators – social, built, and ecological. Each indicator has its own final “score” based on the average of the contributors. The average of the 3 indicators represents a score of sensitivity for one grid cell. This sensitivity score, along with final exposure and adaptive capacity scores, is used to calculate the vulnerability score, leading to many different gridded scores throughout a community. A list of flood and heat contributors can be found on the back.



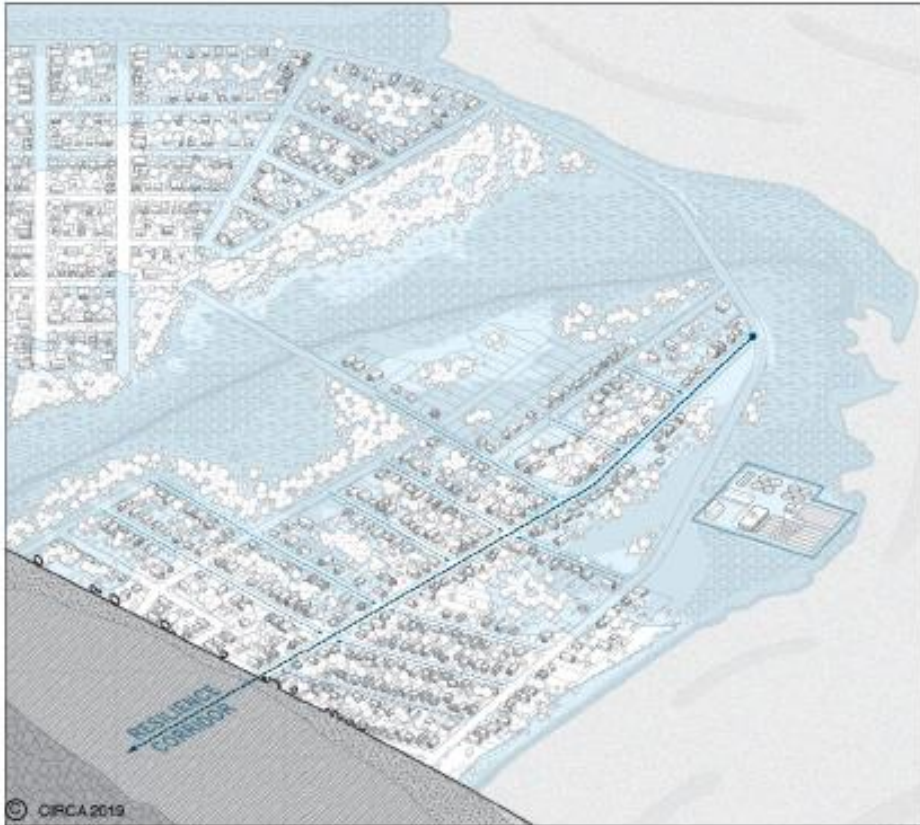


# Flood Contributors





# Resilient Connecticut



## Planning Framework

Connecticut Institute for Resilience and Climate Adaptation

**UConn**  
UNIVERSITY OF CONNECTICUT



**P**ermittable

can get all necessary federal, state and local permits

**E**quitable

considers impacts to vulnerable populations

**R**ealistic

can be realistically engineered and is plausibly fundable

**S**afe

reduces risks to people and infrastructure

**I**nnovative

process has considered innovative options

**S**cientific

apply and improve on the best available science

**T**ransferable

can serve as a model for other communities

**S**ustainable

socially, economically, and ecologically sustainable and supported by the public and leadership

<https://resilientconnecticut.uconn.edu/wp-content/uploads/sites/2761/2020/04/Resilient-Connecticut-Planning-Framework-Final-1-30-20.pdf>



# PERSISTS Decision Support Criteria

<b>Permittable</b>	1. Are there historic or ecological sensitivities to consider?	Yes = 0, no = 1
<b>Equitable</b>	1. Does the opportunity area contain elements of high SoVI?	High = 3, moderate = 2, no = 0
<b>Realistic</b>	1. Are there potential adaptation options proportionate to the identified problem? (indicates realistic pathway for funding)	Yes = 1, unsure = 0, no = remove
<b>Safe</b>	1. Does the opportunity area have elements that would address public safety (# critical lifelines in ROA)	Yes (3-5+) = 3, some (1-2) = 2, no = 0
<b>Innovative</b>	1. There's an opportunity for a multi-disciplinary approach for climate solutions that incorporates GHG mitigation and adaptation. 2. There's interest among multiple communities or jurisdictions to participate in the planning process. 3. There's an opportunity to apply a new approach to planning, design, engagement, or financing that has been successful in other states that could be applied here.	Yes = 2, maybe = 1, no = 0  Yes = 2, no = 0  Yes = 2, maybe = 1, no = 0
<b>Scientific</b>	1. There's an opportunity to develop new data sets that will contribute to the scientific literature on adaptation	Yes = 1, no = 0
<b>Transferable</b>	1. Represents a common resilience typology in CT: land-use, infrastructure, or social and could serve to demonstrate an approach or best practices.	Yes = 2, maybe = 1, no = 0
<b>Sustainable</b>	1. There's strong support from political leadership, municipal staff, and local community to engage in planning process in the opportunity area. 2. Are there strong community partners who could be directly involved in planning? 3. Is there a local commitment to resilience, as demonstrated by active involvement in resilience planning? 4. Is there potential significant state support for a project (state agency involvement, state or regional priority, etc.?)	Yes = 3, unsure = 1, no = remove  Yes = 2, maybe = 1, no = 0  Yes = 2, somewhat = 1, no = 0  Yes = 2, maybe = 1, no = 0

## PERSISTS Evaluation

- Review of 63 Resilience Opportunity Areas to evaluate project stage and next steps.
- Where can Resilient CT Phase III make the most impact in near-term?
- Developing a “Project Pipeline” that CIRCA and partners can assist going forward.
- Looking at different typologies and challenges that can be examples for similar areas.
- Start with first round (7) of site/community scale planning projects in 2022



# Environmental Justice Screening Tool

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Combines environmental and demographic data to highlight areas where **vulnerable populations** may be **disproportionately impacted** by pollution.

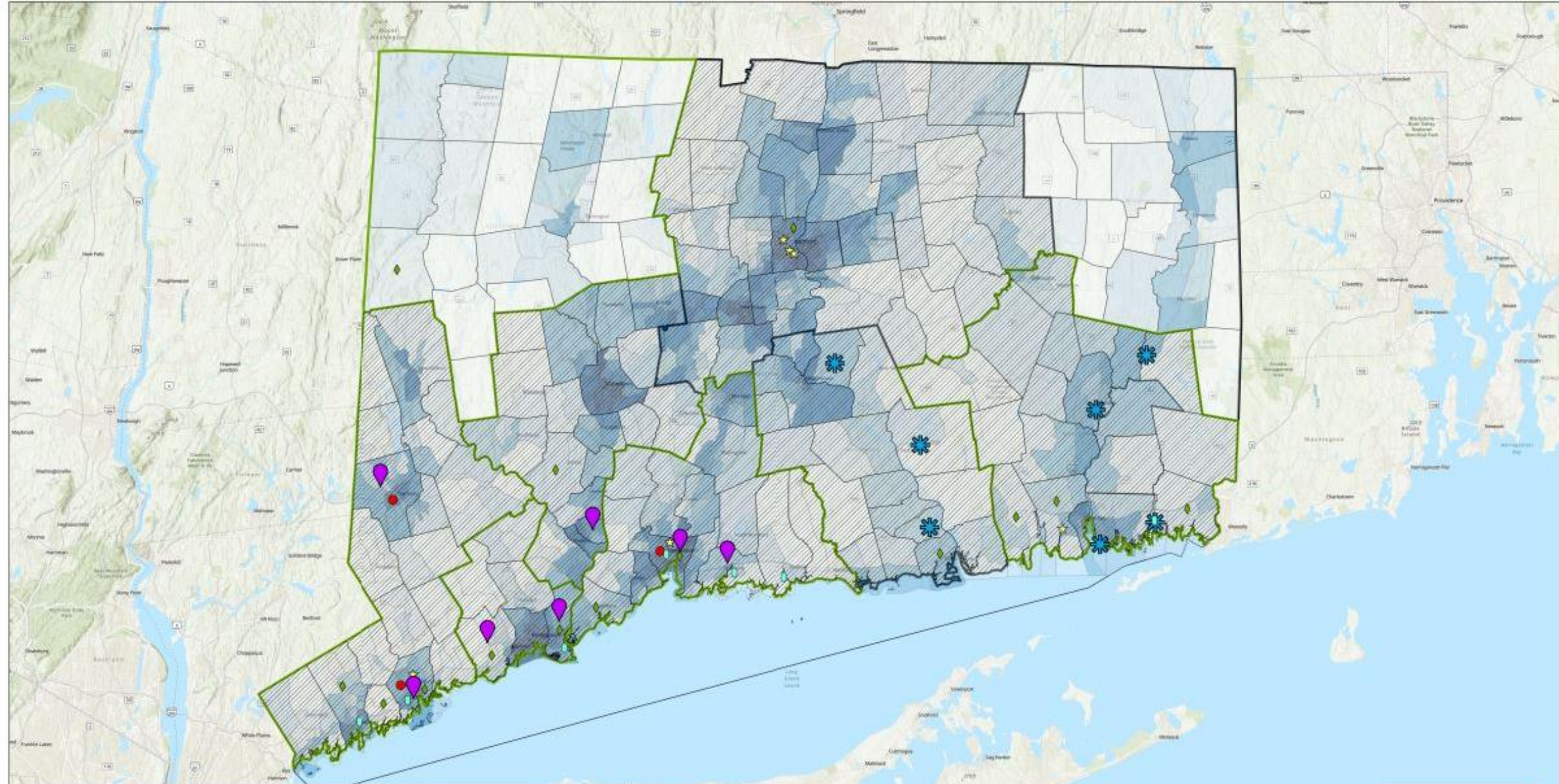


 EPA EJScreen



Overall Score	Environmental Justice Index Score = Pollution Burden x Sensitive Populations			
Composite Category	Pollution Burden $\frac{0.5 \times \text{average}(PPS) + \text{average}(PPE)}{1.5}$		Sensitive Populations $\frac{\text{average}(SF) + \text{average}(HS)}{2}$	
Category	Potential Pollution Sources (PPS)	Potential Pollution Exposure (PPE)	Socioeconomic Factors (SF)	Health Sensitivity (HS)
Indicator	<ul style="list-style-type: none"> <li>Brownfield sites</li> <li>Proximity to Superfund Sites</li> <li>Impervious Surfaces</li> <li>Incinerators</li> <li>Landfills</li> <li>Housing Lead Risk</li> <li>Municipal Transfer Stations</li> <li>Potentially Contaminated/Clean-Up Sites</li> <li>Recycling Processing Facilities</li> <li>Significant Environmental Hazards</li> <li>Underground Storage Tanks</li> <li>Facilities Managing Hazardous Chemicals</li> <li>Wastewater Discharges</li> </ul>	<ul style="list-style-type: none"> <li>Diesel PM Emissions</li> <li>Noise</li> <li>Ozone</li> <li>Particulate Matter 2.5</li> <li>Facilities Releasing Toxics</li> <li>Major Sources of Air Pollution</li> <li>Minor Sources of Air Pollution</li> <li>Minor Air Pollution Facilities</li> <li>Traffic Density</li> <li>EPA Cancer Risk Index</li> <li>EPA Respiratory Hazard Risk Index</li> </ul>	<ul style="list-style-type: none"> <li>Housing Burden</li> <li>Linguistic Isolation</li> <li>Poverty levels</li> <li>Unemployment</li> <li>Race/Ethnicity</li> <li>Educational Attainment</li> <li>Energy Burden</li> <li>Median Income</li> <li>Population Age &lt; 5</li> <li>Population Age &gt; 65</li> <li>No Health Insurance</li> <li>Mobile Homes</li> <li>Multi-unit Housing</li> <li>Rent-ownership Ratio</li> <li>Disability</li> <li>Single Parent Households</li> <li>Food Insecurity</li> </ul>	<ul style="list-style-type: none"> <li>Asthma Emergency Dept. Visit Rate</li> <li>Coronary Heart Disease</li> <li>Emergency Dept. Visits for Chronic Lung Disease</li> <li>Diabetes</li> <li>Low Birthweight Rate of Infants</li> <li>Declined Mental Health</li> <li>Depression Rates</li> </ul>





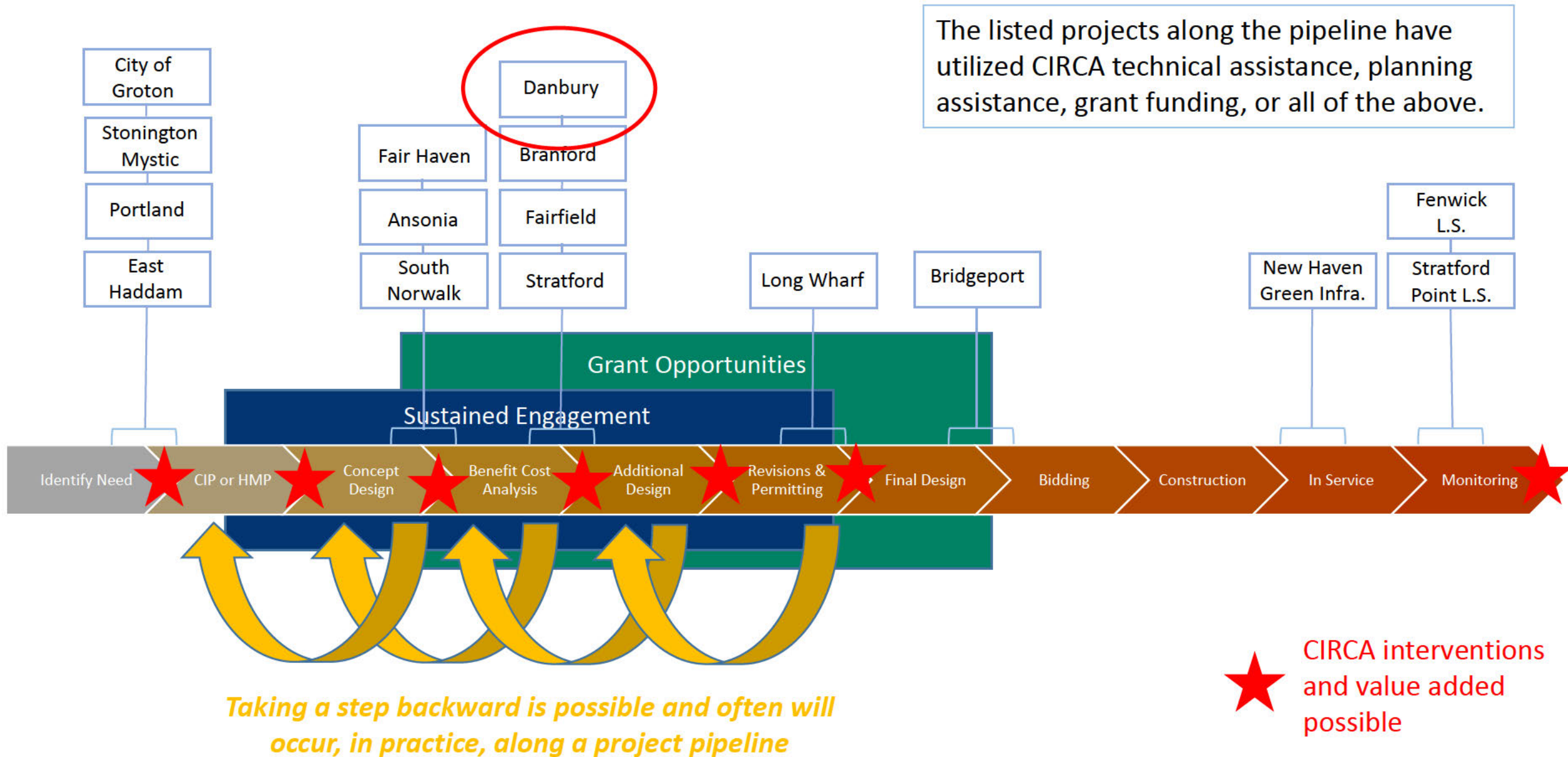
## CIRCA Projects in CT



0 5 10 20 30 40 Miles

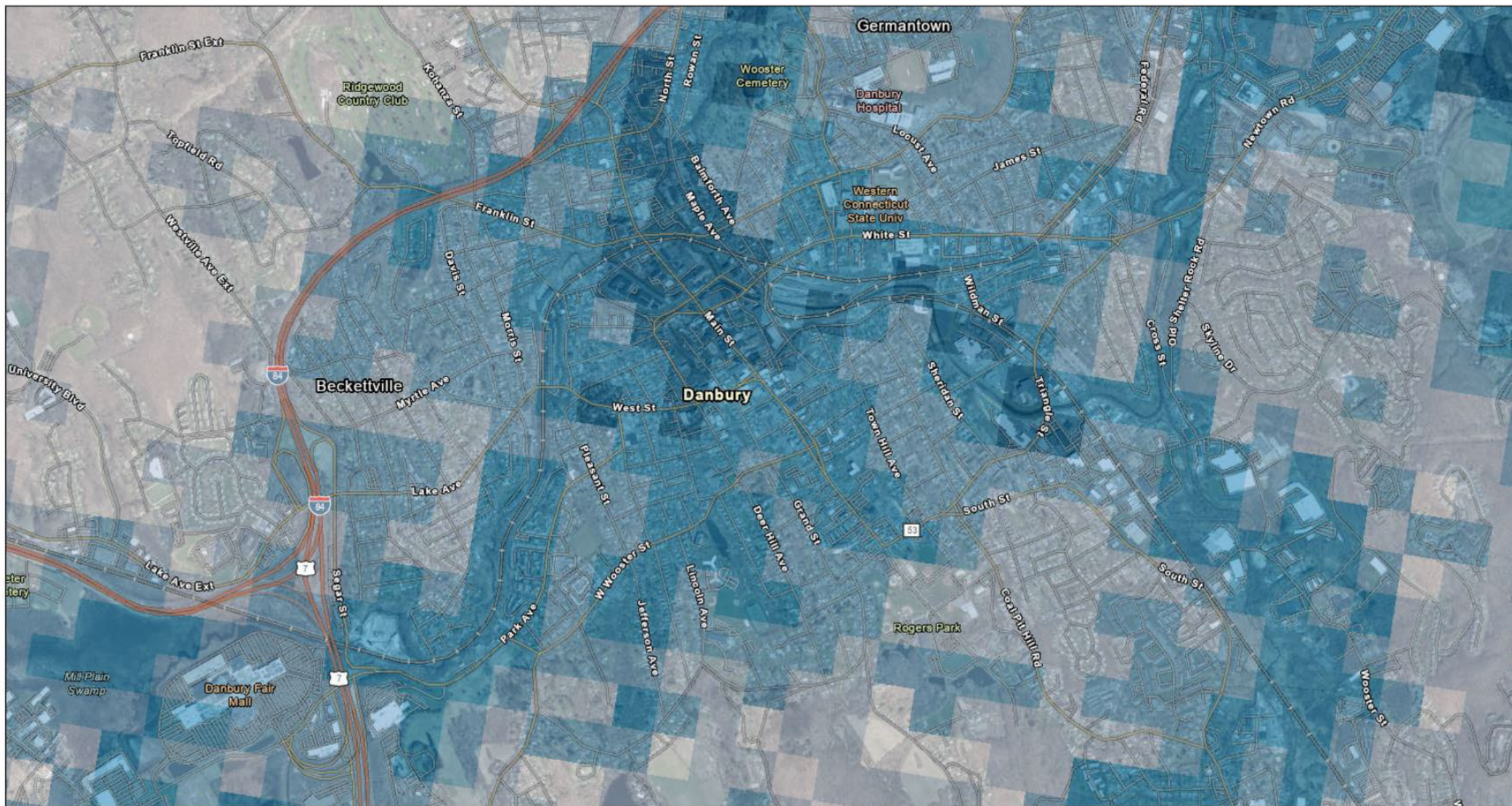




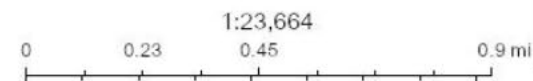




# CCVI Flooding Danbury

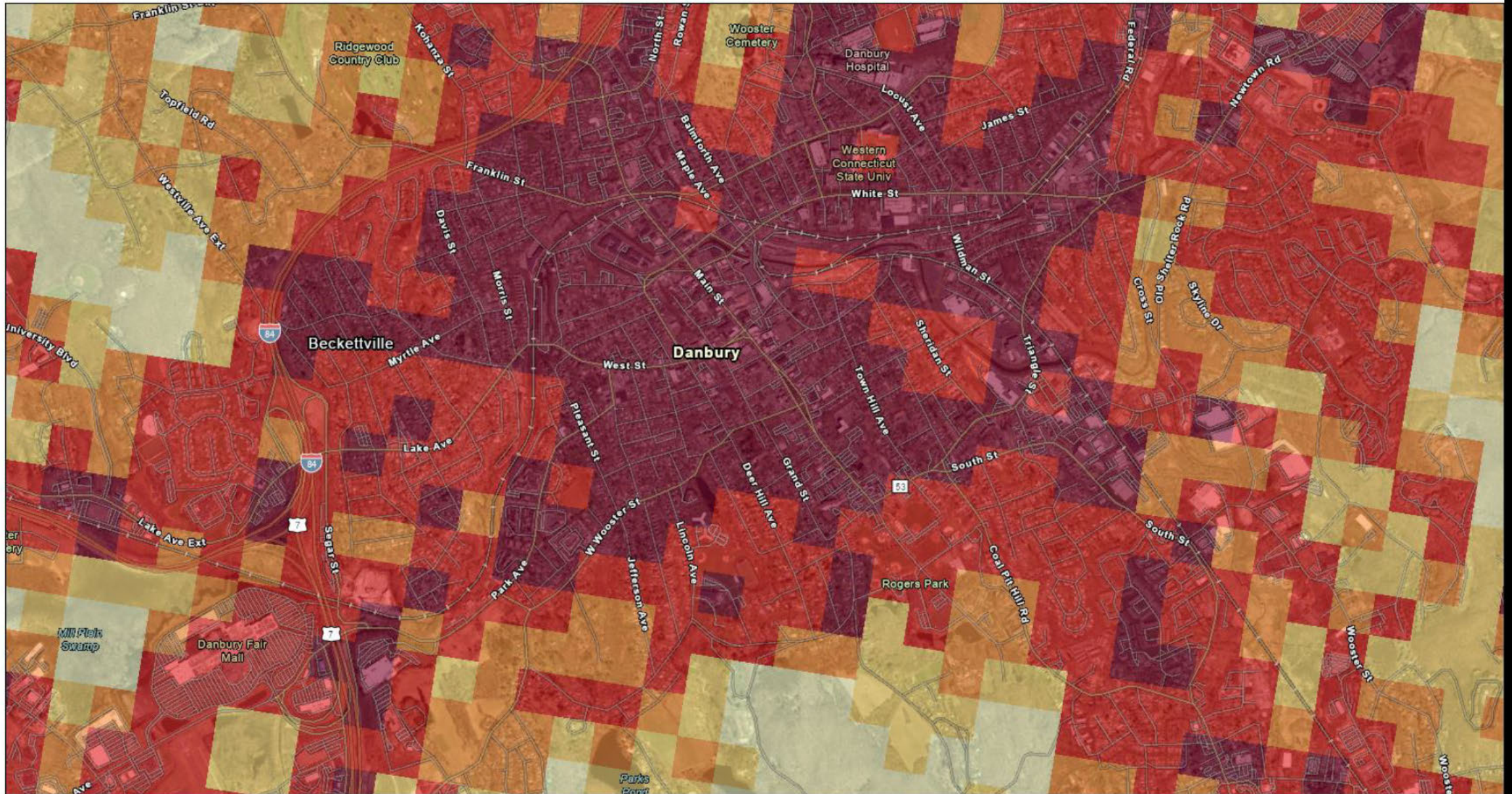


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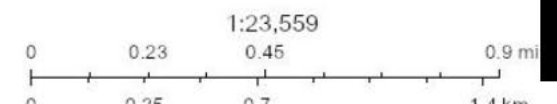




# CCVI Danbury Heat



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# Resilient Connecticut Phase II

## Regional Adaptation/Resilience Opportunity Areas

Name: Downtown Danbury

Location: Danbury

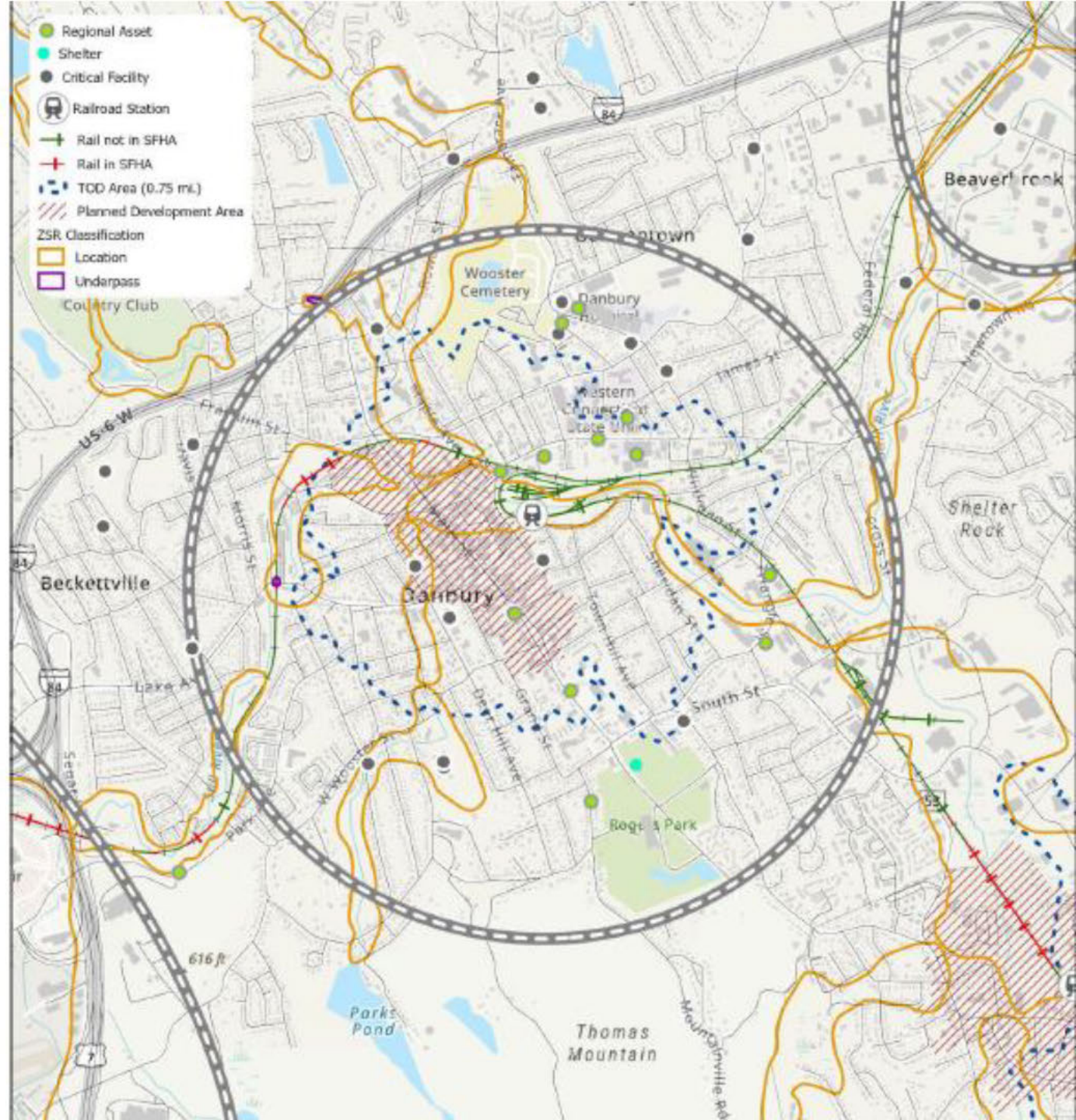
Considerations	Characteristics of Area
Flood Vulnerability	
Heat Vulnerability	
Social Vulnerability	

The center of Danbury is characterized by zones of shared risk associated with the confluence of Padanarum Brook, Kohanza Brook, and the Still River. Despite many flood risk reduction projects undertaken over decades, TOD and planned development areas are located in close proximity to – or within – these zones of shared risk. Numerous critical facilities, historic resources, and the terminus of the MetroNorth Danbury line are also located in the area. Downtown Danbury is a regional center for northern WestCOG.

Almost all of the downtown area is moderately vulnerable to heat, with the highest vulnerable area concentrate along route 53 commercial properties. Presenting few opportunities for shade or street trees, the area has high heat emittance. In addition, there is high social sensitivity throughout the area.

City Hall  
Fire headquarters  
Hose Co. 5, 6, 7, and 9  
Danbury Hospital  
Danbury Health and Housing Dept.  
Western CT State College Police

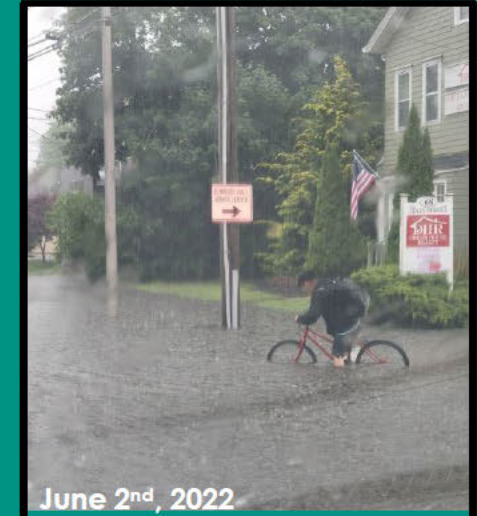
Assisted living facilities  
War Memorial  
Substation  
Power plant  
Museums





# EAST DITCH FLOODING

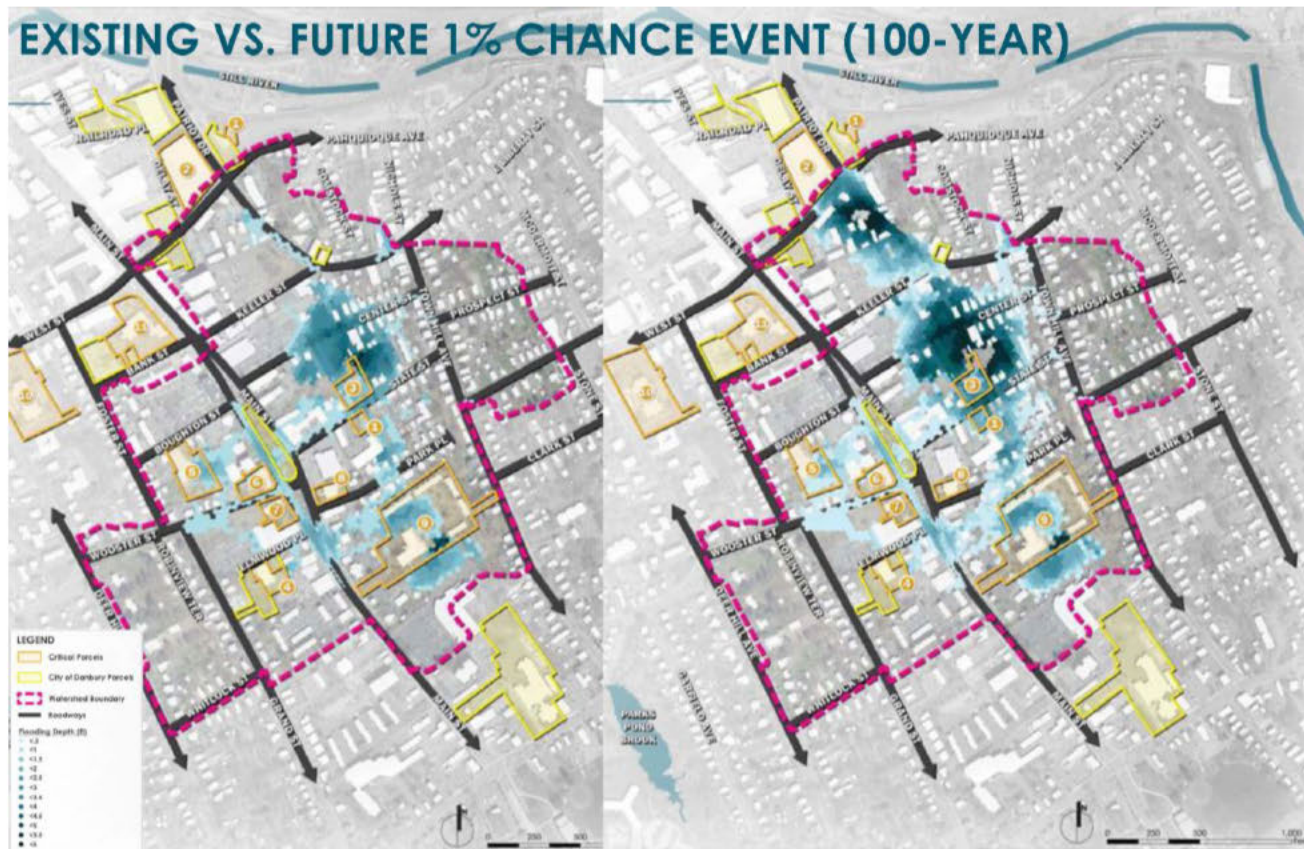
# RESILIENT DANBURY





# RESILIENT CONNECTICUT 1.0

- Some of These Opportunity Areas are Proceeding to Studies and Concept Designs





# RESILIENT DANBURY

## PROPOSED DRAINAGE SYSTEM

- 2002** Initial drainage system upgrade design
- 2011** Upgrade at Still River
- 2012-2021** Proposed upgrades included in Hazard Mitigation Plans
- 2023** F&O advancing design

### LEGEND

- 5x10 Box Culvert
- 4x10 Box Culvert
- 48" Pipe
- 42" Pipe
- 36" Pipe
- Ex. Conduits
- Watershed Boundary





# Walk and Shop

- Streetscape improvements
- Improve pedestrian experience
- Collect runoff



## LEGEND

1. BIOSWALES
2. STREET TREES
3. RAIN GARDENS
4. REMOVED PARKING & ADDED LINEAR RAIN GARDEN











Thank You!

**Resilientconnecticut.uconn.edu**

**John.truscinski@uconn.edu**

**<https://resilientconnecticut.uconn.edu>**

**UConn**



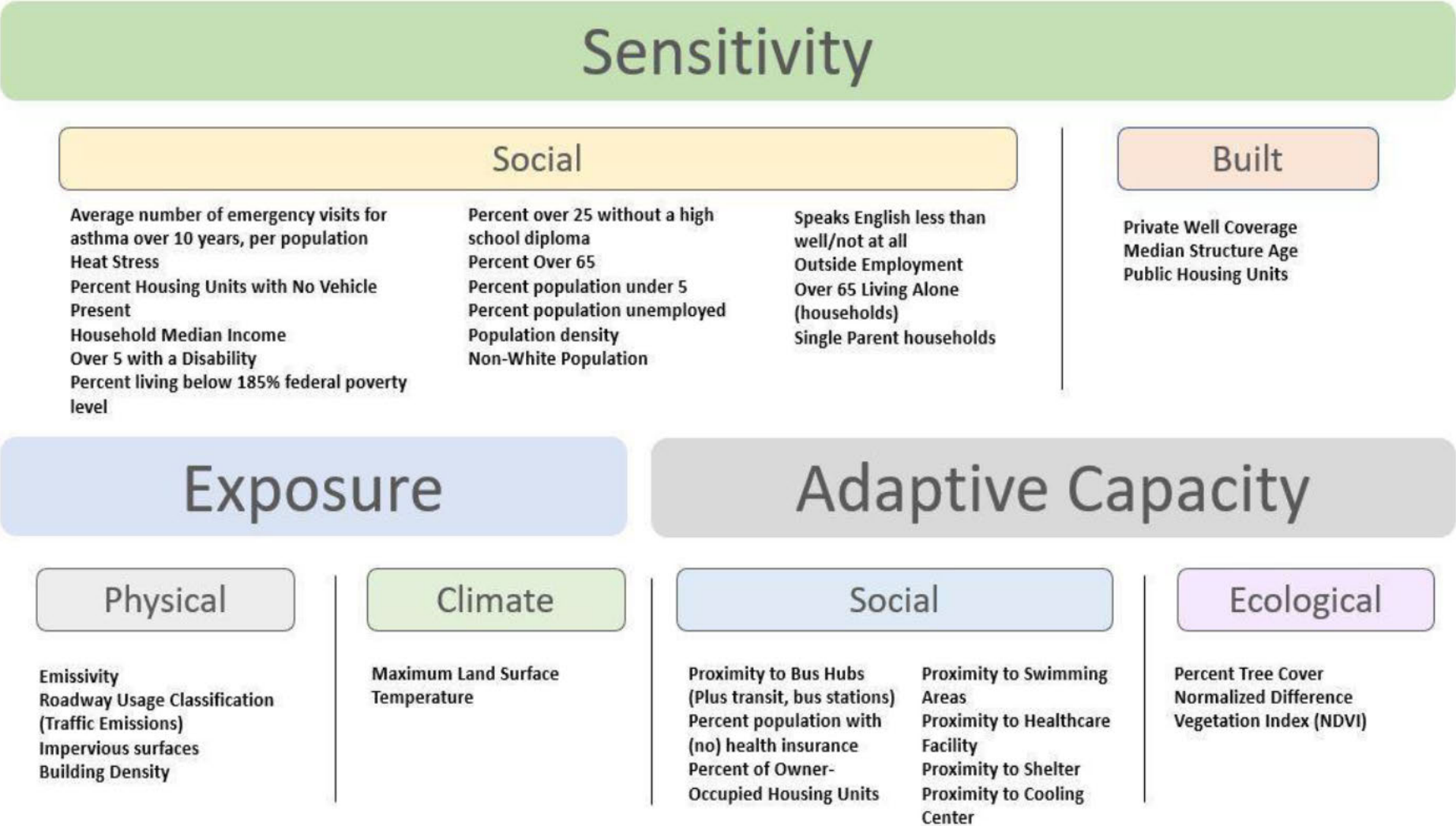


# A definition for vulnerability

“The degree to which a system is susceptible to, or unable to cope with, adverse effects of climate change, including climate variability and extremes. Vulnerability is a function of the character, magnitude, and rate of climate variation to which a system is exposed, its sensitivity, and its adaptive capacity.” (IPCC, 2001, p. 995) (IPCC Def. 1)



# Heat Contributors





UConn





# The mapping tool's capacity

## **This Mapping Tool DOES:**

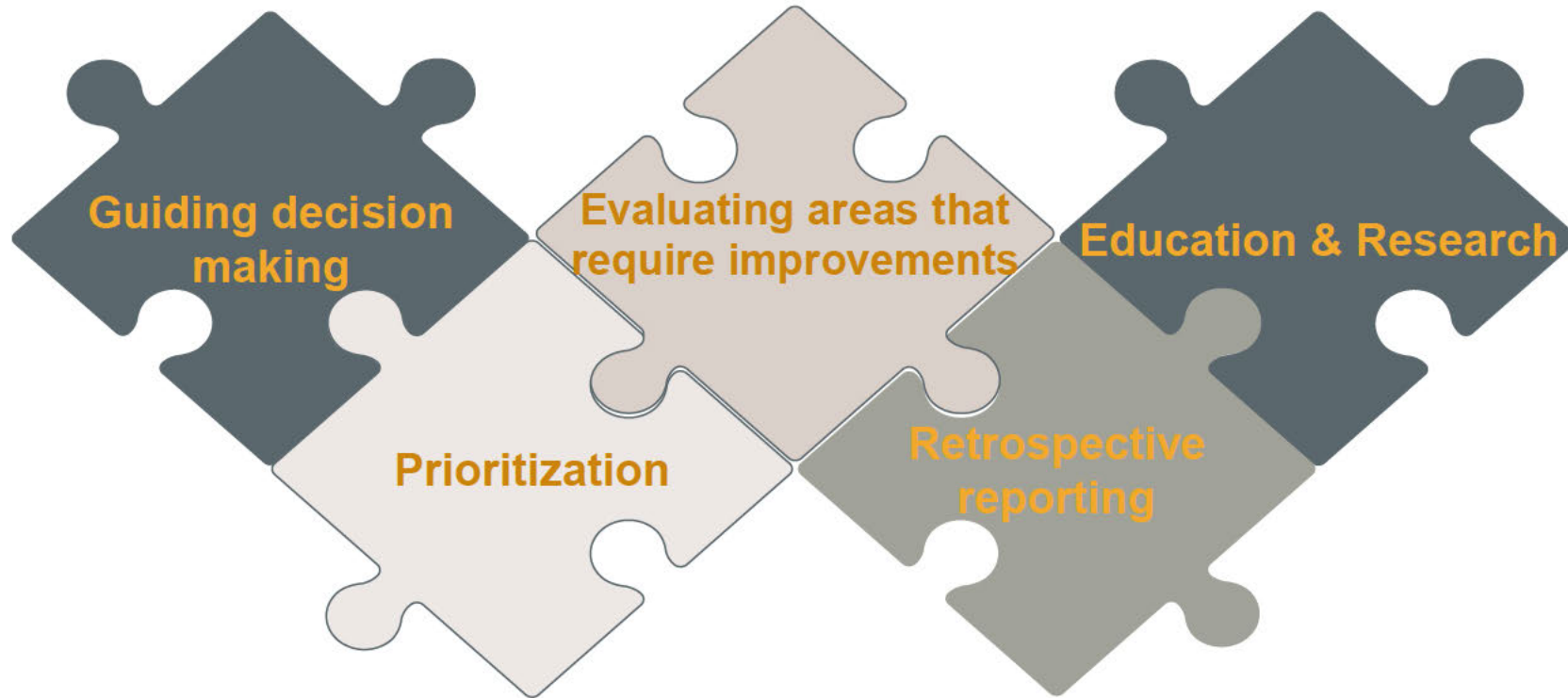
- Identify potential sources of pollution.
- Identify areas that present potential hazards in the event of an accident or emergency.
- Identify census tracts near potential pollution sources.
- Identify the degree to which a community, by census tract, is vulnerable due to socioeconomic and health disparities.

## **This Mapping Tool DOES NOT:**

- Does not reflect actual exposures to pollution
- Does not model the overall pollution burden nor reflect the number of individuals that may be affected by pollution.
- Does not model the positive or negative likelihood of an individual's risks for poor health outcomes.
- Does not release private addresses, information, or names.



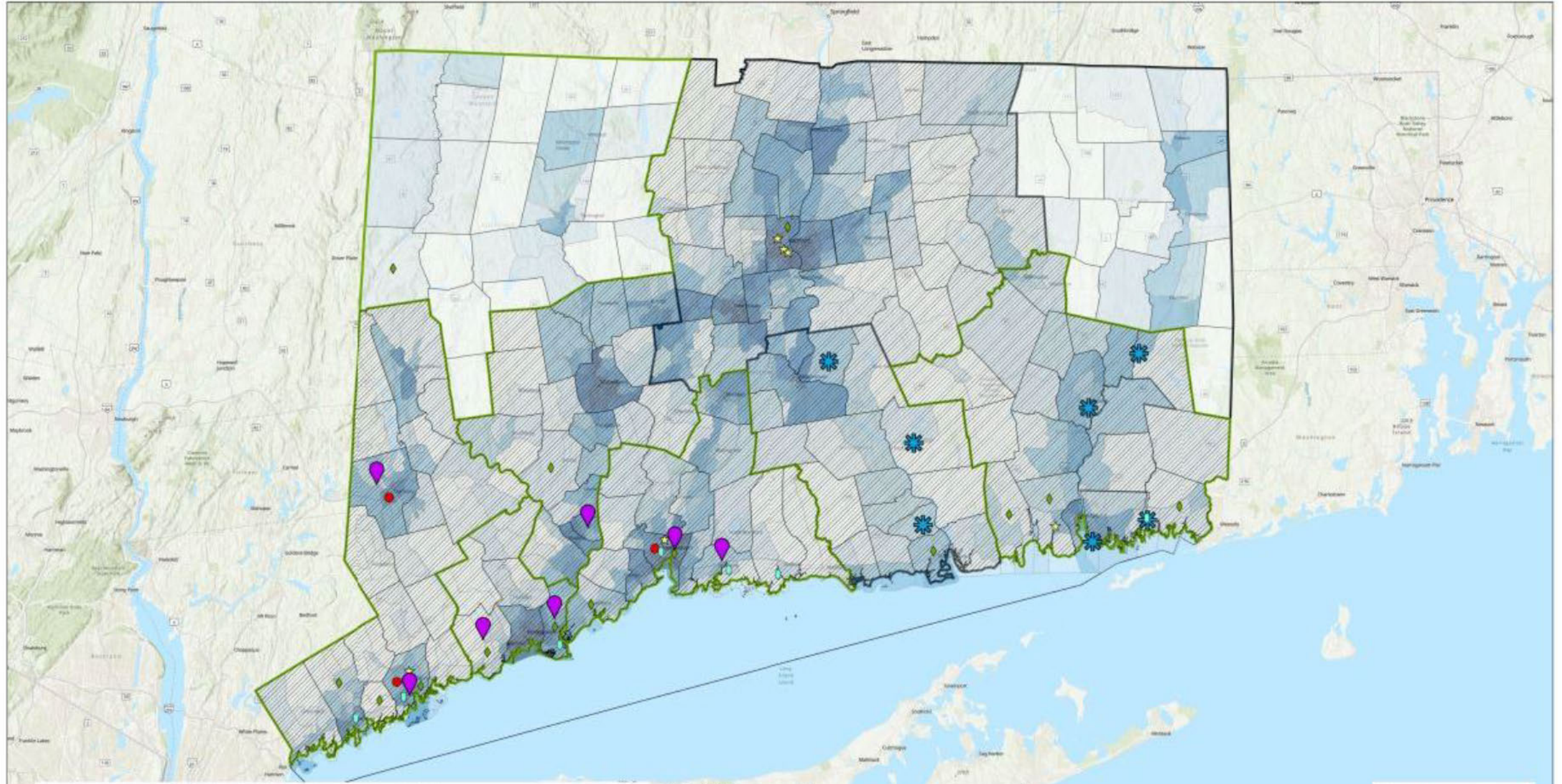
# How can you use the tool?





Overall Score	Environmental Justice Index Score = Pollution Burden x Sensitive Populations			
Composite Category	Pollution Burden $\frac{0.5 \times \text{average}(PPS) + \text{average}(PPE)}{1.5}$		Sensitive Populations $\frac{\text{average}(SF) + \text{average}(HS)}{2}$	
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## CIRCA Projects in CT



0 5 10 20 30 40 Miles







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

Friday, July 21, 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 July 21, 2023.

Board Members Present: Bettina Bronisz, John Harrity, Robert Hotaling, Adrienne Houël, Matthew Ranelli, Lonnie Reed, Brenda Watson, Hank Webster, Joanna Wozniak-Brown

Board Members Absent: Thomas Flynn, Dominick Grant

Staff Attending: David Beech, Priyank Bhakta, Larry Campana, Sergio Carrillo, Shawne Cartelli, Louise Della Pesca, James Desantos, Catherine Duncan, Mackey Dykes, Brian Farnen, Bryan Garcia, Sara Harari, Bert Hunter, Edward Kranich, Alex Kovtunen, Cheryl Lumpkin, Daniel McGill, Kevin Moss, Jane Murphy, Ariel Schneider, Eric Shrago, Dan Smith

Others present: Darren Hammell and Rob Windle from CPower, Connecticut Network

<https://ct-n.com/ctnplayer.asp?odID=21988>

1. **Call to Order**
  - Lonnie Reed called the meeting to order at 9:04 am.
2. **Public Comments**
  - No public comments.
3. **Consent Agenda**
  - a. **Meeting Minutes of June 23, 2023**

**Resolution #1**

Motion to approve the meeting minutes of the Board of Directors for June 23, 2023.

**Resolution #2**



## Subject to Changes and Deletions

WHEREAS, in July of 2011, the Connecticut General Assembly passed Public Act 11-80 (the Act), "AN ACT CONCERNING THE ESTABLISHMENT OF THE DEPARTMENT OF ENERGY AND ENVIRONMENTAL PROTECTION AND PLANNING FOR CONNECTICUT'S ENERGY FUTURE," which created the Connecticut Green Bank (the "Green Bank") to develop programs to finance and otherwise support clean energy investment per the definition of clean energy in Connecticut General Statutes Section 16-245n(a);

WHEREAS, in July 2021, Governor Ned Lamont signed "An Act Concerning Climate Change Adaptation" into law, which expanded the scope of the Green Bank beyond "clean energy" to include "environmental infrastructure;"

WHEREAS, environmental infrastructure is defined to include Water, Waste and Recycling, Climate Adaptation and Resiliency, Agriculture, Land Conservation, Parks and Recreation, and Environmental Markets (ex. Carbon Offsets and Ecosystem Services);

WHEREAS, the Board of Directors of the Connecticut Green Bank approved a Comprehensive Plan for FY 2023 including approving annual budgets and targets for FY 2023.

NOW, therefore be it:

RESOLVED, that Board has reviewed and approved the Program Performance towards Targets for FY 2023 memos dated July 21, 2023, which provide an overview of the performance of the Incentive Programs, Financing Programs, and Investments with respect to their FY 2023 targets.

### **Resolution #3**

**WHEREAS**, in July of 2011, the Connecticut General Assembly passed Public Act 11-80 (the Act), "AN ACT CONCERNING THE ESTABLISHMENT OF THE DEPARTMENT OF ENERGY AND ENVIRONMENTAL PROTECTION AND PLANNING FOR CONNECTICUT'S ENERGY FUTURE," which created the Connecticut Green Bank (the "Green Bank") and vests the power in a Board of Directors comprised of twelve voting and one non-voting member; and

**WHEREAS**, the structure of the Board of Directors is governed by the bylaws of the Connecticut Green Bank, including, but not limited to, its powers, meetings, committees, and other matters.

**NOW**, therefore be it:

**RESOLVED**, that Board has reviewed and approved the Overview of Compliance Reporting and the Board of Directors and Committees for FY 2023 memo dated July 14, 2023 prepared by staff, which provides a summary report of the FY 2023 governance of the Board of Directors and its Committees of the Connecticut Green Bank.

**Upon a motion made by John Harrity and seconded by Brenda Watson, the Board of Directors voted to approve the Consent Agenda consisting of Resolutions 1 - 3. None opposed or abstained. Motion approved unanimously.**

## **4. Comprehensive Plan Recommendations and Updates**



## Subject to Changes and Deletions

- Bryan Garcia reviewed the FY24 revisions to the Comprehensive Plan including the basic edits and changes to each section.
  - John Harrity asked about the water quality issues along the shoreline and if the Green Bank has any influence on that under the new expanded role. Bryan Garcia responded that the pollution may be related to the changing climate which is the main driver of the Green Bank's mission, so there may be infrastructure opportunities to partner with our state agency partners to improve the situation, but it requires more due diligence to be sure and what opportunities could be leveraged. Lonnie Reed added that the issue is due to sewage treatment plant runoff, so the Green Bank's mission may be applicable. Bettina Bronisz and Hank Webster added that DEEP is also looking into the issue.
  - Johanna Wozniak Brown recommended having the CIRCA office present on the statewide Climate Change Vulnerability Index which Bryan Garcia agreed with.

### **Resolution #4**

**WHEREAS**, per Connecticut General Statutes 16-245n, 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 revisions to the Comprehensive Plan presented to the Board on July 21, 2023.

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

Bert Hunter introduced Priyank Bhakta, the new Senior Manager of Underwriting for the Investments team. Priyank Bhakta summarized some upcoming changes to the underwriting memo.

### **5. Financing Programs Updates and Recommendations** **a. FY 2023 Report out – Financing Programs**

- Mackey Dykes summarized the FY2023 performance to targets for PPA programs, which includes an overall success for number of projects, capital deployed, and capacity installed. No Multifamily projects were closed but due to program development delays, it wasn't possible, but there is progress to close them in FY 2024 instead and exceeding targets in other programs compensated overall. The team met 100% of the projects closed target, 166% of the capital deployed target, and 138% of the capacity installed target.
  - Robert Hotaling asked in the chat if the lack of PPA Multifamily projects is due to marketing, regulatory, insufficient incentives, or another reason.
  - Matthew Ranelli complimented the team on their successes but stated he believes there is more that can be done. He also commented on the importance of the



## Subject to Changes and Deletions

Green Bank's role in the market for setting standards that others may follow. He expressed his concern around the buy-all option for the NRES and tax treatment of those facilities and supported the Green Bank's role in helping the issue get resolved. He suggested an area to look at is more battery storage projects to help facilitate information. Mackey Dykes responded to the Buy-All Sell-All issue which has not yet been resolved and elaborated more on the situation.

- Mackey Dykes summarized the FY2023 progress for CPACE projects both from CGB funded and private lenders. The number of projects closed was overall 65% and for capital deployed was overall 67% of the target met. He reviewed the performance to targets for the rest of the Financing Programs such as commercial lease, CPACE, SBEA, Multifamily Health and Safety, and Multifamily Term which was 96% to projects closed, 97% of capital deployed, and 165% of capacity installed. Lastly for the Vulnerable Community Capital Deployed, the Green Bank of what was deployed, 53% went to those communities, thereby exceeding the 40% goal.

### **b. C-PACE Transaction – East Lyme**

- Mackey Dykes summarized the details of the project needing \$564,311 for a 172kW Solar PV system and roof replacement with a SIR of 1.01. [REDACTED]

### **Resolution #5**

**WHEREAS**, pursuant to Connecticut General Statute Section 16a-40g (the "Statute"), the Connecticut Green Bank (Green Bank) is directed to, amongst other things, establish a commercial sustainable energy program for Connecticut, known as Commercial Property Assessed Clean Energy ("C-PACE");

**WHEREAS**, the Green Bank Board of Directors (the "Board") has approved a \$40,000,000 C-PACE construction and term loan program;

**WHEREAS**, the Green Bank seeks to provide a **\$564,311** construction and (potentially) term loan under the C-PACE program to Ledge Light Capital LLC, the building owner of 36 Industrial Park Road, East Lyme, Connecticut (the "Loan"), to finance the construction of specified clean energy measures in line with the State's Comprehensive Energy Strategy and the Green Bank's Strategic Plan; and

**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 execute and deliver the Loan in an amount not to be greater than one hundred ten percent of the Loan amount with terms and conditions consistent with the memorandum submitted to the Committee dated July 14, 2023, and as he or she shall deem to be in the interests of the Green Bank and the ratepayers no later than 120 days from the date of authorization by the Board of Directors;

**RESOLVED**, that before executing the Loan, the President of the Green Bank and any other duly authorized officer of the Green Bank shall receive confirmation that the C-PACE transaction meets the statutory obligations of the Statute, including but not limited to the savings to investment ratio and lender consent requirements; and



## Subject to Changes and Deletions

**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 instruments.

**Upon a motion made by Robert Hotaling and seconded by Adrienne Houël, the Board of Directors voted to approve Resolution 5. None opposed or abstained. Motion approved unanimously.**

### **c. C-PACE Transaction – Bridgeport**

- Catherine Duncan summarized the details of the project needing \$1,111,001 for a 334kW DC Solar PV system and roof improvements with a SIR of 1.08. It and the next 2 transactions are owned by the same holding company. [REDACTED]

### **Resolution #6**

**WHEREAS**, pursuant to Connecticut General Statute Section 16a-40g (the "Statute"), the Connecticut Green Bank (Green Bank) is directed to, amongst other things, establish a commercial sustainable energy program for Connecticut, known as Commercial Property Assessed Clean Energy ("C-PACE");

**WHEREAS**, the Green Bank Board of Directors (the "Board") has approved a \$40,000,000 C-PACE construction and term loan program;

**WHEREAS**, the Green Bank seeks to provide a **\$1,111,001** construction and (potentially) term loan under the C-PACE program to WR CT Avenue, LLC, the building owner of 1069 Connecticut Avenue, Bridgeport, Connecticut (the "Loan"), to finance the construction of specified clean energy measures in line with the State's Comprehensive Energy Strategy and the Green Bank's Strategic Plan; and

**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 execute and deliver the Loan in an amount not to be greater than one hundred ten percent of the Loan amount with terms and conditions consistent with the memorandum submitted to the Committee dated July 18, 2023, and as he or she shall deem to be in the interests of the Green Bank and the ratepayers no later than 120 days from the date of authorization by the Board of Directors;

**RESOLVED**, that before executing the Loan, the President of the Green Bank and any other duly authorized officer of the Green Bank shall receive confirmation that the C-PACE transaction meets the statutory obligations of the Statute, including but not limited to the savings to investment ratio and lender consent requirements; 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 instruments.

**Upon a motion made by Robert Hotaling and seconded by John Harrity, the Board of**



**Directors voted to approve Resolution 6. None opposed or abstained. Motion approved unanimously.**

**d. C-PACE Transaction – Bridgeport**

- Catherine Duncan summarized the details of the project needing \$2,041,992 for a 563kW solar array and roof improvements with an SIR of 1.01. [REDACTED]

**Resolution #7**

**WHEREAS**, pursuant to Connecticut General Statute Section 16a-40g (the "Statute"), the Connecticut Green Bank (Green Bank) is directed to, amongst other things, establish a commercial sustainable energy program for Connecticut, known as Commercial Property Assessed Clean Energy ("C-PACE");

**WHEREAS**, the Green Bank Board of Directors (the "Board") has approved a \$40,000,000 C-PACE construction and term loan program;

**WHEREAS**, the Green Bank seeks to provide a **\$2,041,992** construction and (potentially) term loan under the C-PACE program to WR CT Avenue, LLC, the building owner of 1085 Connecticut Avenue, Bridgeport, Connecticut (the "Loan"), to finance the construction of specified clean energy measures in line with the State's Comprehensive Energy Strategy and the Green Bank's Strategic Plan; and

**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 execute and deliver the Loan in an amount not to be greater than one hundred ten percent of the Loan amount with terms and conditions consistent with the memorandum submitted to the Committee dated July 18, 2023, and as he or she shall deem to be in the interests of the Green Bank and the ratepayers no later than 120 days from the date of authorization by the Board of Directors;

**RESOLVED**, that before executing the Loan, the President of the Green Bank and any other duly authorized officer of the Green Bank shall receive confirmation that the C-PACE transaction meets the statutory obligations of the Statute, including but not limited to the savings to investment ratio and lender consent requirements; 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 instruments.

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

**e. C-PACE Transaction – Danbury**



## Subject to Changes and Deletions

- Catherine Duncan summarized the details of the project needing \$2,424,500 for a 730kW solar array and roof improvements with a SIR of 1.01. [REDACTED]

### **Resolution #8**

**WHEREAS**, pursuant to Connecticut General Statute Section 16a-40g (the "Statute"), the Connecticut Green Bank (Green Bank) is directed to, amongst other things, establish a commercial sustainable energy program for Connecticut, known as Commercial Property Assessed Clean Energy ("C-PACE");

**WHEREAS**, the Green Bank Board of Directors (the "Board") has approved a \$40,000,000 C-PACE construction and term loan program;

**WHEREAS**, the Green Bank seeks to provide a \$2,424,500 construction and (potentially) term loan under the C-PACE program to 36 Kenosia Avenue Realty LLC, the building owner of 36 Kenosia Avenue, Danbury, Connecticut (the "Loan"), to finance the construction of specified clean energy measures in line with the State's Comprehensive Energy Strategy and the Green Bank's Strategic Plan; and

**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 execute and deliver the Loan in an amount not to be greater than one hundred ten percent of the Loan amount with terms and conditions consistent with the memorandum submitted to the Committee dated July 18, 2023, and as he or she shall deem to be in the interests of the Green Bank and the ratepayers no later than 120 days from the date of authorization by the Board of Directors;

**RESOLVED**, that before executing the Loan, the President of the Green Bank and any other duly authorized officer of the Green Bank shall receive confirmation that the C-PACE transaction meets the statutory obligations of the Statute, including but not limited to the savings to investment ratio and lender consent requirements; 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 instruments.

**Upon a motion made by Bettina Bronisz and seconded by Adrienne Houël, the Board of Directors voted to approve Resolution 8. None opposed or abstained. Motion approved unanimously.**

#### **f. C-PACE Transaction – Stamford**

- Catherine Duncan summarized the details of the project needing \$568,546 for a 215.3kW DC Solar PV system with a SIR of 1.39. [REDACTED]



**Resolution #9**

**WHEREAS**, pursuant to Connecticut General Statute Section 16a-40g (the "Statute"), the Connecticut Green Bank (Green Bank) is directed to, amongst other things, establish a commercial sustainable energy program for Connecticut, known as Commercial Property Assessed Clean Energy ("C-PACE");

**WHEREAS**, the Green Bank Board of Directors (the "Board") has approved a \$40,000,000 C-PACE construction and term loan program;

**WHEREAS**, the Green Bank seeks to provide a **\$568,546** construction and (potentially) term loan under the C-PACE program to Benjamin Properties LLC, the building owner of 397 West Avenue, Stamford, Connecticut (the "Loan"), to finance the construction of specified clean energy measures in line with the State's Comprehensive Energy Strategy and the Green Bank's Strategic Plan; and

**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 execute and deliver the Loan in an amount not to be greater than one hundred ten percent of the Loan amount with terms and conditions consistent with the memorandum submitted to the Committee dated July 14, 2023, and as he or she shall deem to be in the interests of the Green Bank and the ratepayers no later than 120 days from the date of authorization by the Board of Directors;

**RESOLVED**, that before executing the Loan, the President of the Green Bank and any other duly authorized officer of the Green Bank shall receive confirmation that the C-PACE transaction meets the statutory obligations of the Statute, including but not limited to the savings to investment ratio and lender consent requirements; 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 instruments.

**Upon a motion made by John Harrity and seconded by Bettina Bronisz, the Board of Directors voted to approve Resolution 9. None opposed or abstained. Motion approved unanimously.**

**g. C-PACE Transaction – New Britain**

- Catherine Duncan summarized the details of the project needing \$680,572 for a 227kW DC Solar PV system and roof improvements with a SIR of 2.02. [REDACTED]

**Resolution #10**



## Subject to Changes and Deletions

**WHEREAS**, pursuant to Connecticut General Statute Section 16a-40g (the "Statute"), the Connecticut Green Bank (Green Bank) is directed to, amongst other things, establish a commercial sustainable energy program for Connecticut, known as Commercial Property Assessed Clean Energy ("C-PACE");

**WHEREAS**, the Green Bank Board of Directors (the "Board") has approved a \$40,000,000 C-PACE construction and term loan program;

**WHEREAS**, the Green Bank seeks to provide a **\$680,572** construction and (potentially) term loan under the C-PACE program to E.R. Hitchcock Co Inc., the building owner of 191 John Downey Drive, New Britain, Connecticut (the "Loan"), to finance the construction of specified clean energy measures in line with the State's Comprehensive Energy Strategy and the Green Bank's Strategic Plan; and

**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 execute and deliver the Loan in an amount not to be greater than one hundred ten percent of the Loan amount with terms and conditions consistent with the memorandum submitted to the Committee dated July 14, 2023, and as he or she shall deem to be in the interests of the Green Bank and the ratepayers no later than 120 days from the date of authorization by the Board of Directors;

**RESOLVED**, that before executing the Loan, the President of the Green Bank and any other duly authorized officer of the Green Bank shall receive confirmation that the C-PACE transaction meets the statutory obligations of the Statute, including but not limited to the savings to investment ratio and lender consent requirements; 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 instruments.

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

### **6. Incentive Updates and Recommendations** **a. FY 2023 Report Out – Incentive Programs**

- Sergio Carrillo summarized the performance to targets for Incentive Programs, all of which were exceeded overall with 120% to target for projects closed, 104% for capital deployed, and 103% for capacity installed. The ESS Residential program fell a bit short but Smart-E performed very well. He commented on the unanticipated success of the ESS Commercial program which continues to be in high demand. Of the capital deployed, 38% was applied to vulnerable communities, just 2% short of the 40% goal.

- John Harry expressed his concerns with the process to solve the interconnectivity issues and high costs. Sergio Carrillo sympathized with his concern but stated that the Green Bank is working with the utilities to develop solutions.

- Robert Hotaling asked if the issue with interconnect backlog related to cost, lack of material, or lack of resources. Sergio Carrillo answered that he feels it is a combination of



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all of these factors, but lack of personnel resources and lack of understanding is certainly an issue.

- Robert Hotaling asked if the residential interconnects are the same who do commercial interconnects. Sergio Carrillo stated he believes it is different groups. Bryan Garcia added that there are many projects in the interconnection queues and asked if there are other policy objectives being met, such as On the Grid Edge, etc. Sergio Carrillo responded that his understanding of the process is a first-in, first-out approach and that both solar and ESS projects are behind other projects that may need recommendations and suggested the possibility of making a separate ESS interconnectivity queue.

- Hank Webster and Bryan Garcia discussed in the chat the validity of and concern about the shortage of personnel due to the de-emphasis of power engineering education as other forms of engineering were emphasized instead.

- b. **ESS Transaction – ESS-00309 - Suffield**
- c. **ESS Transaction – ESS-00376 - Meriden**
- d. **ESS Transaction – ESS-00377 - Meriden**
- e. **ESS Transaction – ESS-00522 - Thompson**
- f. **ESS Transaction – ESS-00525 - Milford**
- g. **ESS Transaction – ESS-00637 - Newington**

- Edward Kranich reviewed the details of each of the projects including the customer, location, system size, total cost, benefit and cost ratios, and the overall upfront incentive cost request for all 6 projects of \$6,837,402.50. Each project utilizes a Tesla Mega Pack or some configuration of multiple Tesla Mega Packs. Sergio Carrillo added that the expected performance incentives are in nominal dollars so in present value it would be about two-thirds of what is listed and that the RIM target for the portfolio is 1.4 and with these projects in total, it is well above that.

- John Harry commented that it is exciting to see manufacturers investing in non-fossil fuel power generation. Lonnie Reed also expressed her praise for how many different communities it is also affecting.

### **Resolution #11**

**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, 2022 meeting the Board approved updated Procedures to better align with the Program process;

**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 \$625,000 and intends to issue Reservation of Fund letters upon Board of Directors review and authorization.



## Subject to Changes and Deletions

**NOW**, therefore be it:

**RESOLVED**, that the Board hereby approves the estimated upfront incentives sought by three (3) non-residential projects above \$500,000 totaling \$5,779,813 consistent with the approved Procedures;

**RESOLVED**, that the Board hereby approves the estimated upfront incentives sought by three (3) non-residential projects individually under \$500,000, totaling \$1,057,500 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 Robert Hotaling, the Board of Directors voted to approve Resolution 11. None opposed or abstained. Motion approved unanimously.**

### **7. Investment Programs Updates and Recommendations** **a. FY 2023 Report Out – Investments**

- Eric Shrago summarized the performance to targets for FY2023 and the New Commitments and Cash-Out-the-Door (Previous Commitments) targets have been exceeded for the year. He stated the 40% Vulnerable Communities target is also being met.

### **b. SkyView Ventures – Transaction Modification**

- Louise Della Pesca summarized the transaction modification request, starting with the project history. What is requested to change is that SkyView Ventures seeks to monetize federal investment tax credits in new ways since the passing of the Inflation Reduction Act which requires a new special purpose vehicle in order to allow them to sell those credits. The loan facility size, diligence process, and other aspects are not changing.
  - Bettina Bronisz asked for clarification regarding the SPV. Louise Della Pesca responded that nothing will be changing with the old SPV but this would affect the new SPV.
  - Bettina Bronisz asked how much of the \$10 million has been drawn and is leftover for the new SPV. Louise Della Pesca responded they have drawn \$6.6 million but have repaid \$800,000 and because of how it is structured, they can use \$4.2 million.
  - Bert Hunter asked if the borrowing can also be between the two facilities and Louise Della Pesca responded that yes if that was the request, but that the new SPV is what is expected to be used for solar projects.

### **Resolution #12**

**WHEREAS**, the Connecticut Green Bank (“Green Bank”) Board of Directors 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



## Subject to Changes and Deletions

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, then to \$7M and then to \$10M with a provision for funding commercial solar project construction activities (the "Existing Loan"), as approved by the Board at its meetings on April 24 and October 23, 2020, December 17, 2021, and April 21, 2023 respectively;

**WHEREAS**, Skyview has drawn \$6.6M of the Existing Loan commitment as of June 30, 2023 and now seeks a new ways to monetize the federal investment tax credit ("ITC"), meaning that a new special purpose vehicle ("New SPV") will be established for the purpose of owning any solar projects it develops in the future;

**WHEREAS**, given the rate of utilization of the Existing Loan by Skyview for longer term financing of commercial solar projects, and the opportunity to provide construction financing for Skyview's pipeline, following diligence of Green Bank staff, Green Bank staff proposes providing financing to the new SPV that Skyview will establish to monetize the ITC and staff requests Board approval.

**NOW**, therefore be it:

**RESOLVED**, that the Board approves staff's request to modify the Existing Loan transaction consistent with the memorandum to the Board dated July 14, 2023 ("Board Memo"), to provide financing to New SPV;

**RESOLVED**, that the President of the Green Bank; and any other duly authorized officer of the Green Bank, is authorized to execute and deliver, any contract or other legal instrument necessary to affect the modification of the Existing Loan transaction 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 Adrienne Houël and seconded by Robert Hotaling, the Board of Directors voted to approve Resolution 12. None opposed and Matthew Ranelli abstained. Motion approved.**

### c. Smart-E Loan – Interest Rate Change

- Bert Hunter summarized the Smart-E loan program history and issue around rising interest rates over the last year. He stated lenders have expressed concerns regarding that and the Smart-E loan maintaining their "not-to-exceed" rates which have held steady since the program's inception and affects the lenders' capacity. He stated there was a link-deposit program developed which was implemented on a case-by-case basis, but in recent weeks have come under pressure to provide more headroom to the rates. He reviewed the proposed new Smart-E rates, including new not-to-exceed rates, which should give enough relief.

- Matthew Ranelli asked if the rates should be adjusted to be the lower proposed option or to match the federal rate so that if in the future interest rates go down, the level they get set to today aren't seen as excessively high. Bert Hunter responded the



## Subject to Changes and Deletions

hesitation to set that in writing is because the yield curve can affect the rates in unexpected ways, and it may be better to observe the changes cautiously for now.

### **Resolution #13**

**WHEREAS**, the Deployment Committee of the Board of Directors (the “Board”) of the Green Bank (then known as the “Clean Energy Finance and Investment Authority”) on November 30, 2012 approved the establishment of the Smart-E Loan product (then called “CT HELPs”, the “Smart-E Program”);

**WHEREAS**, since approval by the Deployment Committee, the Smart-E Loan program has been expanded by the Board in partnership with Connecticut community banks and credit unions (the “Program Lenders”);

**WHEREAS**, as a condition to participation in the Smart-E Program, Program Lenders enter into a financing program agreement (the “Program Agreement”) with the Green Bank concerning terms, conditions, roles and responsibilities of the Program Lenders and the Green Bank;

**WHEREAS**, one of the terms in the Program Agreement is the establishment of “not to exceed” loan rates (“Program Loan Interest Rates”), whereby the Program Lenders agree to not exceed the interest rates established pursuant to the Program Agreement for Smart-E Loans they provide for their customers;

**WHEREAS**, the Program Agreement establishes that such Program Loan Interest Rates can be changed by the Board of Directors of the Green Bank;

**WHEREAS**, after many years of low and stable interest rates, the Federal Reserve Board of the United States has materially increased interest rates for federal funds and instituted other restrictive monetary policies which have resulted in substantial increases in interest rates for loans to households and businesses as well as interest rates on deposits by which Program Lenders obtain funding for their loans, including Smart-E Loans;

**WHEREAS**, without an increase in Program Loan Interest Rates, Program Lenders have advised the Green Bank they will need to withdraw from the Smart-E Program or otherwise suspend or curtail their participation in the Smart-E Program;

**WHEREAS**, such withdrawal, suspension or curtailment would be detrimental to the Smart-E Program goals to make available funding for households seeking to undertake clean energy investments for their homes;

**WHEREAS**, after considerable discussion with Program Lenders, Green Bank staff has determined that it is appropriate to recommend to the Board for approval modification of the Program Loan Interest Rates as set forth in a memorandum to the Board dated July 14, 2023;

**NOW**, therefor be it:

**RESOLVED**, that the Board approves the recommendation by the staff to increase Smart-E Loan Program Loan Interest Rates as set forth in a memorandum to the Board dated July 14, 2023 (the “Board Memo”);



## Subject to Changes and Deletions

**RESOLVED**, that the President of the Green Bank; and any other duly authorized officer of the Green Bank, is authorized to execute and deliver, any contract or other legal instrument necessary to affect the modification of the Smart-E Loan Program Loan Interest Rates 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 Robert Hotaling, the Board of Directors voted to approve Resolution 13. None opposed or abstained. Motion approved unanimously.**

Brenda Watson left the meeting at 10:58 am.  
Matthew Ranelli left the meeting at 11:00 am.

### **8. Environmental Infrastructure Programs Updates and Recommendations** **a. FY 2023 Report Out – Environmental Infrastructure Programs**

- Bryan Garcia summarized the progress for the last two fiscal years including governance, bond potential, developing products, stakeholder engagement, a strategic retreat, building the team, continuing engagement, raising resources, launching new products, and conducting research and development.

### **b. Sustainable CT**

- Bryan Garcia reviewed the progress towards community engagement through Sustainable CT and the partnership which also focuses on driving investment, harnessing capital for impact, developing a model which covers the cost of the program, and creating a measurable impact for municipalities and communities. He summarized the key outcomes and impact from the work this past year. He also reviewed the goals for the upcoming year.
  - Lonnie Reed asked if a community anaerobic digester component is possible at all. Bryan Garcia responded that for Sustainable CT and environmental infrastructure, the push is to get communities to think more about composting which then should transfer to municipalities doing more and will hopefully lead to smaller projects driving the ability to create larger infrastructure projects.

### **Resolution #14**

**WHEREAS**, the Comprehensive Plan and FY 2024 budget identify Sustainable CT as a partner of the Connecticut Green Bank ("Green Bank"), including an allocation of \$150,000 from the FY 2024 Marketing budget;

**WHEREAS**, Connecticut Green Bank ("Green Bank") staff has submitted to the Green Bank Board of Directors (the "Board") a proposal for Green Bank to enter into a grant agreement with Sustainable CT for \$150,000 for programmatic purposes in order to increase our impact by applying the green bank model through Sustainable CT's programs as explained in a memorandum to the Board dated July 18, 2023;



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**WHEREAS**, Sustainable CT satisfies all criteria of the Strategic Selection and Award process of Green Bank operating procedures, namely: (1) special capabilities, (2) uniqueness, (3) strategic selection, (4) multiphase, follow-on investment and (5) urgency and timeliness;

**WHEREAS**, Green Bank staff recommends that the Board approve a grant between the Green Bank and Sustainable CT, generally in accordance with memorandum summarizing the grant to the Board in a memorandum dated July 18, 2023; and

**WHEREAS**, Green Bank would benefit from Sustainable CT's public awareness and engagement program to increase participation in and development of Green Bank's incentive and financing programs, especially those in development for environmental infrastructure. Through the partnership, Green Bank and Sustainable CT are driving investment in projects in communities throughout the state.

**NOW**, therefore be it:

**RESOLVED**, that the Board approves Green Bank staff to enter into a grant agreement with Sustainable CT as a strategic selection;

**RESOLVED**, that the President, Chief Investment Officer and General Counsel of Green Bank, and any other duly authorized officer of Green Bank, is authorized to execute and deliver on behalf of Green Bank any of the definitive agreements related to the Sustainable CT grant agreement and any other agreement, contract, legal instrument or document as he or she shall deem necessary or appropriate and in the interests of Green Bank and the ratepayers in order to carry out the intent and accomplish the purpose of the foregoing resolutions; and

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

**Upon a motion made by John Harrity and seconded by Adrienne Houël, the Board of Directors voted to approve Resolution 14. None opposed or abstained. Motion approved unanimously.**

Bettina Bronisz left the meeting at 11:11 am.

### 9. Other Business

#### a. Greenhouse Gas Reduction Fund – Federal Engagement

- Bryan Garcia stated that the Greenhouse Gas Reduction Fund is fully established and there is now an internal team as part of the Dream Bigger Strategy. The focus is now to work with the inner agency consortium on the Solar For All request and support DEEP through that.
  - John Harrity suggested that for the CPACE program, to target the marijuana growers of Connecticut for solar.

#### b. Other Business



## Subject to Changes and Deletions

- Bryan Garcia commented there may be progress to bring Committee Meetings and Board Meetings in-person again for those who are able to.

Robert Hotaling left the meeting at 11:13 am.

### 10. Adjourn

**Upon a motion made by John Harrity and seconded by Adrienne Houël, the Board of Directors meeting adjourned at 11:16 am.**

Respectfully submitted,

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Lonnie Reed, Chairperson





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

Thursday, August 3, 2023  
1:30 pm – 2:00 pm

A special meeting of the Board of Directors of the **Connecticut Green Bank** (the “Green Bank”) was held on August 3, 2023.

Board Members Present: Dominick Grant, Thomas Flynn, John Harrity, Robert Hotaling, Lonnie Reed, Brenda Watson, Hank Webster, Joanna Wozniak-Brown

Board Members Absent: Bettina Bronisz, Adrienne Houël, Matthew Ranelli

Staff Attending: David Beech, Larry Campana, Brian Farnen, Bryan Garcia, Bert Hunter, Cheryl Lumpkin, Jane Murphy, Ariel Schneider, Eric Shrago, Dan Smith

Others present:

**1. Call to Order**

- Lonnie Reed called the meeting to order at 1:35 pm.

**2. Public Comments**

- No public comments.

**3. Investment Programs Updates and Recommendations**

**a. PosiGen – Participation in Bridge Financing**

- Larry Campana summarized the history of changes to the PosiGen portfolio and recapitalization update leading to the proposed incremental investment of \$121,000. The Green Bank’s current investment is \$245,000 and the proposal is structured to maintain the Green Bank’s ownership position and avoid dilution. PosiGen is looking to do a Series 2 offering between \$350 million and \$450 million evaluation, which could lead to a gain for the Green Bank of approximately \$1 million.
  - Lonnie Reed asked for clarification about PosiGen’s situation given the Inflation Reduction Act and why this is a wise investment. Bert Hunter added that there are federal investment tax credit adders which could benefit several communities within Connecticut so the IRA has been extremely beneficial for PosiGen, despite issues with



## Subject to Changes and Deletions

their supply chain and closing tax equity, which have caused liquidity concerns that are actively being addressed.

- Thomas Flynn asked for more details about PosiGen's performance until now. Bert Hunter responded that PosiGen has been performing on budget and that they are current in all their Green Bank financing agreements. Thomas Flynn asked for more information about the public perception of this transaction. Bert Hunter responded that it is perceived very favorably – and noted a recent visit by the Secretary of the Treasury of the United States, Janet Yellen, to PosiGen's headquarters in Louisiana as being indicative of the good standing of the company. He also said that PosiGen is in the process of submitting "Part 2" or a 2-part application to the United States Department of Energy's Loan Production Office under Title 17 using the State Energy Financing Institution provisions which will utilize Green Bank financing (with participation by other lenders).

- John Harry expressed concern about the perception of PosiGen's anti-union stance and management style. Bert Hunter offered to discuss it further offline and stated the facilities from the DOE LPO and the Inflation Reduction Act will require prevailing wage, Davis Bacon, and other federal requirements that are favorable to labor and that he hasn't been made aware of any other issues concerning unions but is willing to explore it further. John Harry stated he would provide more information on the matter.

### **Resolution #1**

**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 (the "Board") previously authorized approval for Green Bank's participation in equity financing through the exercise of warrants for 500,000 shares of Series D-3B of PosiGen, Inc. which was exercised in February 2021 (the "Prior Preferred Shares");

**WHEREAS**, in June 2023 PosiGen has exchanged the Prior Preferred Shares for 7,500,000 shares of common stock of PosiGen Inc. and the opportunity to purchase Series 1 Preferred Stock;

**WHEREAS**, staff has analyzed a range of potential economic outcomes that could result from the Green Bank's participation (or not) in the Series 1 Preferred Stock and related financing and has concluded that the investment risk is worth the potential upside return associated with the incremental investment, and recommends the Board approve the incremental investment not to exceed \$125,000 as more fully explained in a memorandum to the Board dated August 2, 2023;

**NOW**, therefore be it:

**RESOLVED**, that the Board authorizes the Green Bank to enter into the Amended and Restated Note Purchase Agreement with PosiGen Inc. and other investors to fully participate in the purchase of a secured convertible promissory note of PosiGen Inc. not to exceed \$125,000, as set forth in the Board Memo;



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**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 Robert Hotaling and seconded by Thomas Flynn, the Board of Directors voted to approve Resolution 1. None opposed or abstained. Motion approved unanimously.

Thomas Flynn left the meeting at 1:53 pm.

### **4. Executive Session – Personnel Related Matter**

Upon a motion made by John Harrity and seconded by Brenda Watson, the Board of Directors entered Executive Session at 1:54 pm.

The Board of Directors returned from Executive Session at 2:10 pm.

### **Resolution #2**

**RESOLVED**, that the Green Bank Board hereby approves of the discussed severance agreement.

Upon a motion made by Brenda Watson and seconded by Joanna Wozniak-Brown, the Board of Directors voted to approve Resolution 2. None opposed or abstained. Motion approved unanimously.

### **5. Adjourn**

Upon a motion made by Brenda Watson and seconded by Robert Hotaling, the Board of Directors meeting adjourned at 2:11 pm.

Respectfully submitted,

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Lonnie Reed, Chairperson



75 Charter Oak Avenue, Suite 1- 103, Hartford, CT 06106  
T 860.563.0015  
ctgreenbank.com



## Memo

**To:** Board of Directors of the Connecticut Green Bank – Deployment Committee of the Connecticut Green Bank

**From:** Bryan Garcia (President and CEO)

**CC:**

**Date:** October 13, 2023

**Re:** Approval of Funding Requests below \$500,000 and No More in Aggregate than \$1,000,000 – Update

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At the October 20, 2017 Board of Directors (BOD) meeting of the Connecticut Green Bank ("Green Bank") it was resolved that the BOD approves the authorization of Green Bank staff to evaluate and approve funding requests less than \$500,000 which are pursuant to an established formal approval process requiring the signature of a Green Bank officer, consistent with the Comprehensive Plan, approved within Green Bank's fiscal budget and in an aggregate amount not to exceed \$1,000,000 from the date of the last Deployment Committee meeting. This memo provides an update on funding requests below \$500,000 that were evaluated and approved. During this period, 1 project was evaluated and approved for funding in an aggregate amount of approximately \$109,180. If members of the board or committee would be interested in the internal documentation of the review and approval process Green Bank staff and officers go through, then please request it.

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## 1520 Highland Ave: A C-PACE Project in Cheshire, CT

Address	1520 Highland Ave, Cheshire, CT 06410	
Owner	Gra-Mar, LLC	
Proposed Assessment	\$109,180	
Term (years)	10	
Term Remaining (months)	120	
Annual Interest Rate <sup>1</sup>	4.75%	
Annual C-PACE Assessment	\$22,853	
Savings-to-Investment Ratio	1.01	
Average DSCR	[REDACTED]	
Lien-to-Value	[REDACTED]	
Loan-to-Value	[REDACTED]	
Projected Energy Savings (mmBTU)		EE
	Per year	140
	Over EUL	2,093
Estimated Cost Savings (incl. ZRECs and tax benefits)	Per year	\$7,475
	Over EUL	\$138,934
Objective Function	11.93 kBTU / ratepayer dollar at risk	
Location	Cheshire, CT	
Type of Building	Office Real Estate	
Year of Build	1989	
Building Size (sf)	19,960	
Year Acquired by Owner	2019	
As-Complete Appraised Value <sup>2</sup>	\$2,050,030	
Mortgage Lender Consent	[REDACTED]	
Proposed Project Description	Rooftop HVAC Unit	
Est. Date of Construction Completion	December 31, 2023	
Current Status	Pending- Staff Approval	
Energy Contractor	[REDACTED]	
Notes		

Commented [ER1]: Wait for technical review

[REDACTED]



### **Resolution**

**WHEREAS**, on January 18, 2013, the Connecticut Green Bank (the “Green Bank”) Board of Directors (the “Board”) authorized the Green Bank staff to evaluate and approve funding requests less than \$300,000 which are pursuant to an established formal approval process requiring the signature of a Green Bank officer, consistent with the Green Bank Comprehensive Plan, approved within Green Bank’s fiscal budget and in an aggregate amount not to exceed \$500,000 from the date of the last Deployment Committee meeting, on July 18, 2014 the Board increased the aggregate not to exceed limit to \$1,000,000 (“Staff Approval Policy for Projects Under \$300,000”), on October 20, 2017 the Board increased the finding requests to less than \$500,000 (“Staff Approval Policy for Projects Under \$500,000”); and

**WHEREAS**, Green Bank staff seeks Board review and approval of the funding requests listed in the Memo to the Board dated October 20, 2023 which were approved by Green Bank staff since the last Deployment Committee meeting and which are consistent with the Staff Approval Policy for Projects Under \$500,000;

**NOW**, therefore be it:

**RESOLVED**, that the Board approves the funding requests listed in the Memo to the Board dated October 13, 2023 which were approved by Green Bank staff since the last Deployment Committee meeting. The Board authorizes Green Bank staff to approve funding requests in accordance with the Staff Approval Policy for Projects Under \$500,000 in an aggregate amount to exceed \$1,000,000 from the date of this Board meeting until the next Deployment Committee meeting.





## Memo

**To:** Board of Directors of the Connecticut Green Bank  
**From:** Lucy Charpentier, Bryan Garcia, Sergio Carrillo, and Eric Shrago  
**Cc:** Mackey Dykes, Brian Famen, and Bert Hunter  
**Date:** October 13, 2023  
**Re:** Incentive Programs – Program Performance towards Targets for FY 2023 – ~~Preliminary~~Final

### Overview

FY 2023 Incentive Program targets and performance are focused on Smart-E and the Energy Storage Solutions (ESS) Program, the battery storage incentive program that launched in January 2022. These programs are grant or subsidy program(s) (including credit enhancements – interest rate buydowns and loan loss reserves) that deploy clean energy, while at the same time cost recover expenses associated with these programs within the business unit – including, but not limited to, incentives, administrative expenses, and financing expenses, as well as loan loss reserves on the balance sheet.

### Performance Targets and Progress<sup>1</sup>

With respect to the Comprehensive Plan approved by the Board of Directors of the Green Bank on June 24, 2022 and revised on January 20, 2023 the following are the performance targets for FY 2023 and progress made to targets for the Incentive Programs (see Table 1) as of June 30, 2023.

**Table 1. Program Performance Targets and Progress Made to the Comprehensive Plan for FY 2023**

Key Metrics	Program Performance Revised Targets	Program Progress <sup>2</sup>	% of Goal
Capital Deployed <sup>3</sup>	\$97,369,623	<del>\$101,566,047</del> \$101,629,843	104%

<sup>1</sup> This memo ~~restates the numbers presented in the July Board Meeting's preliminary. An updated final memo will be produced for the October Board Meeting~~ and it will be used as part of our process for employee evaluation and merit compensation.

<sup>2</sup> Includes only closed transactions. ESS projects are considered closed when the application for upfront incentives are approved.

<sup>3</sup> Capital Deployed is used to measure Investment actuals to targets and it includes fees related to financing costs and adjustments for which are not included in the Gross System Cost. It represents: the Amount Financed or Gross System Cost (whichever is greater) for CPACE, the Amount Financed for Residential financing products and the Gross System Cost for all other programs.



Key Metrics	Program Performance Revised Targets	Program Progress <sup>2</sup>	% of Goal
Investment at Risk <sup>4</sup>		<del>\$21,844,198</del> \$21,841,648	
Private Capital <sup>5</sup>		<del>\$84,527,046</del> \$84,564,852	
Deployed (MW)	49.9	<del>51.5</del> 51.4	103%
# of Loans/Projects	1,180	<del>1,603</del> 1,608	136%
Leverage Ratio		4.9	

In summary, for Incentive Programs in FY 2023, there were 1, ~~608~~603 projects (achieving 136% of the goal) requiring \$101.6M of investment (achieving 104% of the goal) that led to the deployment of ~~51.4~~51.5 MW of clean energy (achieving 103% of the goal), that delivered a leverage ratio of 4.9 for private to public funds invested. It should be noted that although the projects are approved for incentives through ESS, and considered closed per the Green Bank process, that many the majority of the projects are not installed, nor operational. Many, if not all, of the non-residential battery storage systems are in the interconnection queue with the EDCs seeking review and approval to interconnect. These queues are long and pose a risk to project completion.

### Executive Summary for the Incentive Programs

- Public Act 21-53, An Act Concerning Energy Storage, passed by the Connecticut General Assembly in the 2021 legislative session and signed into law by Governor Lamont on June 16, 2021, set energy storage deployment targets of 300 MW by 2024, 650 MW by 2027, and 1000 MW by 2030. Shortly after, PURA issued a Proposed Final Decision in Docket No. 17-12-03RE03 on July 1, 2021, establishing a battery storage program for the state aimed at deploying 580 MW of behind-the-meter (BTM) battery storage by 2030. As of June 30, 2023, there is ~~FX~~51.450.9 MW of battery storage from ESS towards the 300 MW by 2024 public policy goal – ~~FX~~17% of the target.
- During FY23, the commercial and industrial (C&I) portion of the ESS Program saw an unanticipated interest level. By March of 2023, the Program had approved projects for the 50 MW of storage capacity available in Tranche 1 for the 2022-2024 period, and Program Administrators made the decision to open the second tranche of C&I capacity. The 100 MW of storage capacity in Tranche 2, originally scheduled to be available for the 2025-2027 timeframe, opened on March 15, 2023.
- In FY23, the ESS program approved a total of 30 non-residential applications totaling 49.6 MW of capacity, of ~~f~~ which 41.3 MW belonged to Tranche 1, and the remaining 8.3 MW to Tranche 2.
  - The average size of a non-residential project application is 583.7 kW of power rating for small<sup>6</sup> size customers; 1,836 kW for medium size customers; and 2,069.4 kW for large size customers

<sup>4</sup> Includes funds from the Clean Energy Fund, RGGI allowance revenue, and other resources that are managed by the Connecticut Green Bank that are committed and invested in subsidies, credit enhancements, and loans and leases, which are cost recoverable.

<sup>5</sup> Private Investment is based on the Gross System Cost and includes adjustments related to financing costs.

<sup>6</sup> Small customers with annual peak demand less than 250 kW, medium customers with annual peak demand between 250 kW and 500 kW; and large customers with annual peak demand ~~greater~~ greater than 500 kW.



- The average system capacity of a non-residential project application is 2,412.9 kWh of energy capacity for small customers, 5,735.6 kWh for medium customers; and 5,728.9 kWh for large customers.
- In FY23, the ESS program approved a total of ~~468-328~~ residential ~~projects-applications~~ totaling ~~4.42.2~~ MW of installed capacity.
  - The average size of a residential system is 8.1 kW of power rating and 18.5 kWh of energy capacity.
  - One residential application was a mixed-use residential and commercial facility that included a multi-family affordable building and a charter school. The multi-family building, designated as an Underserved Community, located in Bridgeport, contributed 161 residential units to the program statistics.
  - Deployment in Vulnerable communities (e.g. Underserved communities and low-income communities) accounts for 188 projects, which represents 35.5% of the total residential projects, and it's an important step in meeting the programmatic target of 40% deployment in Vulnerable Communities.
- Between residential and non-residential projects, Green Bank staff has committed more than \$21 million in upfront incentives, while at the same time enabled capital deployment of more than \$78 million.

#### Energize CT Smart-E Loan

- **Volume:** With increased expectations around demand, targets for FY2023 for Smart-E were raised. As a result of the 'Special Offer' that concluded at the end of CY 2022 (an interest rate buy down to 2.99% for certain qualifying technologies) plus consistent volume throughout the year, Smart-E exceeded it's targets with ~~1,439,129~~ 1,249,243 loans (~~439,129~~) for ~~\$23,423.3~~ million (exceeding the \$14.9 million target by 156%) and delivered 0.5 MW of solar capacity surpassing the target by 252%.
- **Deployment of ARRA-SEP Funds:** The interest rate buydown special offers that took place during FY 2023 resulted in a total disbursement of \$ 562,949.97 committed in FY 2023 for 235 closed loans across the nine participating Smart-E lenders.
- **Contractor Outreach:** The Smart-E program team prioritized contractor outreach in FY 2023 to ensure continued engagement with the program. This broader outreach has focused on the program process and how to better serve customers. The program team has been working on a review with Catalyst Consulting that is presently wrapping up and has flagged opportunities to make the program run more smoothly and to grow.
- **Lender Outreach:** The program team did a review of activity and check-in with all participating lenders to further identify opportunities for efficiency and growth.

The following are brief descriptions of the progress made under the last comprehensive plan for the Incentive Programs:

#### Energize CT Smart-E Loan

A credit enhancement program that uses a loan loss reserve to attract private capital from local credit unions and community banks. The product provides low interest (i.e. 4.49-6.99%) unsecured loans at flexible terms (i.e. between 5 to 20 years) for technologies that are consistent with the goals of the Comprehensive Energy Strategy. Occasionally, the Smart-E



program offers special financing rates to promote certain technologies using ARRA funds for interest rate buydowns.

**Table 4. Energize CT Smart-E Loan Overview for FY 2023<sup>7</sup>**

Program Data	Approved <sup>8</sup>	Closed	Total
Projects	758,650	1,243,124	2,001,774
Installed Capacity (MW)	0.204	0.505	0.809
Lifetime Clean Energy Produced (MWh)	15,142,349	104,835,404	119,977,753
Annual Combined Energy Generated & Saved (MMBtu)	51,305,115	17,523,174	68,828,289
Subsidies (\$'s)	\$0	\$0	\$0
Credit Enhancement (\$'s)	\$4,318	\$0	\$4,318
Loans or Leases (\$'s)	\$0	\$0	\$0
Total Green Bank Investment (\$'s)	\$4,318	\$0	\$4,318
Private Capital (\$'s)	\$14,094,974	\$28,138,466	\$42,233,440
Direct Job Years	104	81,459	91,464
Indirect & Induced Job Years	125	99,207	111,213
Lifetime Tons of CO2 Emissions	7,073,213	46,320,757	53,392,970

**Table 5. Energize CT Smart-E Loans by Channel for FY 2023**

Smart-E Loan Channel	Closed	% of All Loans
Battery Storage	5	0%
EV	0	0%
Health And Safety	5	0%
Home Performance	929	7%
HVAC	1,078,076	87%
Solar	624	5%
Unknown <sup>9</sup>	12	0%
Total	1,243,124	100%

**Table 6. Energize CT Smart-E Credit Scores for FY 2023**

Credit Ranges										
Unknown	-579	580-599	600-639	640-679	680-699	700-719	720-739	740-779	780+	Grand Total
1	20	9	36	91	128	137	133	345	366	1,249

For a breakdown of Smart-E loan volume and investment, see Table 7 for Vulnerable Communities, Table 8 for Above/Below 100% LMI, Table 9 for Above/Below 80% and Table 10 for Environmental Justice Communities as designated by DECD and DEEP. It should be noted that Smart-E is not an income targeted program and only in the second half of FY18 began offering the expanded credit-challenged version of the program, opening new opportunities to partner with mission-oriented lenders focused on reaching consumers in underserved lower income markets.

<sup>7</sup> All lender data as of 6/30/2023 except for Capital for Change and Nutmeg State Financial Credit Union.

<sup>8</sup> This represents projects that are currently approved but not closed. It does not include projects that were approved but have since closed.

<sup>9</sup> Channel not known due to trailing documentation/timing of data pull.



**Table 7. Energize CT Smart-E Closed Activity in Vulnerable Communities for FY 2023**

Designation	# of Project Units	% Project Unit Distribution	Installed Capacity (MW)	% MW Distribution	Total Investment	% Investment Distribution
Vulnerable	479514	39%41%	0.10.2	29%32%	\$9,279,959 \$40,127,310	33%36%
Not Vulnerable	764735	61%59%	0.40.3	71%68%	\$18,858,507 \$18,051,511	67%64%
<b>Total</b>	<b>1,2431,249</b>	<b>100%100%</b>	<b>0.50.5</b>	<b>100%100%</b>	<b>\$28,138,466</b> <b>\$28,178,822</b>	<b>100%100%</b>

**Table 8. Energize CT Smart-E Closed Activity in Metropolitan Statistical Area (MSA) Area Median Income (AMI) Bands Above or Below 100% LMI for FY 2023**

LMI Designation	# of Project Units	% Project Unit Distribution	Installed Capacity (MW)	% MW Distribution	Total Investment	% Investment Distribution
Below 100% AMI	335410	27%33%	0.10.1	22%26%	\$6,315,873 \$7,980,325	22%28%
Above 100% AMI	905813	73%65%	0.40.4	76%69%	\$21,762,344 \$19,593,404	77%70%
Unknown	326	0%2%	0.00.0	1%4%	\$60,248 \$605,092	0%2%
<b>Total</b>	<b>1,2431,249</b>	<b>100%100%</b>	<b>0.50.5</b>	<b>100%100%</b>	<b>\$28,138,466</b> <b>\$28,178,822</b>	<b>100%100%</b>

**Table 9. Energize CT Smart-E Closed Activity in Metropolitan Statistical Area (MSA) Area Median Income (AMI) Bands Above or Below 80% CRA for FY 2023**

CRA Designation	# of Project Units	% Project Unit Distribution	Installed Capacity (MW)	% MW Distribution	Total Investment	% Investment Distribution
Below 80% AMI	163162	13%13%	0.00.1	10%11%	\$2,959,425 \$2,930,033	11%11%
Above 80% AMI	1,0791,063	87%85%	0.50.4	90%89%	\$25,179,041 \$24,703,944	89%88%
Unknown	124	0%2%	0.00.0	0%3%	\$0 \$544,844	0%2%
<b>Total</b>	<b>1,2431,249</b>	<b>100%100%</b>	<b>0.50.5</b>	<b>100%100%</b>	<b>\$28,138,466</b> <b>\$28,178,822</b>	<b>100%100%</b>

**Table 10. Energize CT Smart-E Closed Activity in Environmental Justice Communities for FY 2023**

EJ Designation	# of Project Units	% Project Unit Distribution	Installed Capacity (MW)	% MW Distribution	Total Investment	% Investment Distribution
EJ Community	318317	26%25%	0.10.1	14%15%	\$6,077,114 \$6,035,900	22%21%
Not EJ Community	925932	74%75%	0.40.4	86%85%	\$22,061,352 \$22,142,921	78%79%
<b>Total</b>	<b>1,2431,249</b>	<b>100%100%</b>	<b>0.50.5</b>	<b>100%100%</b>	<b>\$28,138,466</b> <b>\$28,178,822</b>	<b>100%100%</b>



### Energy Storage Solutions (ESS)

Energy Storage Solutions (ESS) is the energy storage program that launched in Connecticut in January of 2022, designed to help Eversource and UI customers install energy storage at their home or business. Energy storage backup can help customers across the state – from homeowners and small business owners to industrial manufacturers and critical infrastructure facilities – be more secure in the face of our changing climate. ESS helps create a more reliable, resilient Connecticut, especially for vulnerable communities and those hit hardest by storm-related outages.

**Table 11. ESS Commercial Overview for FY 2023**

Program Data	Approved <sup>10</sup>	Closed	Total
Projects	0	31.39	31.39
Installed Capacity (MW)	0	48.7 48.7	48.7 48.7
Lifetime Clean Energy Produced (MWh)	0	0	0
Annual Combined Energy Generated & Saved (MMBtu)	0	0	0
Subsidies (\$'s)	\$0	\$20,332,793\$20,617,424	\$20,332,793\$20,617,424
Credit Enhancement (\$'s)	\$0	\$0	\$0
Loans or Leases (\$'s)	\$0	\$0	\$0
Total Green Bank Investment (\$'s)	\$0	\$20,332,793\$20,617,424	\$20,332,793\$20,617,424
Private Capital (\$'s)	\$0	\$50,990,191\$50,700,460	\$50,990,191\$50,700,460
Direct Job Years	0	121.0	121.0
Indirect & Induced Job Years	0	150.0	150.0
Lifetime Tons of CO2 Emissions	0	0	0

For a breakdown of ESS Commercial volume and investment, see Table 12 for Vulnerable Communities, Table 13 for Above/Below 100% LMI, Table 14 for Above/Below 80% and Table 15 for Environmental Justice Communities as designated by DECD and DEEP.

**Table 12. ESS Commercial Closed Activity in Vulnerable Communities for FY 2023**

Designation	# of Project Units	% Project Unit Distribution	Installed Capacity (MW)	% MW Distribution	Total Investment	% Investment Distribution
Vulnerable	1313	42%43%	18.018.3	37%38%	\$26,952,095 \$27,378,354	38%38%
Not Vulnerable	1817	58%57%	30.730.4	63%62%	\$44,370,889 \$43,939,530	62%62%
<b>Total</b>	<b>3130</b>	<b>100%100%</b>	<b>48.748.7</b>	<b>100%100%</b>	<b>\$71,322,984 \$71,317,884</b>	<b>100%100%</b>

<sup>10</sup> This represents projects that are currently approved but not closed. It does not include projects that were approved but have since closed.



**Table 13. ESS Commercial Closed Activity in Metropolitan Statistical Area (MSA) Area Median Income (AMI) Bands Above or Below 100% LMI for FY 2023**

LMI Designation	# of Project Units	% Project Unit Distribution	Installed Capacity (MW)	% MW Distribution	Total Investment	% Investment Distribution
Below 100% AMI	<u>1044</u>	<u>32%</u> <del>37%</del>	<u>15.54</u> <del>6.5</del>	<u>32%</u> <del>34%</del>	<u>\$22,189,696</u> <del>\$24,137,999</del>	<u>31%</u> <del>34%</del>
Above 100% AMI	<u>2048</u>	<u>65%</u> <del>60%</del>	<u>31.93</u> <del>0.9</del>	<u>66%</u> <del>64%</del>	<u>\$47,332,479</u> <del>\$45,379,076</del>	<u>66%</u> <del>64%</del>
Unknown	<u>14</u>	<u>3%</u> <del>3%</del>	<u>1.34</u> <del>.3</del>	<u>3%</u> <del>3%</del>	<u>\$1,800,809</u> <del>\$1,800,809</del>	<u>3%</u> <del>3%</del>
<b>Total</b>	<b><u>3130</u></b>	<b><u>100%</u><del>100%</del></b>	<b><u>48.74</u><del>8.7</del></b>	<b><u>100%</u><del>100%</del></b>	<b><u>\$71,322,984</u> <del>\$71,317,884</del></b>	<b><u>100%</u><del>100%</del></b>

**Table 14. ESS Commercial Closed Activity in Metropolitan Statistical Area (MSA) Area Median Income (AMI) Bands Above or Below 80% CRA for FY 2023**

CRA Designation	# of Project Units	% Project Unit Distribution	Installed Capacity (MW)	% MW Distribution	Total Investment	% Investment Distribution
Below 80% AMI	<u>76</u>	<u>23%</u> <del>20%</del>	<u>10.94</u> <del>0.9</del>	<u>23%</u> <del>23%</del>	<u>\$15,320,612</u> <del>\$15,315,612</del>	<u>21%</u> <del>21%</del>
Above 80% AMI	<u>2323</u>	<u>74%</u> <del>77%</del>	<u>36.53</u> <del>6.5</del>	<u>77%</u> <del>77%</del>	<u>\$54,201,563</u> <del>\$54,201,563</del>	<u>76%</u> <del>76%</del>
Unknown	<u>14</u>	<u>3%</u> <del>3%</del>	<u>1.34</u> <del>.3</del>	<u>3%</u> <del>3%</del>	<u>\$1,800,809</u> <del>\$1,800,809</del>	<u>3%</u> <del>3%</del>
<b>Total</b>	<b><u>3130</u></b>	<b><u>100%</u><del>100%</del></b>	<b><u>47.44</u><del>7.4</del></b>	<b><u>100%</u><del>100%</del></b>	<b><u>\$71,322,984</u> <del>\$71,317,884</del></b>	<b><u>100%</u><del>100%</del></b>

**Table 15. ESS Commercial Activity in Environmental Justice Communities for FY 2023**

EJ Designation	# of Project Units	% Project Unit Distribution	Installed Capacity (MW)	% MW Distribution	Total Investment	% Investment Distribution
EJ Community	<u>109</u>	<u>32%</u> <del>30%</del>	<u>13.54</u> <del>3.5</del>	<u>28%</u> <del>28%</del>	<u>\$20,083,011</u> <del>\$20,077,914</del>	<u>28%</u> <del>28%</del>
Not EJ Community	<u>2124</u>	<u>68%</u> <del>70%</del>	<u>35.23</u> <del>5.2</del>	<u>72%</u> <del>72%</del>	<u>\$51,239,973</u> <del>\$51,239,973</del>	<u>72%</u> <del>72%</del>
<b>Total</b>	<b><u>3130</u></b>	<b><u>100%</u><del>100%</del></b>	<b><u>48.74</u><del>8.7</del></b>	<b><u>100%</u><del>100%</del></b>	<b><u>\$71,322,984</u> <del>\$71,317,884</del></b>	<b><u>100%</u><del>100%</del></b>

**Table 16. ESS Residential Overview for FY 2023**

Program Data	Approved <sup>11</sup>	Closed	Total
Projects	0	329	<u>332</u> <del>329</del>
Installed Capacity (MW)	0	2.3	2.3
Lifetime Clean Energy Produced (MWh)	0	0	0
Annual Combined Energy Generated & Saved (MMBtu)	0	0	0

<sup>11</sup> This represents projects that are currently approved but not closed. It does not include projects that were approved but have since closed.



Program Data	Approved <sup>11</sup>	Closed	Total
Subsidies (\$'s)	\$0	<del>\$1,511,405</del> <del>\$1,224,223</del>	<del>\$1,511,405</del> <del>\$1,235,179</del>
Credit Enhancement (\$'s)	\$0	\$0	\$0
Loans or Leases (\$'s)	\$0	\$0	\$0
Total Green Bank Investment (\$'s)	\$0	<del>\$1,511,405</del> <del>\$1,224,223</del>	<del>\$1,511,405</del> <del>\$1,235,179</del>
Private Capital (\$'s)	\$0	<del>\$5,398,389</del> <del>\$5,685,574</del>	<del>\$5,398,389</del> <del>\$5,782,426</del>
Direct Job Years	0	<del>17.9</del>	<del>17.9</del>
Indirect & Induced Job Years	0	<del>20.9</del>	<del>20.9</del>
Lifetime Tons of CO2 Emissions	0	0	0

For a breakdown of ESS Commercial volume and investment, see Table 17 for Vulnerable Communities, Table 18 for Above/Below 100% LMI, Table 19 for Above/Below 80% and Table 20 for Environmental Justice Communities as designated by DECD and DEEP.

**Table 17. ESS Residential Closed Activity in Vulnerable Communities for FY 2023**

Designation	# of Project Units	% Project Unit Distribution	Installed Capacity (MW)	% MW Distribution	Total Investment	% Investment Distribution
Vulnerable	<del>188</del> <del>190</del>	<del>57%</del> <del>58%</del>	<del>1.1</del> <del>1.4</del>	<del>49%</del> <del>50%</del>	<del>\$2,444,684</del> <del>\$2,489,604</del>	<del>35%</del> <del>36%</del>
Not Vulnerable	<del>141</del> <del>139</del>	<del>43%</del> <del>42%</del>	<del>1.2</del> <del>1.4</del>	<del>51%</del> <del>50%</del>	<del>\$4,465,110</del> <del>\$4,420,190</del>	<del>65%</del> <del>64%</del>
<b>Total</b>	<b>329</b>	<b>100%</b>	<b>2.3</b>	<b>100%</b>	<b>\$6,909,794</b>	<b>100%</b>

**Table 18. ESS Residential Closed Activity in Metropolitan Statistical Area (MSA) Area Median Income (AMI) Bands Above or Below 100% LMI for FY 2023**

LMI Designation	# of Project Units	% Project Unit Distribution	Installed Capacity (MW)	% MW Distribution	Total Investment	% Investment Distribution
Below 100% AMI	<del>242</del> <del>6</del>	<del>7%</del> <del>8%</del>	<del>0.2</del> <del>0.2</del>	<del>8%</del> <del>8%</del>	<del>\$835,501</del> <del>\$880,424</del>	<del>12%</del> <del>13%</del>
Above 100% AMI	<del>304</del> <del>302</del>	<del>92%</del> <del>92%</del>	<del>2.1</del> <del>2.4</del>	<del>92%</del> <del>94%</del>	<del>\$6,049,747</del> <del>\$6,004,827</del>	<del>88%</del> <del>87%</del>
Unknown	1	0%	0.0	0%	\$24,546	0%
<b>Total</b>	<b>329</b>	<b>100%</b>	<b>2.3</b>	<b>100%</b>	<b>\$6,909,794</b>	<b>100%</b>

**Table 19. ESS Residential Closed Activity in Metropolitan Statistical Area (MSA) Area Median Income (AMI) Bands Above or Below 80% CRA for FY 2023**

CRA Designation	# of Project Units	% Project Unit Distribution	Installed Capacity (MW)	% MW Distribution	Total Investment	% Investment Distribution
Below 80% AMI	169	51%	1.0	43%	\$1,757,407	25%
Above 80% AMI	160	49%	1.3	57%	\$5,152,387	75%
Unknown	0	0%	0.0	0%	\$0	0%
<b>Total</b>	<b>329</b>	<b>100%</b>	<b>2.3</b>	<b>100%</b>	<b>\$6,909,794</b>	<b>100%</b>



**Table 20. ESS Residential Activity in Environmental Justice Communities for FY 2023**

EJ Designation	# of Project Units	% Project Unit Distribution	Installed Capacity (MW)	% MW Distribution	Total Investment	% Investment Distribution
EJ Community	173	53%	1.0	44%	\$1,964,582	28%
Not EJ Community	156	47%	1.3	56%	\$4,945,212	72%
<b>Total</b>	<b>329</b>	<b>100%</b>	<b>2.3</b>	<b>100%</b>	<b>\$6,909,794</b>	<b>100%</b>

For a breakdown of the use of the Green Bank resources for Incentive Programs, see table 21 below.

**Table 21. Distribution of Green Bank Funds Invested in Projects and Programs through Subsidies, Credit Enhancements, and Loans and Leases for FY 2023**

Program	Subsidies		Credit Enhancements		Loans and Leases		Total <sup>12</sup>
Smart-E Loan	\$0	0%	\$0 <sup>13</sup>	0%	\$0	0%	\$0
ESS - Commercial	<del>\$20,332,793</del> \$20,617,424	100%	\$0	0%	\$0	0%	<del>\$20,332,793</del> \$20,617,424
ESS - Residential	<del>\$1,511,405</del> \$1,224,223	100%	\$0	0%	\$0	0%	<del>\$1,511,405</del> \$1,224,223
<b>Total</b>	<del>\$21,844,198</del> <del>\$21,841,648</del>	<b>100%</b>	<b>\$0</b>	<b>0%</b>	<b>\$0</b>	<b>0%</b>	<del>\$21,844,198</del> <del>\$21,841,648</del>

Of these programs, the following is a breakdown of their contributions made thus far towards the performance target and the human resources required to implement them (see Table 22):

**Table 22. Program Progress Made in FY 2023<sup>14</sup>**

Key Metrics	Smart-E	ESS - Commercial	ESS - Residential	Total Program Progress <sup>15</sup>
Date of Program Approval	Nov 2012	<del>July 28, 2021</del> Jul-2021	<del>July 28, 2021</del> Jul-2021	
Date of Program Launch	Nov 2013	Jan-2022	Jan-2022	
Ratepayer Capital at Risk	\$0 <sup>16</sup>	<del>\$20,332,793</del> \$20,617,424 4	<del>\$1,511,405</del> \$1,224,223 3	<del>\$21,844,198</del> \$21,841,648 8
Private Capital Deployed (MW)	<del>\$28,138,466</del> <del>\$28,178,822</del> 2	<del>\$50,990,191</del> \$50,700,466 9	<del>\$5,398,389</del> \$5,685,574 4	<del>\$84,527,046</del> \$84,564,852 2
# of Loans/Installations	1,249-243	30-31	329	1,603-1,447

<sup>12</sup> Totals are adjusted to remove projects that overlap programs.

<sup>13</sup> Interest rate buydowns of \$549,949 and loan loss reserve of \$2,106,033 are not included.

<sup>14</sup> Includes only closed transactions.

<sup>15</sup> Totals are adjusted to remove projects that overlap programs.

<sup>16</sup> Interest rate buydowns of \$549,949 and loan loss reserve of \$2,106,033 are not included.

Commented [BG1]: @Sergio Carrillo can you enter the date that the decision in Docket No. 17-12-03RE03 was reached?



Lifetime Production (MWh)	104,287 <del>835</del>	0	0	104,835104,287
Annual Combined Energy Generated & Saved (MMBtu)	17,445-523	0	0	17,52317,445

## “Top 5” Headlines

The following are the “Top 5” headlines for the Incentive Programs:

### Smart-E and Energy Storage Solutions

1. [Connecticut utilities launch next 100MW tranche of 580MW customer-sited ESS procurement](#)

***Energy Storage News, March 16, 2023***

In March 2023, the co-administrators of the Energy Storage Solutions program announced that the second 100 MW tranche for commercial projects was opening ahead of schedule due to demand. This announcement was covered by many trade publications (such as the one linked here) as well as local media.

2. [Smart-E Loan Increases its Maximum Loan Amount to Accommodate Increased Homeowner Demand](#)

***Electric Energy Online, June 5, 2023***

Due to increased interest in more comprehensive energy-saving technologies, like solar plus storage, the Green Bank announced an update to its Smart-E loan program designed to help more homeowners take advantage of low-interest financing to access energy-saving technologies. The loan's maximum amount will increase to \$50,000 (and with exception approval from the lending partner, up to \$75,000) and the FICO score minimum will lower to 580 to help lower credit score homeowners.

3. [Soaring energy prices pushing Connecticut buildings toward solar](#)

***WTNH, February 7, 2023***

Although the RSIP has ended, the Connecticut Green Bank is still viewed by many homeowners and the media as a go-to resource on solar. A sharp increase in utility bills in early 2023 increased attention on the benefits of going solar, and two members of the incentive team (Bill Colonis and Sara Pyne) were interviewed by a New Haven based TV channel as part of a report on solar.

4. [Electrifying Your Home's Systems Can Save You Money In The Long Run](#)

***Middletown Press, Feb. 21, 2023***

Another example of the Green Bank as a thought leader and trusted advocate for homeowners, this article featured Ed Kranich and Bill Colonis providing helpful tips for home electrification and solar plus storage.

5. [PowerSmart Campaign Being Launched in Guilford: What You Need To Know](#)

***Guilford Patch, May 25, 2023***

Long-time Green Bank collaborator SmartPower is running municipal campaigns to raise awareness about solar and storage. One of these 28 campaigns launched in Guilford in May. These campaigns are designed to provide



homeowners with information about battery storage technology and the incentives available to reduce the cost of these systems.

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## Lessons Learned

Based on the implementation of the Incentive Programs thus far, the following are the key lessons learned:

### Energize CT Smart-E Loan

- **Heat pump market is growing.**
  - Heat pump awareness is growing amongst consumers, resulting in steady heat pump volume (especially air source) during FY 2023. Due to increase cost of fossil fuel-based heating, customers sought renewable heating and cooling alternatives. However, financing and contractor education remains crucial for continued deployment of heat pumps.
- **Contractor engagement remains critical for continue growth and sustainability of Smart-E.**
  - FY2023 was the first year we dedicated a resource to focus on Smart-E contractors. This has resulted in continued growth in volume and a better connection to those who are responsible for the distribution of our product. This connection is providing valuable insights that are advising how we adjust our offering.
- **We need to engage with our Lenders more.**
  - The program's lenders, for the most part, recognize the value that the program brings to them. Our conversations have presented opportunities to work more closely with the lenders, in some cases enabling them to continue to offer the Smart-E Loan.

### Energy Storage Solutions

- **Installers and developers participation.**
  - Without the presence of large developers and third-party owners (e.g. Tesla, Sunnova, and Sunrun) battery deployment in ESS has proved to be a challenge. The Green Bank recognizes the role that these companies play in the deployment of solar and battery storage, and is actively engaged with them to ensure they join the Program in 2023.
- **Optionality available to customers impede deployment of batteries in ESS.**
  - The availability of Connected Solutions, a battery storage program similar to ESS, has played a crucial role in the slow deployment of batteries in ESS. Green Bank staff is working with utilities and PURA to find solutions to this issue.
- **Battery vendor participation.**
  - Throughout 2022, Green Bank staff researched and contacted several battery storage manufacturers to discuss ESS, with positive results. Electriq, HomeGrid, Pylontech, FranklinWH, Generac, and Fortress are some of the battery manufacturers that joined ESS as a result of direct outreach by Green Bank staff.

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## Incentive Programs FY 2024 Targets



Of programs being implemented in the Incentive Programs, the following is a breakdown of the key targets:

**Table 23. Number of Projects, Capital Deployed, and Clean Energy Deployed (MW)**

Program	# of Projects	Capital Deployed	Clean Energy Deployed (MW)	Ann. GHG Emissions Avoided (TCO2)
Energy Storage Solutions	279	\$81,529,412	52.1	
Residential	250	\$8,000,000	2	-
C&I	29	\$73,529,412	50.0	-
Energyize CT Smart-E Loan	944	17,852,737	0.3	17,203
<b>Total</b>	<b>1,211</b>	<b>\$98,998,148</b>	<b>52.3</b>	<b>17,203</b>

For the Incentive Programs, there are 20.12 full time equivalent staff members supporting five (5) different products and programs.



# Memo

**To:** Board of Directors of the Connecticut Green Bank

**From:** Lucy Charpentier, Mackey Dykes, Bryan Garcia, and Eric Shrago

**Cc:** Brian Farnen and Bert Hunter

**Date:** October 13, 2023

**Re:** Financing Programs – Program Performance towards Targets for FY 2023 – ~~Preliminary~~Final

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## Overview

The Green Bank's core business is financing clean energy projects. The Green Bank's focus is to leverage limited public funds to attract and mobilize multiples of private capital investment to finance these projects. In other words, the use of resources by the Green Bank (e.g., public revenues including the Clean Energy Fund ("CEF") and RGGI allowance proceeds) are to be invested with the expectation of principal and interest being paid back over time (i.e., earned revenues). For example, the Green Bank administers the Commercial Property Assessed Clean Energy ("C-PACE") program. Through C-PACE, the Green Bank and other lenders provide capital to building owners to make clean energy improvements on their properties or build more efficient new properties that is paid back over time from a benefit assessment on the building. The interest earned from these types of investments, over time, is expected to cover the operational expenses and a return for the Financing Programs business unit.

The Green Bank has a number of clean energy financing products, including:

- **C-PACE**<sup>1</sup> – enables building owners to pay for clean energy improvements over time through a voluntary benefit assessment on their property tax bills. This process makes it easier for building owners to secure low-interest capital for up to 25 years to fund energy improvements and is structured so that energy savings more than offset the benefit assessment.
- **Green Bank Solar PPA** – third-party ownership structure to deploy solar PV systems for commercial scale end-use customers (e.g., businesses, nonprofits, municipal and state governments, affordable multifamily properties, etc.) that uses a multi-year PPA to finance projects while reducing energy costs for the host customer.
- **Small Business Energy Advantage ("SBEA")** – Eversource Energy administered on-bill commercial energy efficiency loan program for small businesses, in partnership with low-cost capital provided by Amalgamated Bank with a credit enhancement from the Green Bank (i.e., subordinated debt) and the Connecticut Energy Efficiency Fund (i.e., loan loss guaranty and interest rate buydown).

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<sup>1</sup> CGS 16a-40g



- **Multifamily Products** – defined as buildings with 5 or more units, the Green Bank provides a suite of financing options through IPC and Capital for Change (a Community Development Financial Institution or “CDFI”) that support property owners to assess, design, fund, and monitor high impact clean energy and health & safety improvements for their properties.
- **Special Projects** – as opportunities present themselves, the Green Bank from time-to-time invests as part of a capital structure in various projects (e.g., fuel cell, hydropower, food waste to energy, state “Lead by Example” energy service agreements, etc.). These projects are selected based on the opportunity to expand the organization’s experience with specific technologies, advance economic development in a specific locale, or to drive adoption of clean energy that would otherwise not occur, while also earning a rate of return.

## Performance Targets and Progress<sup>2</sup>

With respect to the Comprehensive Plan approved by the Board of Directors of the Green Bank on June 24, 2022 and revised on January 20, 2023, the following are the performance targets for FY 2023 and progress made to targets for the Financing Programs (see Table 1) as of June 30, 2023.

**Table 1. Program Performance Targets and Progress Made to the Comprehensive Plan for FY 2023**

Key Metrics	Program Performance Revised Targets	Program Progress <sup>3</sup>	% of Goal
Capital Deployed <sup>4</sup>	\$64,202,500	<del>\$62,280,903</del> \$63,185,093	<del>97</del> 98%
Investment at Risk <sup>5</sup>		<del>\$47,862,350</del> \$18,374,171	
Private Capital <sup>6</sup>		<del>\$44,418,553</del> \$44,810,922	
Deployed (MW)	7.6	12. <del>86</del>	<del>165</del> 168%
# of Loans/Projects	882	<del>846</del> 847	96%
Leverage Ratio		3. <del>54</del>	

In summary, for Financing Programs in FY 2023, there were ~~846~~847 projects (achieving 96% of the goal) requiring ~~\$62.263.1~~M of investment (achieving ~~97~~98% of the goal) that led to the deployment of 12.~~68~~ MW of clean energy (achieving ~~165~~168% of the goal), that delivered a leverage ratio of 3.~~54~~ for private to public funds invested.

<sup>2</sup> This memo is preliminary. An updated final memo will be produced for the October Board Meeting restates the numbers presented in the July Board Meeting and it will be used as part of our process for employee evaluation and merit compensation.

<sup>3</sup> Includes only closed transactions.

<sup>4</sup> Capital Deployed is used to measure Investment actuals to targets and it includes fees related to financing costs which are not included in the Gross System Cost. It represents: the Amount Financed or Gross System Cost (whichever is greater) for CPACE, the Amount Financed for Residential financing products and the Gross System Cost for all other programs.

<sup>5</sup> Includes funds from the Clean Energy Fund, RGGI allowance revenue, repurposed ARRA-SEP funds, and other resources that are managed by the Connecticut Green Bank that are committed and invested in subsidies, credit enhancements, and loans and leases.

<sup>6</sup> Private Investment is based on the Gross System Cost and includes adjustments related to financing costs.



## Executive Summary for the Financing Programs

### C-PACE and C-PACE-backed Commercial Solar PPA

- The C-PACE goals are split into CGB-funded projects and projects funded by private lenders. CGB exceeded its own capital deployed goal of \$7M with \$7.2M capital deployed while falling short of its project goal of 15 projects with 11. The private lenders saw a decrease in activity this year. Based on prior years activity, staff had set their goal at 8 projects with \$24M of capital deployed. They financed 4 projects for a total of \$13.5M.
- In the 2022 session, the CT legislature expanded the C-PACE enabling statute to include resilience and electric vehicle (EV) refueling infrastructure, exempting both from the savings-to-investment ratio (SIR) requirement. Staff developed the framework for EV refueling infrastructure financing and updated the program guidelines. Work is ongoing on the resiliency implementation.

### Commercial Solar PPA

- In total, closed 18 commercial solar PPA deals that are 10.6 MW in size with a value of \$21.9M.
- Expanded the commercial solar lending facility with Skyview Ventures in CT by deploying a further \$1.85M against 4 PPA projects
- The solar deployment program CGB has built with the state, Solar MAP for State Agencies, is now fully developed as a framework to develop solar projects. It represented the majority of the projects closed in FY23, accounting for 50% of the total projects and 84% of the capital deployed.

### Small Business Energy Advantage (SBEA)

- Slightly below program targets for the year
- One key aspect of the underperformance is a contractual issue between Eversource and the State of Connecticut that prevented the State from accessing the program. Resolving the issue required a legislative change which was passed in the 2023 session.

### Multifamily Affordable Housing

- With the closing of the Health & Safety Loans for Antilean Manor and Seabury Cooperative, the funding for this program has been fully deployed. IPC is responsible for deploying these funds, with \$1.5MM originating as a grant from DEEP to CGB, and then subsequently transferred from CGB to IPC in 2019
- The underperformance to goal was due to slow market development for affordable multifamily solar and storage. PURA launched the program in January and staff has been working on product development and has a few pilot projects in the pipeline.

The following are brief descriptions of the progress made under the last comprehensive plan for the Financing Programs:

### C-PACE and C-PACE-backed Commercial Solar PPA

Commercial Property Assessed Clean Energy (C-PACE) is an innovative financing program that is helping commercial, industrial and multi-family property owners access affordable, long-term financing for smart energy upgrades to their buildings.

## Table 2. C-PACE and C-PACE-backed Commercial Solar PPA Overview for FY 2023



Program Data	Approved <sup>7</sup>	Closed	Total
Projects	16.48	15	31.33
Installed Capacity (MW)	3.74-8	2.0	5.76-8
Lifetime Clean Energy Produced (MWh)	107,342-135,944	56,820	164,162-192,764
Annual Combined Energy Generated & Saved (MMBtu)	18,312-569,650	14,408	38,894-584,058
Subsidies (\$'s)	\$0-\$0	\$0	\$0-\$0
Credit Enhancement (\$'s)	\$0-\$0	\$0	\$0-\$0
Loans or Leases (\$'s)	\$4,902,516-\$923,152	\$1,768,785	\$6,671,301-\$2,691,937
Total Green Bank Investment (\$'s)	\$4,902,516-\$923,152	\$1,768,785	\$6,671,301-\$2,691,937
Private Capital (\$'s)	\$16,564,114-\$20,284,789	\$18,878,622	\$35,442,736-\$39,163,411
Direct Job Years	58-74	97	122-171
Indirect & Induced Job Years	71-95	124	150-219
Lifetime Tons of CO2 Emissions	59,308-75,140	31,406-31,819	91,127-106,546

During the fall 2020 Special Session, the Connecticut General Assembly passed Public Act 20-5 to address emergency response by the state's electric utilities during recent storms. Within the resiliency aspects of the bill, a definition for "vulnerable communities" was included:

"Vulnerable communities" means populations that may be disproportionately impacted by the effects of climate change, including, but not limited to, low and moderate income communities, environmental justice communities pursuant to section 22a-20a, communities eligible for community reinvestment pursuant to section 36a-30 and the Community Reinvestment Act of 1977, 12 USC 2901 et seq., as amended from time to time, populations with increased risk and limited means to adapt to the effects of climate change, or as further defined by the Department of Energy and Environmental Protection in consultation with community representatives".

The Community Reinvestment Act was enacted by Congress in 1977 to encourage depository institutions to lend in low-to-moderate-income communities. These lending institutions are rated by regulators as to the volume of their lending to projects in these communities by regulators. Projects are potentially compliant with CRA requirements if they are below 80% of a Metropolitan Statistical Area's (MSA) Adjusted Median Income (AMI) level.

Connecticut Environmental Justice (EJ) Communities as defined by section 22a-20a of the Connecticut General Statutes includes distressed municipalities as defined by the CT Department of Economic and Community Development (DECD) as well as census block groups that are not in distressed municipalities in which 30% or more of the population lives below 200% of the federal poverty level (FPL).

C-PACE has been used to fund projects in economically diverse locations across the state as reflected by Table 3 for Vulnerable Communities, Table 4 for Above/Below 100% LMI, Table 5 for Above/Below 80% and Table 6 for Environmental Justice Communities as designated by DECD and DEEP. It should be noted that C-PACE is not an income targeted program.

<sup>7</sup> This represents projects that are currently approved but not closed. It does not include projects that were approved but have since closed.



**Table 3. C-PACE and C-PACE-backed Commercial Solar PPA Closed Activity in Vulnerable Communities for FY 2023**

Designation	# of Project Units	% Project Unit Distribution	Installed Capacity (MW)	% MW Distribution	Total Investment	% Investment Distribution
Vulnerable	6	40%	0.4	20%	\$10,009,238	48%
Not Vulnerable	9	60%	1.6	80%	\$10,638,169	52%
<b>Total</b>	<b>15</b>	<b>100%</b>	<b>2.0</b>	<b>100%</b>	<b>\$20,647,407</b>	<b>100%</b>

**Table 4. C-PACE and C-PACE-backed Commercial Solar PPA Closed Activity in Metropolitan Statistical Area (MSA) Area Median Income (AMI) Bands Above or Below 100% LMI for FY 2023**

LMI Designation	# of Project Units	% Project Unit Distribution	Installed Capacity (MW)	% MW Distribution	Total Investment	% Investment Distribution
Below 100% AMI	3	20%	0.1	4%	\$8,986,041	44%
Above 100% AMI	12	80%	1.9	96%	\$11,661,366	56%
<b>Total</b>	<b>15</b>	<b>100%</b>	<b>2.0</b>	<b>100%</b>	<b>\$20,647,407</b>	<b>100%</b>

**Table 5. C-PACE and C-PACE-backed Commercial Solar PPA Closed Activity in Metropolitan Statistical Area (MSA) Area Median Income (AMI) Bands Above or Below 80% CRA for FY 2023**

CRA Designation	# of Project Units	% Project Unit Distribution	Installed Capacity (MW)	% MW Distribution	Total Investment	% Investment Distribution
Below 80% AMI	2	13%	0.0	0%	\$8,818,480	43%
Above 80% AMI	13	87%	2.0	100%	\$11,828,927	57%
<b>Total</b>	<b>15</b>	<b>100%</b>	<b>2.0</b>	<b>100%</b>	<b>\$20,647,407</b>	<b>100%</b>

**Table 6. C-PACE and C-PACE-backed Commercial Solar PPA Closed Activity in Environmental Justice Communities for FY 2023**

EJ Designation	# of Project Units	% Project Unit Distribution	Installed Capacity (MW)	% MW Distribution	Total Investment	% Investment Distribution
EJ Community	5	33%	0.3	16%	\$9,841,676	48%
Not EJ Community	10	67%	1.7	84%	\$10,805,731	52%
<b>Total</b>	<b>15</b>	<b>100%</b>	<b>2.0</b>	<b>100%</b>	<b>\$20,647,407</b>	<b>100%</b>

### **Commercial Solar PPA**

A third-party ownership offering that combines public and private funding through the Connecticut Green Bank Solar PPA to provide Power Purchase Agreements (PPAs) for solar PV to creditworthy commercial and industrial, as well as nonprofit, municipal, and multifamily housing, end-users of electricity. This program supports solar PV projects between 50 kW – 5 MW in size – with an average size of 200 kW. Following a strategic decision not to enter into a



new tax equity funding structure after the CT Solar Lease 3 fund closed in September 2018, Green Bank has continued to serve the market with our PPA product through Inclusive Prosperity Capital. As further described in the Lessons Learned section, deployment for this program has been affected by the new tariff program and supply chain challenges affecting the solar industry.

The Green Bank also provides debt financing to other third-party owners and these projects are included here.

**Table 7. Commercial Solar PPA Overview for FY 2023**

Program Data	Approved <sup>8</sup>	Closed	Total
Projects	0	19 48	19 48
Installed Capacity (MW)	0.0	10.8 40.6	10.8 40.6
Lifetime Clean Energy Produced (MWh)	0	307,642 301,128	307,642 301,128
Annual Combined Energy Generated & Saved (MMBtu)	0	41,987 41,098	41,987 41,098
Subsidies (\$'s)	\$0	\$0\$0	\$0\$0
Credit Enhancement (\$'s)	\$0	\$0\$0	\$0\$0
PPAs (\$'s)	\$0	\$13,862,626\$13,350,805	\$13,862,626\$13,350,805
Total Green Bank Investment (\$'s)	\$0	\$13,862,626\$13,350,805	\$13,862,626\$13,350,805
Private Capital (\$'s)	\$0	\$8,898,823\$8,506,454	\$8,898,823\$8,506,454
Direct Job Years	0	43 6	43 6
Indirect & Induced Job Years	0	52 8	52 8
Lifetime Tons of CO2 Emissions	0	172,279166,442	172,279166,442

The Commercial Solar PPA program has been used to fund projects in economically diverse locations across the state as reflected by Table 8 for Vulnerable Communities, Table 9 for Above/Below 100% LMI, Table 10 for Above/Below 80% and Table 11 for Environmental Justice Communities as designated by DECD and DEEP. It should be noted that Commercial Solar PPA is not an income targeted program.

**Table 8. Commercial Solar PPA Closed Activity in Vulnerable Communities for FY 2023**

Designation	# of Project Units	% Project Unit Distribution	Installed Capacity (MW)	% MW Distribution	Total Investment	% Investment Distribution
Vulnerable	127	63%39%	6.44.8	59%46%	\$12,792,168 \$10,424,108	56%48%
Not Vulnerable	744	37%61%	4.45.7	41%54%	\$9,969,281 \$11,433,154	44%52%
<b>Total</b>	<b>1948</b>	<b>100%100%</b>	<b>10.840.6</b>	<b>100%100%</b>	<b>\$22,761,449 \$21,857,259</b>	<b>100%</b>

**Table 9. Commercial Solar PPA Closed Activity in Metropolitan Statistical Area (MSA) Area Median Income (AMI) Bands Above or Below 100% LMI for FY 2023**

LMI Designation	# of Project Units	% Project Unit Distribution	Installed Capacity (MW)	% MW Distribution	Total Investment	% Investment Distribution
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<sup>8</sup> This represents projects that are currently approved but not closed. It does not include projects that were approved but have since closed.



Below 100% AMI	<u>116</u>	<u>58%</u> <del>33%</del>	<u>5.54</u> <del>0</del>	<u>51%</u> <del>37%</del>	<u>\$10,883,316</u> <del>\$8,545,256</del>	<u>48%</u> <del>39%</del>
Above 100% AMI	<u>86</u>	<u>42%</u> <del>33%</del>	<u>5.34</u> <del>0</del>	<u>49%</u> <del>47%</del>	<u>\$11,878,133</u> <del>\$10,729,783</del>	<u>52%</u> <del>49%</del>
Unknown	<u>6</u>	<u>33%</u>	<u>4.7</u>	<u>16%</u>	<u>\$2,612,220</u>	<u>12%</u>
<b>Total</b>	<b><u>1948</u></b>	<b><u>100%</u><del>100%</del></b>	<b><u>10.81</u><del>0.6</del></b>	<b><u>100%</u><del>100%</del></b>	<b><u>\$22,761,449</u></b> <del>\$21,857,259</del>	<b><u>100%</u></b>

**Table 10. Commercial Solar PPA Closed Activity in Metropolitan Statistical Area (MSA) Area Median Income (AMI) Bands Above or Below 80% CRA for FY 2023**

CRA Designation	# of Project Units	% Project Unit Distribution	Installed Capacity (MW)	% MW Distribution	Total Investment	% Investment Distribution
Below 80% AMI	<u>85</u>	<u>42%</u> <del>28%</del>	<u>3.82</u> <del>0</del>	<u>35%</u> <del>32%</del>	<u>\$7,639,214</u> <del>\$6,175,976</del>	<u>34%</u> <del>28%</del>
Above 80% AMI	<u>117</u>	<u>58%</u> <del>39%</del>	<u>7.06</u> <del>0</del>	<u>65%</u> <del>68%</del>	<u>\$15,122,235</u> <del>\$13,069,063</del>	<u>66%</u> <del>60%</del>
Unknown	<u>6</u>	<u>33%</u>	<u>4.7</u>	<u>19%</u>	<u>\$2,612,220</u>	<u>12%</u>
<b>Total</b>	<b><u>1948</u></b>	<b><u>100%</u><del>100%</del></b>	<b><u>10.88</u><del>0.6</del></b>	<b><u>100%</u><del>100%</del></b>	<b><u>\$22,761,449</u></b> <del>\$21,857,259</del>	<b><u>100%</u></b>

**Table 11. Commercial Solar PPA Closed Activity in Environmental Justice Communities for FY 2023**

EJ Designation	# of Project Units	% Project Unit Distribution	Installed Capacity (MW)	% MW Distribution	Total Investment	% Investment Distribution
EJ Community	<u>54</u>	<u>26%</u> <del>22%</del>	<u>2.52</u> <del>2</del>	<u>23%</u> <del>21%</del>	<u>\$5,254,089</u> <del>\$4,734,979</del>	<u>23%</u> <del>22%</del>
Not EJ Community	<u>1414</u>	<u>74%</u> <del>78%</del>	<u>8.38</u> <del>4</del>	<u>77%</u> <del>79%</del>	<u>\$17,507,360</u> <del>\$17,122,280</del>	<u>77%</u> <del>78%</del>
<b>Total</b>	<b><u>1948</u></b>	<b><u>100%</u><del>100%</del></b>	<b><u>10.81</u><del>0.6</del></b>	<b><u>100%</u><del>100%</del></b>	<b><u>\$22,761,449</u></b> <del>\$21,857,259</del>	<b><u>100%</u></b>

### **Small Business Energy Advantage (SBEA)**

The Green Bank has partnered with Eversource to provide capital for their lending through their SBEA program. SBEA provides audits, incentives and financing for energy efficiency projects at small businesses and municipal and state buildings. The customers get up to 7 year loans at 0% and they are repaid on their electricity bill.

**Table 8. SBEA Overview for FY 2023**

Program Data	Approved	Closed	Total
Projects	0	810	810
Installed Capacity (MW)	0.0	0.0	0.0
Lifetime Clean Energy Produced (MWh)	0	272,723	272,723
Annual Combined Energy Generated & Saved (MMBtu)	0	0	0
Subsidies (\$'s)	\$0	\$0	\$0
Credit Enhancement (\$'s)	\$0	\$0	\$0
Loans or Leases (\$'s)	\$0	\$2,742,760	\$2,742,760
Total Green Bank Investment (\$'s)	\$0	\$2,742,760	\$2,742,760



Private Capital (\$'s) <sup>9</sup>	\$0	\$12,640,977	\$12,640,977
Direct Job Years	0	43 82	43 82
Indirect & Induced Job Years	0	51 406	51 406
Lifetime Tons of CO2 Emissions	0	147,857-152,725	147,857-152,725

### **Multifamily**

Offerings for both the affordable and market rate multifamily segments term loan programs that enable property owners to assess, design, fund and implement energy measures and remediate related health and safety measures, as well as PPAs and leases for solar and storage. Term loan programs include the Loans Improving Multifamily Energy (LIME) loan, Solar PPA program, and the ECT Health & Safety Revolving Loan program (ECT H&S RLF). LIME is offered by Capital for Change and supported by a FY'20 capital commitment of \$3,000,000 from CGB as well as previous \$3,500,000 of seed capital and \$625,000 of ARRA-SEP and Green Bank funds for a loss reserve. Solar PPA options leverage the C&I sector programs. The ECT H&S RLF is supported by a \$1.5MM grant from DEEP. During FY19 the DEEP H&S funds were transferred from Green Bank to IPC where this program is now administered. Limited Catalyst Loan Funds for flexible gap financing to support term loans using MacArthur Foundation funds, administered by Housing Development Fund are also available.

**Table 9. Multifamily Term Financing Overview for FY 2023**

Program Data	Approved <sup>10</sup>	Closed	Total
Projects	7	3	10
Installed Capacity (MW)	0.1	0.0	0.1
Lifetime Clean Energy Produced (MWh)	3,473	0	3,473
Annual Combined Energy Generated & Saved (MMBtu)	9,125,376	0	9,125-376
Subsidies (\$'s)	\$0	\$0	\$0
Credit Enhancement (\$'s)	\$0	\$0	\$0
Loans or Leases (\$'s)	\$0	\$0	\$0
Total Green Bank Investment (\$'s)	\$0	\$0	\$0
Private Capital (\$'s) <sup>11</sup>	\$1,678,256	\$4,392,500	\$6,070,756
Direct Job Years	9	24	32
Indirect & Induced Job Years	11	31	42
Lifetime Tons of CO2 Emissions	1,920	0	1,920

**Table 10. Multifamily Pre-Development Financing Overview for FY 2023**

Program Data	Approved	Closed	Total
Projects	0	0	0
Installed Capacity (MW)	0.0	0.0	0.0
Lifetime Clean Energy Produced (MWh)	0	0	0
Annual Combined Energy Generated & Saved (MMBtu)	0	0	0
Subsidies (\$'s)	\$0	\$0	\$0
Credit Enhancement (\$'s)	\$0	\$0	\$0
Loans or Leases (\$'s)	\$0	\$0	\$0
Total Green Bank Investment (\$'s)	\$0	\$0	\$0

<sup>9</sup> This number includes energy and health and safety capital deployed.

<sup>10</sup> This represents projects that are currently approved but not closed. It does not include projects that were approved but have since closed.

<sup>11</sup> This number includes energy and health and safety capital deployed.



Private Capital (\$'s)	\$0	\$0	\$0
Direct Job Years	0	0	0
Indirect & Induced Job Years	0	0	0
Lifetime Tons of CO2 Emissions	0	0	0

**Table 11. Multifamily Number of Units**

	Approved <sup>12</sup>	Closed	Total
Affordable	273	207	480
Market Rate	0	0	0
Total # of Units	273	207	480

The CT Green Bank's Multifamily Program is predominantly focused on properties that serve low-to-moderate income (LMI) residents. The program is equally focused on multifamily properties serving low-and moderate-income residents in the more affluent communities of opportunity as it is on multifamily properties in lower income census tracts. This is aligned with the State of Connecticut's goals to encourage and support housing opportunities for low- and moderate-income residents in communities of opportunity. (Connecticut is the most geographically segregated state in the nation, with most LMI and people of color concentrated in low-income urban communities.)

### **Strategic Investments**

**Table 12. Strategic Investment Financing Overview for FY 2023**

Program Data	Approved <sup>13</sup>	Closed	Total
Projects	1	0	1
Installed Capacity (MW)	3.7	0.0	3.7
Lifetime Clean Energy Produced (MWh)	291,708	0	291,708
Annual Combined Energy Generated & Saved (MMBtu)	995,30899,531	0	995,308-99,531
Subsidies (\$'s)	\$0	\$0	\$0
Credit Enhancement (\$'s)	\$0	\$0	\$0
Loans or Leases (\$'s)	\$3,200,000	\$0	\$3,200,000
Total Green Bank Investment (\$'s)	\$3,200,000	\$0	\$3,200,000
Private Capital (\$'s) <sup>14</sup>	\$0	\$0	\$0
Direct Job Years	28	0	28
Indirect & Induced Job Years	36	0	36
Lifetime Tons of CO2 Emissions	19,690	0	19,690

For a breakdown of the use of the Green Bank resources for Commercial, Industrial and Institutional Programs, see table 13 below.

<sup>12</sup> This represents projects that are currently approved but not closed. It does not include projects that were approved but have since closed.

<sup>13</sup> This represents projects that are currently approved but not closed. It does not include projects that were approved but have since closed.

<sup>14</sup> This number includes energy and health and safety capital deployed.



**Table 13. Distribution of Green Bank Funds Invested in Projects and Programs through Subsidies, Credit Enhancements, and Loans and Leases for FY 2023**

Program	Subsidies		Credit Enhancements		Loans and Leases		Total <sup>15</sup>
Commercial Lease	\$0	0%	\$0	0%	<del>\$13,862,626</del> <del>\$13,350,805</del>	100%	<del>\$13,862,626</del> <del>\$13,350,805</del>
CPACE	\$0	0%	\$0	0%	\$1,768,785	100%	\$1,768,785
SBEA	\$0	0%	\$0	0%	\$2,742,760	100%	\$2,742,760
Multi-Family Health & Safety		0%		0%		0%	\$0
Multi-Family Pre-Dev	\$0	0%	\$0	0%	\$0	0%	\$0
Multi-Family Term	\$0	0%	\$0	0%	\$0	0%	\$0
Strategic Investments	\$0	0%	\$0	0%	\$0	0%	\$0
Total	\$0	0%	\$0	0%	<del>\$18,374,171</del> <del>\$17,862,350</del>	100%	<del>\$18,374,171</del> <del>\$17,862,350</del>

Of these programs, the following is a breakdown of their contributions made thus far towards the performance target and the human resources required to implement them (see Table 14):

**Table 14. Program Progress Made in FY 2023<sup>16</sup>**

Key Metrics	C-PACE	Commercial Lease	SBEA	Multifamily Pre-Dev <sup>17</sup>	Multifamily Term	Strategic	Total Program Progress <sup>18</sup>
Date of Program Approval	Sep-2012	Jun-2013	-	Oct 2013 – Jan 2017	Oct 2013 – Oct 2015		
Date of Program Launch	Jan-2013	Sep-2013	-	Oct 2013 – Jan 2017	Oct 2013 – Oct 2015		
Ratepayer Capital at Risk	\$1,768,785	<del>\$13,862,626</del> <del>\$13,350,805</del>	\$2,742,760	\$0	\$0	\$0	<del>\$18,374,171</del> <del>\$17,862,350</del>
Private Capital	\$18,878,622	<del>\$8,898,823</del> <del>\$8,506,454</del>	\$12,640,977	\$0	\$4,392,500	\$0	<del>\$44,810,922</del> <del>\$44,418,551</del>
Deployed (MW)	2.0	<del>10.8</del> <del>10.6</del>	0.0	0.0	0.0	0.0	<del>12.8</del> <del>12.6</del>
# of Loans/Installations	15	<del>19</del> <del>18</del>	810	0	3	0	<del>847</del> <del>846</del>
Lifetime Production (MWh)	56,820	<del>307,642</del> <del>301,128</del>	272,723	0	0	0	<del>637,185</del> <del>630,674</del>
Annual Combined Energy Generated & Saved (MMBtu)	14,408	<del>41,987</del> <del>41,098</del>	0	0	0	0	<del>62,569</del> <del>55,506</del>

## “Top 5” Headlines

The following are the “Top 5” headlines for the Financing Programs:

[Schneider and Citizens Energy activate unique renewable microgrid on Connecticut campus](#)

*MicroGrid Knowledge, Sept. 16, 2022*

<sup>15</sup> Totals are adjusted to remove projects that overlap programs.

<sup>16</sup> Includes only closed transactions.

<sup>17</sup> Multifamily is a collection of individual programs, each with their own approval and launch dates.

<sup>18</sup> Totals are adjusted to remove projects that overlap programs.



Schneider Electric and Citizens Energy have activated the first microgrid in Connecticut that can run on 100% renewable energy around the clock while in island mode at the Daughters of Mary of the Immaculate Conception campus. The project was developed through the Green Bank's C-PACE program, and exemplifies the green bank's vision for a "planet protected by the love of humanity."

### **5,200 solar panels will save Manchester \$100,000 each year**

***Middletown Press, Dec. 13, 2022***

Six elementary schools and the water and sewer building in Manchester have gone solar as part of the Green Bank's solar municipal assistance program (Solar MAP), helping save the town more than \$100,000 a year in avoided energy costs.

### **CT Green Bank expands C-PACE program to cover EV charging infrastructure**

***Hartford Business Journal, March 29, 2023***

Through an expansion of the C-PACE retrofit financing program, building owners can cover the cost of installing EV-charging infrastructure, which can be combined with solar and other energy-efficiency measures.

### **Portland Announces Solar at Brownstone Intermediate School**

***Renewable Energy Magazine, April 5, 2023***

The Town of Portland celebrated the installation of solar PV system at Brownstone Intermediate School, which is projected to save the Town more than \$10,000 annually in energy costs and more than \$206,000 over the term of the power purchase agreement. This project was part of the Green Bank's Solar Municipal Assistance Program.

### **Second Solar Project Completed at Barker Specialty**

***Global Renewable News, June 21, 2023***

A second rooftop solar photovoltaic system installation financed by C-PACE was installed at the headquarters for Barker Specialty Advertising Co. Inc., a family business and leader in the promotional products industry for more than 70 years. In total, both systems are projected to produce energy savings equal to the energy used by 425 homes in a year and gross total savings of more than \$1.5 million over the 25-year effective useful life of the panels.

## **Lessons Learned**

Based on the implementation of the Financing Programs thus far, the following are the key lessons learned:

### **C-PACE and C-PACE-backed Commercial Solar PPA**



- Solar continues to be the main driver of CGB's C-PACE lending success, accounting for 64% of CGB's projects. Staff is focused on this marketing and continuing the transition to the Non-Residential Energy Solutions incentive program while also looking for ways to grow the energy efficiency business. Work began in late FY23 on a pilot with a software provider to make it easier for contractors to estimate energy efficiency savings and meet the technical requirements of the C-PACE program.
- Connecticut's open market platform continued to attract capital providers to Connecticut and enable private capital investment. With 65% of the investment private versus 35% "public" through CGB-funded projects, CGB is balancing separate goals of leveraging private capital (and not crowding it out) and investing its dollars to build its balance sheet. With much of the private lenders focused on large (\$2M+) new construction and retrofit projects, CGB is filling a gap for small to mid-size retrofit projects.

#### Commercial Solar PPA

- The Solar MAP program is the main source of PPA projects, accounting for 78% of the PPA total projects and 92% of the capital deployed through the program.
- The contractor/developer pipeline, which was the primary source of projects in the early days of the program, is producing increasingly less projects, with only 1 project this year coming through this channel.
- 4 of the projects were debt provided to another owner for a total of \$1.85M. Staff continues to develop relationships with other owners to look for other opportunities to deploy debt.
- Staff will look to take advantage of the ability of the state to "virtually net meter" through the NRES program for future project development.

#### Small Business Energy Advantage (SBEA)

- The partnership with Green Bank and Amalgamated to provide capital for SBEA loans continues to be a success in delivering savings for the SBEA program and expanding access to capital.
- The available loan term for customers has been expanded to 7 years and can now include EV chargers or batteries

#### Multifamily Affordable Housing

- CTGB Multifamily Programs are now primarily focused on solar and storage deployment in affordable multifamily properties. Staff has been actively working with DEEP, DOH, CHFA and other stakeholders to review and provide public comments to PURA on the new multifamily solar incentive through Residential Renewable Energy Solutions. Program development took longer than anticipated and therefore not as many projects were closed as anticipated. However, a new product has been designed, a revenue-sharing lease, that is ideal for this market and, after a few pilots projects, staff expects to scale our deployment in this sector.
- Capital for Change has continued to take full ownership of the Loans Improving Multifamily Energy (LIME) loan program, including marketing and outreach, which has been limited. LIME is primarily focused on funding energy efficiency improvements for mid-cycle multifamily properties.

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## Financing Programs FY 2024 Targets



Of programs being implemented in the Financing Programs, the following is a breakdown of the key targets:

**Table 15. Number of Projects, Capital Deployed, and Clean Energy Deployed (MW)**

Program	# of Projects	Capital Deployed	Clean Energy Deployed (MW)	Ann. GHG Emissions Avoided (TCO2)
Commercial PACE	19	\$21,170,000		
Green Bank Solar PPA/Roof Leases	16	\$16,081,668	8.2	14,098
Small Business Energy Advantage	480	\$11,728,000		65,493
Multifamily Term Loan	3	\$300,000	0.3	529
Transportation				150,000
Strategic Investments		\$10,000,000		
<b>Total</b>	<b>515</b>	<b>\$58,979,668</b>	<b>8.2</b>	<b>229,591</b>

For the Financing Programs, there are 18.4 full time equivalent staff members supporting ten (10) different programs.





# Memo

**To:** Connecticut Green Bank Board of Directors

**From:** Eric Shrago, VP of Operations

**CC:** Bryan Garcia (President and CEO), Bert Hunter (EVP and CIO), Jane Murphy (EVP of Finance and Accounting), Sergio Carrillo (Director of Incentive Programs), and Mackey Dykes (VP of Financing Programs and Officer)

**Date:** ~~July 18,~~ October 13, 2023

**Re:** Investments – Performance towards Targets for FY 2023 – ~~Preliminary~~ Final

The following memo outlines Connecticut Green Bank (Green Bank) progress to deploying our own capital in line with the organization's budget and sustainability plan.

Building a balance sheet has two components: (1) Committing capital to external parties in the form of debt through approved transactions and facilities, and (2) getting those transactions closed and the capital disbursed. The below table captures new commitments made by the Green Bank in terms of approved transactions in FY2023.

**Table 1. Budget to Actual Investment Activity – Approved transactions<sup>1</sup>**

Program	Description	Activity Type	Budget			Actual				
			Rate	Term	Principal	Rate	Term	Principal	Total Investment Income	PV of Interest Income
CPACE	JCI Associates LLC	Standard CPACE Loan	4%	10	\$ 7,000,000	5.0%	14.5	\$ 59,732		
	Mod Associates LLC					5.3%	19.5	\$ 470,978		
	Mill Meadow Development, LLC					4.5%	4.5	\$ 71,173		
	Unicorn Project LLC					5.8%	19.5	\$ 595,435		
	Aron 100 Sanford Street, LLC					5.3%	19.5	\$ 167,561		
	Mystic Business Park LLC					5.3%	19.5	\$ 514,999		
	Mystic Business Park II LLC					5.3%	19.5	\$ 372,473		
	Enko Realty LLC					5.5%	14.5	\$ 727,878		
	Car-Sue Realty LLC					5.8%	19.5	\$ 1,687,886	\$ 2,981,525	\$ 2,019,488
Capital Solutions/Strategic Investments	PosiGen CT LI Storage	Solar	4%	10	\$ 8,200,000	3.2%	9.9	\$ 6,000,000		
	CAC Co-Investment w Amalgamated	Support for Capital for Change for Smart-E				4.0%	2.9	\$ 10,000,000		
	PosiGen 1st and 2nd lien	Support for Posigen's continued solar deployment in CT				8.0%	2.9	\$ 2,902,592		
	Debt Facility at Bradley International Airport	Loan to the Airport Authority for Energy Efficiency				7.0%	1.9	\$ 2,500,000		
	Buddefly 2nd Round	Second line of credit for Buddefly				4.0%	5.9	\$ 5,000,000		
	PosiGen Tax Equity Bridge	Support for Posigen's continued solar deployment in CT				9.0%	0.9	\$ 6,000,000		
	CAC Lime Extension	1 year extension to support Capital for Change's multifamily energy lending				3.3%	1.1	\$ 6,500,000		
	FuelCell Energy Master Refinancing Facility	Refinancing for Bridgeport Fuel Cell				2.7%	6.9	\$ 10,000,000	\$ 5,263,193	\$ 4,167,586
<b>Total New Commitments</b>					<b>\$ 15,200,000</b>	<b>4.6%</b>	<b>25.5</b>	<b>\$ 53,570,706</b>	<b>\$ 8,244,718</b>	<b>\$ 6,187,074</b>

<sup>1</sup> Intacct, Board Materials, & Power BI data source: <https://app.powerbi.com/groups/289235dd-d77d-4043-8dae-d232a51a116a/reports/b24ec66b-a2c1-49f0-9a62-3f7443077b3f/ReportSection13c15e79a907a30b650e>



Program	Description	Activity Type	Budget			Actual			
			Rate	Term	Principal	Rate	Term	Principal	Total Investment Income
CPACE	JCI Associates LLC	Standard CPACE Loan	4%	10	\$ 7 000 000	5.0%	14.5	\$ 59 732	
	Mod Associates LLC					5.3%	19.5	\$ 470 978	
	Mill Meadow Development LLC					4.5%	4.5	\$ 71 173	
	Unicorn Project LLC					5.8%	19.5	\$ 595 435	
	Aron 100 Sanford Street LLC					5.3%	19.5	\$ 167 561	
	Mystic Business Park LLC					5.3%	19.5	\$ 514 999	
	Mystic Business Park II LLC					5.3%	19.5	\$ 372 473	
	Enko Realty LLC					5.5%	14.5	\$ 727 878	
	Car-Sue Realty LLC					5.8%	19.5	\$ 1 687 886	\$ 2 981 525
Capital Solutions/Strategic Investments	PosiGen CT LI Storage	Facility to support Posigen Expansion into Solar - Term	4%	10	\$ 6 420 000	3.2%	9.9	\$ 6 000 000	
	CAC Co-Investment w Amalgamated	Support for Capital for Change for Smart-E				4.0%	2.9	\$ 5 500 000	
	PosiGen 1st and 2nd lien	Support for Posigen's continued solar deployment in CT				8.0%	2.9	\$ 2 902 592	
	PosiGen CT LI Storage	Facility to support Posigen Expansion into Solar - Inventory				4.0%	4.0	\$ 2 000 000	
	PosiGen Tax Equity Bridge	Support for Posigen's continued solar deployment in CT				9.0%	0.9	\$ 6 000 000	
	CAC Lime Extension	1 year extension to support Capital for Change's multifamily energy lending				3.3%	1.1	\$ 6 500 000	
	FuelCell Energy Master Refinancing Facility	Refinancing for Bridgeport Fuel Cell				2.7%	6.9	\$ 10 000 000	\$ 5 263 193
									\$ 4 167 586
Total New Commitments					\$ 13,420,000	4.6%	6.0	\$ 43,570,706	\$ 8,244,718

For FY2023, staff ~~sought to commit~~ committed and closed transactions ~~\$5343.57 MM~~, against a target of \$13.42 MM. These investments will generate a forecast of interest of more than \$ 8.2 MM over the course of their lives. The average interest rate was 4.6% for a term of ~~25.56~~ years. This surpasses the Green Banks established internal benchmark of 4% and 10 years.

The Green Bank had a great year in terms of disbursing capital against these and other previous commitments. Getting the capital disbursed from new and previous facilities shows that the organization is following through on its prior commitments and is making progress in building our balance sheet.

**Table 2. Budget to Actual Investment Activity – Investment Disbursements<sup>2</sup>**

Program	FY23 Budget	FY23 Actual
SBEA	\$ 3,720,000	\$ 3,115,310
Capital Solutions/Strategic Investments	\$ 8,200,000	\$ 18,870,663
LMI Programs (Posigen)	\$ 4,600,000	\$ 18,291,635
CPACE	\$ 7,000,000	\$ 2,659,283
PPA Dev	\$ 4,000,000	\$ 4,054,191
PPA Dev (State)	\$ 8,330,000	\$ -
Multifamily	\$ 1,580,000	\$ -
<b>Total</b>	<b>\$ 37,430,000</b>	<b>46,991,081.81</b>

These numbers ~~will change and will be updated once the books are closed for the fiscal year. We will capture these updates when we update the memo for the~~ have been updated from the ones presented at the October 20, 2023 BOD meeting.

## “Top 5” Headlines

<sup>2</sup> Intacct, Board Materials, & Power BI data source: <https://app.powerbi.com/groups/289235dd-d77d-4043-8dae-d232a51a116a/reports/b24ec66b-a2c1-49f0-9a62-3f7443077b3f/ReportSection13c15e79a907a30b650e>



The following are notable headlines related to our programmatic, capital markets, and financing activity from FY2023.

### **[A New Kind Of Bond Is Enlisting Americans In The Fight Against Climate Change](#)**

***Washington Post, Feb. 14, 2023***

Through their green columnist, the Washington Post featured Green Liberty Bonds and Notes as opportunities for ordinary citizens to invest directly in the fight against climate change.

### **[Connecticut Green Bank and Partners Secure Funding to Deploy EV Charging](#)**

***Renewable Energy Magazine, March 10, 2023***

The issuance of these EV charging carbon credits represents the Green Bank's first entry into the carbon markets. "This process has taught us how we can leverage carbon markets to unlock added revenue streams for ourselves and our partners. I expect us to examine where else we can be a participant in these markets, which will open doors for us both in terms of clean energy and environmental infrastructure," said Eric Shrager, Vice President of Operations at the Green Bank.

### **[How to navigate solar financing in the face of recent bank failures](#)**

***Solar Power World, May 2, 2023***

In light of recent bank failures, Solar Power World contacted the Green Bank to write an editorial on navigating the world of solar financing. Bert Hunter and Louise Della Pesca submitted a piece that provided insight.

### **[Connecticut company will be 'hiring hundreds' in coming years after \\$500 million investment](#)**

***CT Insider, July 12, 2022***

Shelton-based energy management outsourcing company, Budderfly, was the recipient of \$500 million in investment from a Swiss equity company. This came two weeks after the Green Bank announced a \$5 million loan to Budderfly.

### **[CT Green Bank driving private investment in climate tech through crowdfunding, partnerships](#)**

***Hartford Business Journal, Nov. 21, 2022***



This article covers Connecticut's first VentureClash Climate Edition, which was created in partnership between the Green Bank, Connecticut Innovations, and other state agencies. In addition to quoting Bert Hunter, this piece included discussion of the Green Liberty Notes.





## **BOARD OF DIRECTORS**

### **REGULAR MEETING SCHEDULE FOR 2024**

The following is a list of dates and times for **regular meetings** of the Connecticut Green Bank Board of Directors through 2024.

- Friday, January 26, 2024 – Regular Meeting from 9:00 to 11:00 a.m.
- Friday, March 15, 2024 – Regular Meeting from 9:00 to 11:00 a.m.
- Friday, April 26, 2024 – Regular Meeting from 9:00 to 11:00 a.m.
- Friday, June 21, 2024 – Regular Meeting from 9:00 to 11:00 a.m.
- Friday, July 26, 2024 – Regular Meeting from 9:00 to 11:00 a.m.
- Friday, October 18, 2024 – Regular Meeting from 9:00 to 11:00 a.m.
- Friday, December 13, 2024 – Regular Meeting from 9:00 to 11:00 a.m.

Should a **special meeting** need to be convened for the Connecticut Green Bank board of Directors to review staff proposals or to address other issues that arise, a meeting will be scheduled accordingly.

All regular and special meetings will take place at the:

Connecticut Green Bank  
75 Charter Oak Avenue, Building #1-103  
Albert Pope Board Room  
Hartford, CT 06106





## **AUDIT, COMPLIANCE AND GOVERNANCE COMMITTEE**

### **REGULAR MEETING SCHEDULE FOR 2024**

The following is a list of dates and times for **regular meetings** of the Connecticut Green Bank Audit, Compliance and Governance Committee through 2024.

- Tuesday, January 16, 2024 – Regular Meeting from 8:30am – 9:30am
- Tuesday, May 14, 2024 – Regular Meeting from 8:30am - 9:30am
- Tuesday, October 8, 2024 – Regular Meeting from 8:30am - 9:30am

Should a **special meeting** need to be convened for the Connecticut Green Bank board of Directors to review staff proposals or to address other issues that arise, a meeting will be scheduled accordingly.

All regular meetings will take place at:

Connecticut Green Bank  
75 Charter Oak Avenue, Building 1-103  
Albert Pope Board Room  
Hartford, CT 06106





## **BUDGET, OPERATIONS AND COMPENSATION COMMITTEE**

### **REGULAR MEETING SCHEDULE FOR 2024**

The following is a list of dates and times for **regular meetings** of the Connecticut Green Bank Budget, Operations and Compensation Committee through 2024.

- Wednesday, January 17, 2024 – Regular Meeting from 2:00 to 3:30 p.m.
- Wednesday, May 8, 2024 – Regular Meeting from 2:00 to 3:30 p.m.
- Wednesday, June 5, 2024 – Regular Meeting from 2:00 to 3:30 p.m.
- Wednesday, June 12, 2024 – Regular Meeting from 2:00 to 3:30 p.m.

Should a **special meeting** need to be convened for the Connecticut Green Bank board of Directors to review staff proposals or to address other issues that arise, a meeting will be scheduled accordingly.

All regular meetings will take place at:

Connecticut Green Bank  
75 Charter Oak Avenue, Building 1-103  
Albert Pope Board Room  
Hartford, CT 06106





## DEPLOYMENT COMMITTEE

### **REGULAR MEETING SCHEDULE FOR 2024**

The following is a list of dates and times for **regular meetings** of the Connecticut Green Bank Deployment Committee through 2024.

- Wednesday, February 21, 2024 – Regular Meeting from 2:00pm – 3:00pm
- Wednesday, May 22, 2024 – Regular Meeting from 2:00pm – 3:00pm
- Wednesday, September 11, 2024 – Regular Meeting from 2:00pm – 3:00pm
- Wednesday, November 13, 2024 – Regular Meeting from 2:00pm – 3:00pm

Should a **special meeting** need to be convened for the Connecticut Green Bank board of Directors to review staff proposals or to address other issues that arise, a meeting will be scheduled accordingly.

All regular meetings will take place at:

Connecticut Green Bank  
75 Charter Oak Avenue, Building 1-103  
Albert Pope Board Room  
Hartford, CT 06106





**Joint Committee of the CT Energy Efficiency Board and the  
Connecticut Green Bank Board of Directors**

**REGULAR QUARTERLY MEETING SCHEDULE FOR 2024**

The following is a list of dates and times for **regular meetings** of the Connecticut Green Bank and the Connecticut Energy Efficiency Board through 2024

- **March 20, 2024** – Wednesday from 1:30-3:30 p.m.  
Location: TBD
- **June 19, 2024** – Wednesday from 1:30-3:30 p.m.  
Location: TBD
- **September 25, 2024** – Wednesday from 1:30-3:30 p.m.  
Location: TBD
- **December 18, 2024** – Wednesday from 1:30-3:30 p.m.  
Location: TBD

Should a **special meeting** be needed to address other issues that arise, a meeting will be scheduled accordingly.





# Memo

**To:** Board of Directors of the Connecticut Green Bank – Deployment Committee of the Connecticut Green Bank

**From:** Bryan Garcia (President and CEO)

**CC:**

**Date:** October 13, 2023

**Re:** Approval of Restructure/Write-Offs Requests below \$100,000 and No More in Aggregate than \$500,000 – Update

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At the June 13, 2018 Board of Directors (BOD) meeting of the Connecticut Green Bank ("Green Bank") it was resolved that the BOD approves the authorization of Green Bank staff to evaluate and approve loan loss restructurings or write-offs for transactions less than \$100,000 which are pursuant to an established formal approval process in an aggregate amount not to exceed \$500,000 from the date of the last Deployment Committee meeting. At the April 24, 2020 BOD meeting of the Green Bank, it was resolved that the BOD approves the authorization of Green Bank staff to evaluate and approve a semi-annual (or two quarterly periods) repayment modification of various transaction types in light of the COVID-19 pandemic.<sup>1</sup> And at the June 26, 2020 BOD meeting of the Green Bank, it was resolved that the BOD approves of the framework applying to subsidiaries of the Green Bank.

During this period, 1 project was evaluated and approved for payment restructure/write-off in an aggregate amount of approximately \$71,684. If members of the board or committee would be interested in the internal documentation of the review and approval process Green Bank staff and officers go through, then please request it.

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**Project Name:** Ukrainian National Home at 961 Wethersfield Avenue, Hartford, CT 06114

**Write-off Amount:** \$71,683.70

**Comprehensive Plan:** Solar PPA & Lease

**Description**

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<sup>1</sup> The Board also approved accommodation for one year for C-PACE transactions in certain towns where C-PACE assessments are collected annually.



The Project is a 27.06 KW DC rooftop solar project that is owned by CT Solar Lease 2 LLC ("SL2"). SL2 entered into a Solar Equipment Lease dated as of November 24, 2014 ("Solar Lease") with the property owner. The cost to install the SEF in 2015 was \$92,004. The Project was placed in service with the utility on May 18, 2015.

The performance of the system is being degraded by defective microinverters. The microinverters and all other major equipment in the SEF are produced by TenKSolar, Inc., a manufacturer which is no longer in business. By design, the TenKSolar equipment is only compatible with other TenKSolar equipment, and no compatible substitutes are available on today's market. Performance of the system therefore continues to degrade as the microinverters fail. An insurance claim was submitted and received for repair of the system, however, with TenKSolar products unavailable, repair is not possible. When the system began to significantly degrade above expectations, staff sought to amend the lease agreement into a power purchase agreement structure to ensure the customer was receiving savings from the solar. However, the system has continued to degrade at an accelerating pace and the owner now wishes to sell the property. Staff therefore believes that a write-off of the system is the best path forward.





# Memo

**To:** Connecticut Green Bank Board of Directors

**From:** Eric Shrago

**CC:** Bryan Garcia, Sergio Carrillo, and Mackey Dykes

**Date:** October 13, 2023

**Re:** Fiscal Year 2023 Progress to Targets and Activity in Vulnerable Communities through Q4 - Final

The following memo<sup>1</sup> outlines Connecticut Green Bank (CGB) progress to targets and capital deployed, including investments in vulnerable communities<sup>2</sup> for Fiscal Year (FY) 2023 as of June 30, 2023.

**Table 1. Incentive Programs FY 2023 Progress to Targets**

Product/Program	Projects			Capital Deployed			Capacity (MW)		
	Closed	Target	% to Target	Closed	Target	% to Target	Closed	Target	% to Target
ESS – Commercial	31	30	103%	\$71,322,984	\$67,500,000	106%	48.7	45.0	108%
ESS – Residential	329	350	94%	\$6,909,794	\$14,875,000	46%	2.3	4.7	48%
Smart-E <sup>3</sup>	1,243	960	129%	\$23,333,269	\$14,994,623	156%	0.5	0.2	252%
<b>Total Incentive Programs</b>	<b>1,603</b>	<b>1,180</b>	<b>136%</b>	<b>\$101,566,047</b>	<b>\$97,369,623</b>	<b>104%</b>	<b>51.5</b>	<b>49.9</b>	<b>103%</b>

**Table 2. Incentive Programs FY 2023 Vulnerable Communities**

Product/Program	Capital Deployed			
	Not Vulnerable	Vulnerable	Total	% Vulnerable
ESS – Commercial	\$44,370,889	\$26,952,095	\$71,322,984	38%
ESS – Residential	\$4,465,110	\$2,444,684	\$6,909,794	35%
Smart-E	\$15,127,180	\$8,206,090	\$23,333,269	35%
<b>Total Incentive Programs</b>	<b>\$63,963,178</b>	<b>\$37,602,869</b>	<b>\$101,566,047</b>	<b>37%</b>

<sup>1</sup> This memo restates the numbers presented in the July Board Meeting and it will be used as part of our process for employee evaluation and merit compensation.

<sup>2</sup> CGB Performance Metrics Power BI data source: <https://app.powerbi.com/groups/289235dd-d77d-4043-8dae-d232a51a116a/reports/dcec3754-1e52-4c0c-b579-cfa7df20379c/ReportSection3a1e4346c50856c3c008>

<sup>3</sup> See Table 9 for current reporting periods for Smart-E lenders.



**Table 3. Incentive Programs FY 2023 Vulnerable Communities**

Product/Program	# Projects			
	Not Vulnerable	Vulnerable	Total	% Vulnerable
ESS – Commercial	18	13	31	42%
ESS – Residential	141	188	329	57%
Smart-E	764	479	1,243	39%
<b>Total Incentive Programs</b>	<b>923</b>	<b>680</b>	<b>1,603</b>	<b>42%</b>

**Table 4. Smart-E Channels**

Smart-E Loan Channels	Closed	% of Loans
Battery Storage	5	0%
EV	0	0%
Health and Safety	5	0%
Home Performance	92	7%
HVAC	1,078	87%
Solar	62	5%
(blank)	1	0%
<b>Total</b>	<b>1,243</b>	<b>100%</b>

**Table 5. Financing Programs FY 2023 Progress to Targets**

Product/Program	Projects			Capital Deployed			Capacity (MW)		
	Closed	Target	% to Target	Closed	Target	% to Target	Closed	Target	% to Target
Commercial Lease	19	19	100%	\$22,761,449	\$13,710,000	166%	10.8	7.6	142%
CPACE	15	23	65%	\$20,647,407	\$31,000,000	67%	2.0	0.0	0%
SBEA	810	839	97%	\$15,383,737	\$18,600,000	83%	0.0	0.0	0%
Multi-Family Health and Safety	0	1	0%	\$0	\$892,500	0%	0.0	0.0	0%
Multi-Family Term	3	6	50%	\$4,392,500	\$1,380,000	318%	0.0	0.6	0%
<b>Total Financing Programs</b>	<b>847</b>	<b>882</b>	<b>96%</b>	<b>\$63,185,093</b>	<b>\$64,202,500</b>	<b>98%</b>	<b>12.8</b>	<b>7.6</b>	<b>168%</b>

**Table 6. Financing Programs FY 2023 Vulnerable Communities (excluding SBEA)**

Product/Program	Capital Deployed			
	Not Vulnerable	Vulnerable	Total	% Vulnerable
Commercial Lease	\$9,969,281	\$12,792,168	\$22,761,449	56%
CPACE	\$10,638,169	\$10,009,238	\$20,647,407	48%
Multi-Family Health and Safety				
Multi-Family Term		\$4,392,500	\$4,392,500	100%



Total Financing Programs	\$20,607,450	\$27,193,906	\$47,801,356	57%
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**Table 7. Financing Programs FY 2023 Vulnerable Communities (excluding SBEA)**

Product/Program	# Projects			
	Not Vulnerable	Vulnerable	Total	% Vulnerable
Commercial Lease	7	12	19	63%
CPACE	9	6	15	40%
Multi-Family Health and Safety				
Multi-Family Term		3	3	100%
<b>Total Financing Programs</b>	<b>16</b>	<b>21</b>	<b>37</b>	<b>57%</b>

**Table 8. Multi-Family Units**

MFH # of Units	Closed
Affordable	207
Market Rate	0
<b>Total</b>	<b>207</b>

**Table 9. CGB Totals FY 2023 Progress to Targets**

Segment	Projects			Capital Deployed			Capacity (MW)		
	Closed	Target	% to Target	Closed	Target	% to Target	Closed	Target	% to Target
Incentive Programs	1,603	1,180	136%	\$101,566,047	\$97,369,623	104%	51.5	49.9	103%
Financing Programs	847	882	96%	\$63,185,093	\$64,202,500	98%	12.8	7.6	168%
<b>Total</b>	<b>2,450</b>	<b>2,062</b>	<b>119%</b>	<b>\$164,751,140</b>	<b>\$161,572,123</b>	<b>102%</b>	<b>64.3</b>	<b>57.5</b>	<b>112%</b>

**Table 10. CGB Totals FY 2023 Vulnerable Communities (excluding SBEA)**

Product/Program	Capital Deployed			
	Not Vulnerable	Vulnerable	Total	% Vulnerable
Incentive Programs	\$63,963,178	\$37,602,869	\$101,566,047	37%
Financing Programs	\$20,607,450	\$27,193,906	\$47,801,356	57%
<b>Total</b>	<b>\$84,570,628</b>	<b>\$64,796,775</b>	<b>\$149,367,403</b>	<b>43%</b>

**Table 11. CGB Totals FY 2023 Vulnerable Communities (excluding SBEA)**

Product/Program	# Projects			
	Not Vulnerable	Vulnerable	Total	% Vulnerable
Incentive Programs	923	680	1,603	42%
Financing Programs	16	21	37	57%
<b>Total</b>	<b>939</b>	<b>701</b>	<b>1,640</b>	<b>43%</b>



**Table 12. Current Reporting Periods for Smart-E Lenders**

<b>Lender</b>	<b>Current Reporting Period</b>
Capital For Change	6/1/2023
CorePlus Federal Credit Union	6/1/2023
Eastern Connecticut Savings Bank	6/1/2023
First National Bank of Suffield	6/1/2023
Ion Bank	6/1/2023
Liberty Bank	6/1/2023
Mutual Security Credit Union	6/1/2023
Nutmeg State Financial Credit Union	6/1/2023
Patriot Bank	6/1/2023
Quinnipac Bank & Trust	NULL
Thomaston Savings Bank	6/1/2023
Union Savings Bank	6/1/2023
Workers Federal Credit Union	6/1/2023





# Memo

**To:** Board of Directors of the Connecticut Green Bank

**From:** Bryan Garcia (President and CEO)

**Cc:** Jane Murphy (EVP of Finance and Administration), Eric Shrago (VP of Operations), and Dan Smith (Associate Director of Financial Reporting)

**Date:** October 13, 2023

**Re:** Q4 of FY23 Financial Package (Abridged)

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## Overview

Following on the recommendation of the Chair<sup>1</sup> of and discussions with the Audit, Compliance, and Governance Committee ("ACG Committee")<sup>2</sup> and Board of Directors,<sup>3</sup> we are providing our fourth abridged quarterly financial package for the Connecticut Green Bank ("Green Bank") for the purposes of helping members of the board communicate four key messages consistent with its Comprehensive Plan – (1) making an impact,<sup>4</sup> (2) mobilizing private investment,<sup>5</sup> (3) achieving sustainability,<sup>6</sup> and (4) monitoring state budget allocation. Each of these areas is elaborated on further below with an explanation of what transpired at a "high level" within that area in each respective quarter.

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## Making an Impact – Board Member Dashboards

Given a primary goal of the Green Bank is to continuously deliver benefits to our communities, and need to communicate that impact to our stakeholders, we have created dashboards for each member of the board that shows the organization's impact to your community or is most relevant to your appointer. For example, Deputy Commissioner Rob Hotaling, Board Member of the Green Bank, has a "State of Connecticut" page given his position at the Department of Economic and Community Development:

***"The Green Bank has enabled \$2,479,215,936 of investment in clean energy in CT helping 70,013 families and businesses reduce the burden of energy costs while creating 26,963 job years in our communities and avoiding 11,146,291 tons of CO2 emissions causing global climate change."***<sup>7</sup>

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<sup>1</sup> Tom Flynn

<sup>2</sup> May 17, 2022 ACG Committee meeting – see Agenda Item #5 [click here](#)

<sup>3</sup> June 24, 2022 BOD meeting – see Agenda Item #5bi [click here](#)

<sup>4</sup> Goal 2 – to strengthen Connecticut's communities, especially vulnerable communities, by making the benefits of the green economy inclusive and accessible to all individuals, families, and businesses.

<sup>5</sup> Goal 1 – to leverage limited public resources to scale-up and mobilize private capital investment in the green economy of Connecticut.

<sup>6</sup> Goal 3 – to pursue investment strategies that advance market transformation in green investing while supporting the organization's pursuit of financial sustainability.

<sup>7</sup> As of October 13, 2023



Given our goal to ensure that “no less than 40 percent of investment and benefits are directed to vulnerable communities by 2025,” you will see that we also include those breakdowns.

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### **Mobilizing Private Investment – Balance Sheet**

Given a primary goal of the Green Bank is to invest public funds wisely to mobilize multiples of private capital investment, the strength of the balance sheet (e.g., total assets, net position) is important to attracting private partners.

As noted in the Q1 of FY23 report, the cash repayment of SHREC ABS 1 bonds has strengthened our financial position (i.e., reduction of liabilities by reducing interest expense and increase in net position). The reduction in total assets in Q1 from \$242.3 million to \$240.6 million (i.e., reduction of \$1.7 million) has improved in Q4 from \$240.6 million to \$254.1 million (i.e., increase of \$13.5 million). In addition to that, there was a reduction in current assets cash (i.e., by \$13.8 million) and increase in noncurrent assets of program loans (i.e., by \$18.1 million) bringing total program loans to \$116.5 million. At the end of FY23, public revenues were invested in 829 loans closed totaling \$43.0 million.

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### **Achieving Sustainability – Organizational P&L**

Given a primary goal of the Green Bank is to pursue organizational sustainability, the realization of revenues (i.e., specifically earned revenues) and management of operating expenses (i.e., specifically personnel-related operating expenses) is important.

The key observation from Q4 of FY23 is that earned revenues (i.e., \$25.4 million<sup>8</sup>) continue to exceed personnel related operating expenses (i.e., \$11.1 million) – nearly 60% margin – and were about \$0.4 million below total operating expenses (i.e., \$25.8 million) – nearly a 5% gain. These are continuing trends as the Green Bank makes steady progress towards organizational sustainability as planned in FY18.<sup>9</sup>

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### **Monitoring State Budget Allocation**

And lastly, to track the impact of the long-term structural budget deficit issues with respect to pension and healthcare liabilities, the Green Bank tracks the State of Connecticut Comptroller Employer SERS Rate (i.e., 67.4%) to a hypothetical market rate (i.e., 35.0%) to discern the amount the Green Bank overpays for such benefits causing increased pressure on organizational sustainability.

The key observation from Q4 of FY23 is that the Green Bank paid the State of Connecticut \$2.0 million more than it would have paid in a competitive environment for pension and healthcare benefits for its employees. This additional payment slows down progress of the Green Bank towards organizational sustainability.

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### **Conclusion**

For those interested in further details beyond the “Abridged” version of the Q4 of FY23 financial package, see the “Comprehensive” version attached.

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<sup>8</sup> Less the \$3.2 MM in Energy System Sales noted in the statement footnotes

<sup>9</sup> December 15, 2017 BOD meeting – [click here](#)





# **Connecticut Green Bank**

June 2023 Quarterly Financial Package  
(Abridged)



Connecticut Green Bank  
**June 2023 Financial Package**  
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# Connecticut Green Bank

## Making an Impact

### Board Member Dashboard

So that you can best articulate our ongoing impact to the Green Bank's stakeholders, we have created the below linked dashboards that show the organization's impact to your community or is most relevant to your appointer.

<https://www.ctgreenbank.com/boardimpact/>

  
**Welcome to the Connecticut Green Bank KPI**  
**(Key Performance Indicator)**  
This dashboard shows our impact in various geographical areas.



#### Click to Navigate to a Page

Home
State of CT
Council of Governments (COG)
Adrienne Farrar Houel - Bridgeport
Rob Hotaling - State of CT
Brenda Watson - Bloomfield
Brenda Watson - House District 1
Dominick Grant - Middlefield
Joanna Wozniak-Brown - State of CT
John Harrity - East Hartland
Lonnie Reed - Branford
Matt Ranelli - New Haven
Matt Ranelli - Senate District 11
Bettina Bronisz - State of CT
Tom Flynn - Fairfield
Tom Flynn - Senate District 21
Hank Webster - State of CT

When you access the site, you will see the different dashboards on the righthand side. Please click on the one you wish to view. The dashboards default to our performance and impact since inception but you may filter them by calendar or fiscal year in the top right. The top has a summary statement of the performance and impact for that geographic area. The bottom tables are further cross sections of this performance for vulnerable communities, Community Reinvestment Act Eligible Projects, and projects in Distressed Communities.

Please forward me your feedback and suggestions at [eric.shrago@ctgreenbank.com](mailto:eric.shrago@ctgreenbank.com).



# CGB-Primary Government Mobilizing Private Investment Balance Sheet

		CGB-Primary Government As of 6/30/2023	CGB-Primary Government As of 06/30/2022	CGB-Primary Government YTD \$ Change
<b>Assets</b>				
Current Assets				
Cash and Cash Equivalents (1)	{a}	36,372,512	50,243,875	(13,871,363)
Due From Component Units (SL2/SL3/CSS)	{b}	56,346,474	47,802,865	8,543,609
Other Current Assets	{c}	9,614,982	12,816,165	(3,201,183)
Total Current Assets		<u>102,333,968</u>	<u>110,862,905</u>	<u>(8,528,937)</u>
Noncurrent Assets				
Program Loans/Notes Receivable and Other Investments	{d}	116,503,933	98,385,642	18,118,291
Capital Assets, net	{e}	15,164,675	16,028,071	(863,396)
Restricted Assets (1)	{f}	20,096,362	17,002,056	3,094,306
Total Noncurrent Assets		<u>151,764,970</u>	<u>131,415,769</u>	<u>20,349,201</u>
<b>Total Assets</b>		<b><u>254,098,938</u></b>	<b><u>242,278,674</u></b>	<b><u>11,820,264</u></b>
<b>Liabilities</b>				
Current Liabilities				
	{g}	19,276,556	26,990,442	(7,713,886)
Noncurrent Liabilities				
Bonds Payable-SHREC ABS 1	{h}	18,213,482	19,894,301	(1,680,819)
Bonds Payable-Green Liberty Bonds	{i}	<u>34,353,000</u>	<u>37,163,000</u>	<u>(2,810,000)</u>
Total RSIP Bonds Payable		52,566,482	57,057,301	(4,490,819)
Bonds Payable-CREBs	{j}	8,566,963	9,272,524	(705,561)
Lease Liability	{k}	2,088,417	2,313,243	(224,826)
Pension & OPEB Liabilities	{l}	35,674,586	41,789,937	(6,115,351)
Total Noncurrent Liabilities		<u>98,896,448</u>	<u>110,433,005</u>	<u>(11,536,557)</u>
<b>Total Liabilities</b>		<b><u>118,173,004</u></b>	<b><u>137,423,447</u></b>	<b><u>(19,250,443)</u></b>
<b>Deferred Inflows of Resources</b>	{m}	<u>3,981,219</u>	<u>3,506,823</u>	<u>474,396</u>
<b>Total Net Position</b>		<b><u>131,944,715</u></b>	<b><u>101,348,404</u></b>	<b><u>30,596,311</u></b>

(1) The \$36.4M unrestricted balance at 6/30/2023 is still mostly due to the issuance of two series of Special Capital Reserve Fund (SCRF) backed Green Liberty Bonds in FY21. The purpose of these issuances was to refinance expenditures of the Green Bank related to its Residential Solar Incentive Program (RSIP) per CGS 16-245ff. As of 6/30/23, unfunded and committed Solar PV incentives related to the RSIP program totaled approximately \$20.2M, to be paid to third parties over the next five fiscal years using the proceeds from these two bond issuances. Additionally, \$11.3M of RGGI funds are committed to Class 1 Renewable projects under the Regional Greenhouse Gas Initiative and not yet spent as of 6/30/23.

	Actual	Adj for RSIP/RGGI Commitments	Total
Cash - Unrestricted	\$ 36,372,512	\$ (31,500,000)	\$ 4,872,512
Cash - Restricted	20,096,362	31,500,000	51,596,362
<b>Total Cash</b>	<b>\$ 56,468,874</b>	<b>\$ -</b>	<b>\$ 56,468,874</b>

\* Additionally, Pursuant to CGS 16-245n(h), the State cannot impair the Green Bank's rights or obligations contained in contracts it has with third parties unless the State otherwise makes the third party whole pursuant to the Green Bank's unique non-impairment clause. As such, please contact the Green Bank before any material funding reductions or sweeps to ensure this non-impairment clause is not triggered. This could impact the Green Bank's or the State's credit and bond rating, if applicable.



## Appendix

- {a} Cash and Cash Equivalents includes all unrestricted cash accounts for the CT Green Bank and all entities included within the Primary Government for financial reporting purposes.
- {b} Due from Component Units represents the balance due to CGB's primary government through intercompany receivable accounts, the bulk of which relates to investment made in the CTSL2 and CTSL3 programs via CEFIA Solar Services Inc.
- {c} Other Current Assets are made up of Accounts Receivable, Utility Remittance Receivable, Interest Receivable, Other Receivables and Prepaid Expenses
- {d} Program Loans/Notes Receivable and Other Investments include the principal balances of all outstanding Program Loans, SBEA Notes, Solar Lease 1 Notes as well as some additional smaller investments made.
- {e} Capital Assets, net represent the cost of all capital assets that are owned by entities of the Primary Government, including Solar PV systems, furniture and equipment, leasehold improvements and computer hardware.
- {f} Restricted Assets includes all restricted cash accounts such as loan loss reserves, Special Capital Reserve Funds (SCRFs) related to the bonds outstanding and other contractually restricted cash accounts
- {g} Current Liabilities includes accounts payable and accrued expenses (including accrued incentives), accrued interest, and custodial liabilities
- {h} SHREC ABS 1 Bonds Payable represent the outstanding principal remaining on \$38.6M in bonds issued in March 2019. These bonds were collateralized by revenue from sales of SHRECs for two tranches of approx. 14,000 residential Solar PV systems to two CT utilities. These mature in 2033.
- {i} Green Liberty bonds represent the outstanding principal remaining on the \$16.8M Series 2020 and \$24.8M Series 2021 Green Liberty Bonds, collateralized by revenues from sales of SHRECs related to Tranche 3 (Series 2020) and Tranche 4 (Series 2021). These mature in 2037.
- {j} Bonds Payable- CREBs are two separate Clean Energy Renewable Energy bonds issued in February 2017 for just under \$3.0M (Meriden Hydro project) and December 2017 for \$9.1M (CSCUs project). These mature in 2038.
- {k} Lease liability represents the amount owed on the two leases of office space (Hartford & Stamford). The amount is determined per GASB 87, which included a present value of payments expected to be made during the lease term at the onset of the lease (both of which include 10.5 year terms beginning in Fiscal year 2021).
- {l} Pension and OPEB Liabilities represent the actuarially determined Pension and OPEB liabilities allocated to the CT Green Bank out of the SERS retirement plans. This number is uncontrollable by the Green Bank, with the amount to be booked provided by the actuarial valuation on an annual basis.
- {m} Deferred inflows of resources are a governmental accounting function which represents an acquisition of net position that applies to future periods and will not be recognized until that time. Amounts included here are functions of the Pension and OPEB actuarial valuations and are updated on an annual basis.



**CGB-Primary Government  
Achieving Sustainability  
Organizational P&L**

		Consolidated 7/1/2022 Through 6/30/2023				
		Actual	Budget	Variance	Prior Year Actual	Variance
<b>Total Revenues</b>						
Public Revenues	{a}	33,747,820	33,647,701	100,119	36,848,209	(3,100,389)
Earned Revenues (**)	{b}	28,587,525	21,480,671	7,106,854	19,461,884	9,125,641
<b>Total Revenues</b>		<b>62,335,345</b>	<b>55,128,372</b>	<b>7,206,973</b>	<b>56,310,093</b>	<b>6,025,252</b>
<b>Total Operating Expenses</b>						
Personnel Related Operating Expenses	{c}	11,142,554	12,215,787	(1,073,233)	9,283,408	1,859,146
Non-Personnel Related Operating Expenses (**)	{d}	14,687,332	14,171,896	515,436	10,812,699	3,874,633
<b>Total Operating Expenses</b>		<b>25,829,886</b>	<b>26,387,683</b>	<b>(557,797)</b>	<b>20,096,107</b>	<b>5,733,779</b>
<b>Margin (\$) - All Revenues</b>		<b>36,505,459</b>	<b>28,740,689</b>		<b>36,213,986</b>	
<b>Margin (%) - All Revenues</b>		<b>58.6%</b>	<b>52.1%</b>		<b>64.3%</b>	
<b>Margin (\$) - Pre Public Revenues</b>		<b>2,757,639</b>	<b>(4,907,012)</b>		<b>(634,223)</b>	
<b>Margin (%) - Pre Public Revenues</b>		<b>4.4%</b>	<b>-8.9%</b>		<b>-1.1%</b>	
<b>Total Non-Operating Expenses</b>						
Program Incentives and Grants	{e}	7,100,433	16,278,970	(9,178,537)	15,315,153	(8,214,720)
Non-Operating Expenses	{f}	4,449,671	5,487,641	(1,037,970)	223,273	4,226,398
<b>Total Non-Operating Expenses</b>		<b>11,550,104</b>	<b>21,766,611</b>	<b>(10,216,507)</b>	<b>15,538,426</b>	<b>(3,988,322)</b>
<b>Total Expenses</b>		<b>37,379,990</b>	<b>48,154,294</b>	<b>(10,774,304)</b>	<b>35,634,533</b>	<b>1,745,457</b>
<b>Net Margin (\$) - All Revenues (*)</b>		<b>24,955,355</b>	<b>6,974,078</b>	<b>17,981,277</b>	<b>20,675,560</b>	<b>4,279,795</b>
<b>Net Margin (%) - All Revenues</b>		<b>40.0%</b>	<b>12.7%</b>		<b>36.7%</b>	

\* Net Margin represents the Operating Results of the Green Bank before impact of State Pension and OPEB allocation of costs based on the annual actuarial valuation performed of the benefit plans. As such, the benefit/expense related to these actuarial determined amounts are not included in this presentation. See Detailed Quarterly and Annual ACFR for more details on these amounts.

\*\* The Earned revenues and non-personnel related operating expenses both include \$3.2M in Energy System Sales that occurred in the current period, where the revenues and cost of sales net to zero. These items both have a budget of \$0. The prior year actuals include \$451k related to an energy system sale as well in the same lines. See Detailed Quarterly report for more details on these amounts.



## Appendix

- {a} Public Revenues include system benefit charges from electric ratepayers and RGGI allowance proceeds.
- {b} Earned Revenues include interest income, REC sales, PPA income and other revenues earned by the Primary Government.
- {c} Personnel Related Operating Expenses include Salaries, benefits and payroll taxes.
- {d} Non-Personnel Related Operating Expenses include all other operating expenses not related to personnel, including O&M, tech support costs, IPC human capital, marketing, consulting, rent, insurance, IT and other office expenses.
- {e} Program Incentives and Grants are included in Non-Operating Expenses, and relate mostly to PBI & EPBB incentives paid out.
- {f} Non-Operating Expenses include Interest expense (mostly on bonds), loan loss reserve expense, and Interest Rate Buydowns using ARRA funds.



**Connecticut Green Bank**  
**Monitoring State Benefit Allocation**  
**June 30, 2023**

	FYE 6/30/23 Actual	FYE 6/30/22 Actual	FYE 6/30/21 Actual	FYE 6/30/20 Actual	FYE 6/30/19 Actual	FYE 6/30/18 Actual
<b><u>Compensation:</u></b>	\$ 5,902,859	\$ 4,813,293	\$ 4,476,214	\$ 3,931,596	\$ 4,204,855	\$ 5,154,021
<b><u>Employee Benefits:</u></b>						
State Retirement Plan Contributions	\$ 3,995,132	\$ 3,317,054	\$ 2,903,780	\$ 2,411,864	\$ 2,869,823	\$ 3,013,747
Medical Dental Rx Premiums	791,620	610,627	625,480	553,908	545,779	678,633
<b>Total Employee Benefits</b>	<b>4,786,752</b>	<b>3,927,681</b>	<b>3,529,260</b>	<b>2,965,772</b>	<b>3,415,602</b>	<b>3,692,380</b>
<b>Total Compensation and Benefits</b>	<b>\$ 10,689,611</b>	<b>\$ 8,740,974</b>	<b>\$ 8,005,474</b>	<b>\$ 6,897,368</b>	<b>\$ 7,620,457</b>	<b>\$ 8,846,401</b>
* Retirement Plan Contributions as a % of Salary	67.68%	68.91%	64.87%	61.35%	68.25%	58.47%
Medical Dental Rx Premiums as a % of Salary	13.41%	12.69%	13.97%	14.09%	12.98%	13.17%
<b>Total Benefits and Taxes as a % of Salary</b>	<b>81.09%</b>	<b>81.60%</b>	<b>78.84%</b>	<b>75.43%</b>	<b>81.23%</b>	<b>71.64%</b>
<b>*** State of CT Comptroller Employer SERS Rate</b>	<b>67.40%</b>	<b>65.90%</b>	<b>64.14%</b>	<b>59.99%</b>	<b>64.30%</b>	<b>56.58%</b>
<p>* Retirement Plan Contributions include Pension &amp; OPEB, included Employer contributions to the Tier IV Defined Contribution for associated employees in that plan.</p> <p>** OPEB began in the year ended 6/30/18.</p> <p>*** State of CT Comptroller Employer SERS Rate provided via the annual "Fringe Benefit Recover Rate" memo issued 7/1 of each year by the State Comptroller.</p>						
Total Benefits Cost @ Hypothetical Benefits Rate	<b>35%</b> 2,066,001	1,684,653	1,566,675	1,376,059	1,471,699	1,803,907
<b>Actual Total Compensation and Benefits</b>	10,689,611	8,740,974	8,005,474	6,897,368	7,620,457	8,846,401
<b>Less Total Compensation and Benefits @ Hypothetical Rate</b>	(7,968,860)	(6,497,946)	(6,042,889)	(5,307,655)	(5,676,554)	(6,957,928)
Incremental HR cost due to State Benefits Charge	2,720,751	2,243,028	1,962,585	1,589,713	1,943,903	1,888,473





# **Connecticut Green Bank**

June 2023 Quarterly Financial Package  
(Comprehensive)



Connecticut Green Bank  
**June 2023 Financial Package**  
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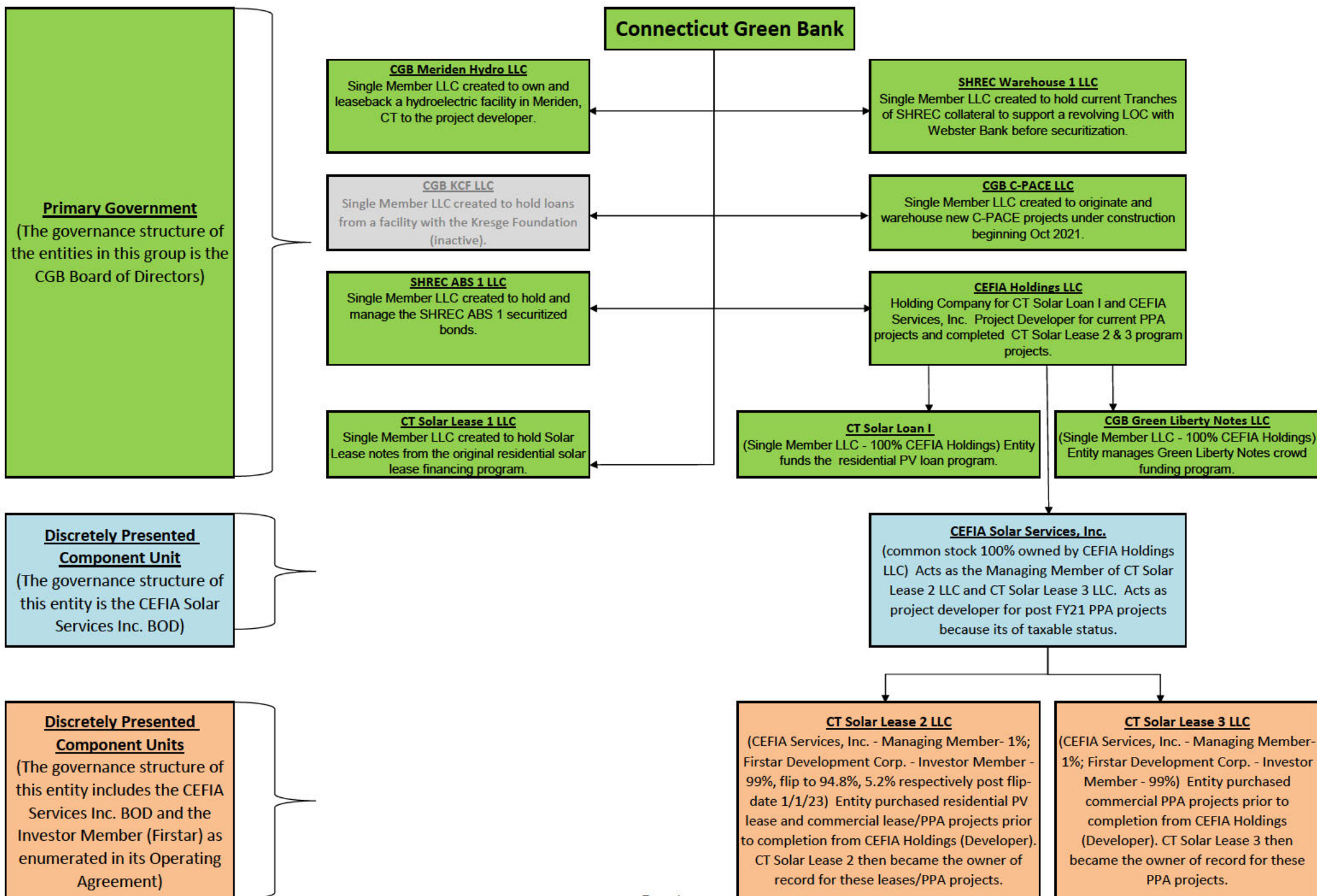
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# The Connecticut Green Bank and its Component Units (as of 6/30/2023)

See the Annual Comprehensive Financial Report of the Connecticut Green Bank for more details.





**Connecticut Green Bank**  
**Executive Summary**  
June 2023

**Overview**

This financial package contains financial information for the Connecticut Green Bank (CGB) for Fiscal Year ending June 30, 2023 with comparisons to June 30, 2022 for balance sheet, comparisons to the same period ended June 30, 2022 for the statement of revenue and expenditures, and versus Budget for the Statement of Revenue and Expenditures. Schedules of comp and benefits, unfunded commitments, loan guarantees, and program loans, notes and loan loss reserves are also presented. See Consolidated Balance Sheet, Consolidated Statement of Revenues and Expenditures and Consolidated Statement of Cash Flows for more details on the entities that make up the Primary Government for purposes of this Reporting.

**Balance Sheet - Primary Government**

- ✓ CGB's current assets decreased by \$20.0M compared to June 2022. The largest contributing factor to the decrease is due to cash and cash equivalents decreasing \$13.9M. The cash decrease is mostly due to an approx. \$15.2M repayment of the long term debt in the period. Other contributing factors were that other receivables decreased by \$4.0M, due to the sale of the Department of Corrections PPA Projects to CEFIA Solar Services and current portion of program loans was \$2.3M less than prior year based on the mix of the payment schedules of the outstanding program loans.
- ✓ Noncurrent assets increased \$31.7M compared to June 30, 2022, due in part to a \$20.0M increase in program loans, largely driven by loans made to Posigen and Fuel Cell Energy in the amounts of \$6M and \$10M respectively in Q4 of 2023. Additionally, there was an \$8.5M increase in due from component units due to funds transferred to SL2, CSS and CGB GLN during the period.
- ✓ As of March 31, 2023, 99.9% of accounts receivable is aged 30 days or lower, and only 0.1% of accounts receivable aged 60+ days - showing no significant collectability issues on accounts receivable. Utility Remittance receivables are all aged under 30 days, and Other Receivables represent disbursements made for development of projects and don't have specific aging/invoice due dates at any given time.
- ✓ Liabilities have decreased \$19.3M compared to June 30, 2022, mostly attributable to approx. \$11.7M of payments made on SHREC ABS Long-Term debt throughout the year, as well as an additional \$2.8M in payments made on the Green Liberty Bonds by CGB.
- ✓ Net Position for the Primary Government has increased \$30.6M due to the fiscal year's income as seen on Statement of Revenues and Expenditures below.

**Statement of Revenues and Expenditures vs. Prior Year - Primary Government**

Change in Net Position for FY23 was approximately \$30.6M of Income.

- ✓ Operating Revenues increased \$3.1M from the same period of the prior year and Operating expenses decreased \$2.2M from the same period of the prior year, resulting in Operating income increasing \$5.3M from the same period of the prior year. The revenue increase is mostly due to the \$2.7M increase in the Energy System Sales and a \$2.2M increase in REC Sales year over year.
- ✓ Offsetting the increases in Operating Revenues, there was a \$2M decrease in RGGI auction proceeds compared to the prior year, due the December auction hitting a calendar year ratepayer relief threshold built into Section 22a-174-31(j)(3) of the Regulations of Connecticut State Agencies in calendar year 2022 limiting the amount of RGGI proceeds received by the Green Bank by \$2M lower for that auction.
- ✓ Operating Expenses had decreases of \$7.6M in grants and incentive payments (due to substantially lower PBI and EPBB incentives paid in FY23 due to accrual adjustments made to actual as well as systems in the RSIP program being fully paid their PBIs), partially offset by increases of \$2.7M in Cost of Goods Sold-Energy Systems as well as increases of \$1.3M and \$1M in program administrative expenses and general and administrative expenses compared to the same period of the prior year, respectively.
- ✓ Nonoperating Revenues (expenses) showed a decrease in expenses of \$1.4M compared to the same period of the prior year mostly due to interest income from CT STIF accounts increasing \$0.9M from the prior fiscal year due to the rapidly changing interest-rate environment and interest expense decreasing approx. \$0.4M compared to the same period of the prior year due to the lower outstanding principal on debt year over year discussed above.

**Statement of Revenues and Expenditures vs. Budget - Primary Government**

Fiscal Year to Date Net Revenues Over Expenses of \$30.6M was \$23.6M better than budget (which has been adjusted for the FY23 recast budget approved by the Board on January 20, 2023).

- ✓ Revenues were \$7.2M higher than budget mostly due to \$3.2M in sales of energy systems that were not budgeted for, and \$1.8M higher interest income than budget.
- ✓ Operating Expenses were \$6.2M under budget. The biggest factors to this were \$5.6M of Pension and OPEB recovery compared to a budget of zero, \$1.2M lower program development and administration costs, \$1.0M lower compensation and benefit expenses, \$0.5M lower EM&V expenses. See breakout of budget to actual for financing programs, incentive programs and environmental infrastructure programs for more details.
- ✓ Program incentives and grants were approx. \$9.2M lower than the recast budget for the fiscal year due to PBIs/EPBBs falling \$2.4M lower than budget, grant expenditures falling \$5.0 lower than budget for the period (due to budgeted BIL matching grants of \$5M not coming to fruition in FY23), and ESS incentives falling \$1.6M below budget.
- ✓ Non-operating expenses were approximately \$1.0M under budget, driven mostly by the total provision for loan loss being below budget year to date by \$0.7M.

**Unfunded Commitments**

CGB has a total of \$90.9M in unfunded commitments at June 30, 2023, an increase of \$9.5M from June 30, 2022. The increase is seen mostly in an increased commitment for CPACE projects due to a significant pipeline of projects that were approved by the Board but did not close prior to June 30, 2023.



## CGB-Primary Government Balance Sheet

	CGB-Primary Government 6/30/2023	CGB-Primary Government 6/30/2022	CGB-Primary Government \$ Change
<b>Assets</b>			
Current Assets			
Cash and Cash Equivalents	36,372,512	50,243,875	(13,871,363)
Accounts Receivable	4,135,781	4,072,651	63,130
Utility Remittance Receivable	1,852,329	2,041,786	(189,457)
Interest Receivable	1,618,090	1,167,400	450,690
Other Receivables	382,122	4,398,795	(4,016,673)
Prepaid Expenses and Other Assets	763,155	1,135,532	(372,377)
Current Portion of Solar Lease Notes	1,019,733	1,016,267	3,466
Current Portion of SBEA Promissory Notes	1,455,172	1,129,900	325,272
Current Portion of Program Loans, Net of Reserves	7,236,384	9,547,825	(2,311,441)
<b>Total Current Assets</b>	<b>54,835,278</b>	<b>74,754,031</b>	<b>(19,918,753)</b>
Noncurrent Assets			
Restricted Assets	20,096,362	17,002,056	3,094,306
Investments	852,427	912,218	(59,791)
Program Loans, net of reserves	102,369,925	82,287,432	20,082,493
Solar Lease I Promissory Notes, net of reserves	1,078,443	1,987,394	(908,951)
Renewable Energy Certificates	174,306	229,019	(54,713)
SBEA Promissory Notes, net of reserves	2,317,443	1,275,487	1,041,956
Other receivables	863,505	0	863,505
Due From Component Units	56,346,474	47,802,865	8,543,609
Investment in Component Units	100	100	0
Capital Assets, net	15,164,675	16,028,071	(863,396)
<b>Total Noncurrent Assets</b>	<b>199,263,660</b>	<b>167,524,642</b>	<b>31,739,018</b>
<b>Total Assets</b>	<b>254,098,938</b>	<b>242,278,673</b>	<b>11,820,265</b>
<b>Deferred Outflows of Resources</b>			
Deferred Amount for Pensions	7,301,972	6,439,478	862,494
Deferred Amount for OPEB	6,353,565	5,172,871	1,180,694
<b>Total Deferred Outflows of Resources</b>	<b>\$ 13,655,537</b>	<b>\$ 11,612,349</b>	<b>\$ 2,043,188</b>
<b>Liabilities</b>			
Current Liabilities			
Accounts Payable	847,986	592,637	255,349
Accrued Payroll and Related Liabilities	1,175,855	1,296,862	(121,007)
Accrued Expenses	9,906,408	7,838,819	2,067,589
Notes Payable- Green Liberty Notes	1,000,000	304,735	695,265
Current Maturities of Long-Term Debt	5,426,387	15,450,938	(10,024,551)
Custodial Liability	853,102	1,386,450	(533,348)
Deferred Revenue	66,818	0	66,818
<b>Total Current Liabilities</b>	<b>19,276,556</b>	<b>26,870,441</b>	<b>(7,593,885)</b>
Noncurrent Liabilities			
Due to Component Units	0	120,000	(120,000)
Bonds Payable-SHREC ABS 1	18,213,482	19,894,301	(1,680,819)
Bonds Payable-CREBs	8,566,963	9,272,525	(705,562)
Bonds Payable-Green Liberty Bonds	34,353,000	37,163,000	(2,810,000)
Lease Liability, less current maturities	2,088,417	2,313,242	(224,825)
Pension Liability	17,632,888	21,273,373	(3,640,485)
OPEB Liability	18,041,698	20,516,564	(2,474,866)
<b>Total Noncurrent Liabilities</b>	<b>98,896,448</b>	<b>110,553,005</b>	<b>(11,656,557)</b>
<b>Total Liabilities</b>	<b>118,173,004</b>	<b>137,423,446</b>	<b>(19,250,442)</b>
<b>Deferred Inflows of Resources</b>			
Deferred Pension Inflow Liability	6,176,916	5,424,891	752,025
Deferred OPEB Inflow Liability	11,459,840	9,694,281	1,765,559
<b>Total Deferred Inflows of Resources</b>	<b>17,636,756</b>	<b>15,119,172</b>	<b>2,517,584</b>
<b>Net Position</b>			
Net Investment in Capital Assets	3,578,908	16,028,071	(12,449,163)
Restricted-Energy Programs	19,021,559	17,002,056	2,019,503
Unrestricted Net Position	109,344,247	68,318,277	41,025,970
<b>Total Net Position</b>	<b>131,944,714</b>	<b>101,348,404</b>	<b>30,596,310</b>



## CGB-Primary Government Statement of Revenues and Expenditures

	CGB-Primary Government Fiscal YTD 6/30/2023	CGB-Primary Government Fiscal YTD 6/30/2022	CGB-Primary Government \$ Change
<b>Change in Net Position</b>			
Operating Income (Loss)			
Operating Revenues			
Utility Remittances	24,609,111	25,279,305	(381,013)
Interest Income-Promissory Notes	6,766,463	6,142,849	240,266
RGGI Auction Proceeds	9,138,709	11,568,905	(2,078,152)
Energy System Sales	3,154,487	451,092	2,703,394
REC Sales	15,626,302	12,013,272	2,150,024
Other Income	1,716,494	794,195	484,780
Total Operating Revenues	61,011,566	56,249,618	3,119,299
Operating Expenses			
Cost of Goods Sold-Energy Systems	3,154,486	451,092	2,703,394
Provision for Loan Losses	1,533,885	(3,560,589)	351,552
Grants and Incentive Payments	7,650,383	16,488,395	(7,642,853)
Program Administration Expenses	17,496,601	15,578,630	1,348,767
General and Administrative Expenses	(231,383)	3,005,772	1,024,094
Total Operating Expenses	29,603,972	31,963,300	(2,215,046)
Operating Income (Loss)	31,407,594	24,286,318	5,334,345
Nonoperating Revenue (Expenses)			
Interest Income-Short Term Cash Deposits	1,358,828	138,506	940,585
Interest Income-Component Units	71,199	69,475	1,295
Interest Expense-ST Debt	(19,869)	(2,160)	(10,528)
Interest Expense-LT Debt	(2,176,541)	(2,737,437)	395,413
Debt Issuance Costs	(12,500)	(13,500)	6,000
Net change in fair value of investments	(32,401)	104,782	84,590
Total Nonoperating Revenue (Expenses)	(811,284)	(2,440,334)	1,417,355
<b>Change in Net Position</b>	<b>30,596,310</b>	<b>21,845,984</b>	<b>6,751,700</b>



**CT Green Bank Primary Government  
Budget to Actual Financial Analysis  
June 2023**

	CGB Primary Government 07/01/2022 Through 6/30/2023			Incentive Programs 07/01/2022 Through 6/30/2023			Financing Programs 07/01/2022 Through 6/30/2023			Environmental Infrastructure 07/01/2022 Through 6/30/2023		
	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance
<b>Revenue</b>												
Operating Income												
Utility Customer Assessments	24,609,111	24,737,413	(128,302)	0	0	0	24,609,111	24,737,413	(128,302)	0	0	0
RGGI Auction Proceeds-Renewables	9,138,709	8,910,288	228,421	0	0	0	9,138,709	8,910,288	228,421	0	0	0
CPACE Closing Fees	184,156	123,000	61,156	0	0	0	184,156	123,000	61,156	0	0	0
REC Sales	15,163,267	13,917,136	1,246,131	12,922,085	12,450,636	471,449	2,241,182	1,466,500	774,682	0	0	0
Sales of Energy Systems	3,154,486	0	3,154,486	0	0	0	3,154,486	0	3,154,486	0	0	0
Grant Income-Federal Programs	1,453	40,000	(38,547)	0	0	0	1,453	40,000	(38,547)	0	0	0
Grant Income-Private Foundations	43,322	0	43,322	0	0	0	43,322	0	43,322	0	0	0
PPA Income	481,160	465,000	16,160	0	0	0	481,160	465,000	16,160	0	0	0
LREC/ZREC Income	463,035	325,000	138,035	0	0	0	463,035	325,000	138,035	0	0	0
Total Operating Income	53,238,699	48,517,837	4,720,862	12,922,085	12,450,636	471,449	40,316,614	36,067,201	4,249,413	0	0	0
Interest Income	7,920,633	6,158,000	1,762,633	353,416	53,400	300,016	7,567,217	6,104,600	1,462,617	0	0	0
Interest Income, Capitalized	169,608	48,000	121,608	0	0	0	169,608	48,000	121,608	0	0	0
Other Income	1,006,405	404,535	601,870	641,016	0	641,016	365,388	404,535	(39,147)	0	0	0
<b>Total Revenue</b>	<b>\$ 62,335,345</b>	<b>\$ 55,128,372</b>	<b>\$ 7,206,973</b>	<b>\$ 13,916,517</b>	<b>\$ 12,504,036</b>	<b>\$ 1,412,481</b>	<b>\$ 48,418,827</b>	<b>\$ 42,624,336</b>	<b>\$ 5,794,491</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>
<b>Operating Expenses</b>												
Compensation and Benefits	11,142,554	12,215,787	(1,073,233)	3,024,784	3,364,861	(340,077)	7,842,084	8,234,357	(392,273)	275,687	616,570	(340,883)
Pension Expense (GASB 68)	(3,750,954)	0	(3,750,954)	0	0	0	(3,750,954)	0	(3,750,954)	0	0	0
OPEB Expense (GASB 74)	(1,890,001)	0	(1,890,001)	0	0	0	(1,890,001)	0	(1,890,001)	0	0	0
Program Development & Administration	5,001,816	6,194,986	(1,193,169)	2,682,997	3,809,022	(1,126,026)	2,179,257	1,985,963	193,294	139,562	400,000	(260,438)
Cost of Sales Energy Systems	3,154,487	0	3,154,486	0	0	0	3,154,486	0	3,154,486	0	0	0
Lease Origination Services	2,535	4,000	(1,465)	0	0	0	2,535	4,000	(1,465)	0	0	0
Marketing Expense	1,527,423	1,800,165	(272,742)	439,101	528,066	(88,964)	1,088,322	1,272,099	(183,777)	0	0	0
E M & V	543,569	1,048,000	(504,431)	432,078	843,000	(410,922)	111,491	205,000	(93,509)	0	0	0
Research and Development	468,069	720,000	(251,931)	(6,450)	179,000	(185,450)	394,919	415,000	(20,081)	79,600	126,000	(46,400)
Consulting and Professional Fees	1,323,841	1,536,050	(212,209)	451,971	580,100	(128,129)	871,870	955,950	(84,080)	0	0	0
Rent and Location Related Expenses	994,174	1,088,430	(94,256)	139,603	151,895	(12,292)	841,697	908,731	(67,035)	12,875	27,804	(14,930)
Office, Computer & Other Expenses	1,671,418	1,780,265	(108,847)	472,602	513,203	(40,602)	1,179,915	1,227,302	(47,386)	18,901	39,760	(20,858)
<b>Total Operating Expenses</b>	<b>20,188,931</b>	<b>26,387,683</b>	<b>(6,198,752)</b>	<b>7,636,685</b>	<b>9,969,148</b>	<b>(2,332,462)</b>	<b>12,025,621</b>	<b>15,208,402</b>	<b>(3,182,781)</b>	<b>526,625</b>	<b>1,210,133</b>	<b>(683,509)</b>
<b>Program Incentives and Grants</b>	<b>\$ 7,100,433</b>	<b>\$ 16,278,970</b>	<b>\$ (9,178,537)</b>	<b>\$ 6,833,426</b>	<b>\$ 11,113,970</b>	<b>\$ (4,280,544)</b>	<b>\$ 267,007</b>	<b>\$ 5,165,000</b>	<b>\$ (4,897,993)</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>
<b>Operating Income/(Loss)</b>	<b>\$ 35,045,981</b>	<b>\$ 12,461,719</b>	<b>\$ 22,584,261</b>	<b>\$ (553,595)</b>	<b>\$ (8,579,082)</b>	<b>\$ 8,025,487</b>	<b>\$ 36,126,199</b>	<b>\$ 22,250,934</b>	<b>\$ 13,875,265</b>	<b>\$ (526,625)</b>	<b>\$ (1,210,133)</b>	<b>\$ 683,509</b>
<b>Non-Operating Expenses</b>	<b>\$ 4,449,670</b>	<b>\$ 5,487,641</b>	<b>\$ (1,037,970)</b>	<b>\$ 2,429,239</b>	<b>\$ 2,984,909</b>	<b>\$ (555,669)</b>	<b>\$ 2,020,431</b>	<b>\$ 2,502,732</b>	<b>\$ (482,301)</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>
<b>Net Revenues Over (Under) Expenses</b>	<b>\$ 30,596,311</b>	<b>\$ 6,974,079</b>	<b>\$ 23,622,232</b>	<b>\$ (2,982,834)</b>	<b>\$ (11,563,990)</b>	<b>\$ 8,581,156</b>	<b>\$ 34,105,768</b>	<b>\$ 19,748,203</b>	<b>\$ 14,357,566</b>	<b>\$ (526,625)</b>	<b>\$ (1,210,133)</b>	<b>\$ 683,509</b>



**Connecticut Green Bank  
June 2023 Financial Package  
Analysis of Compensation and Benefits**

	FY 2023 YTD		Budget Variance	FY 2022 YTD	Prior Year Variance
	Actual	Budget		Actual	
<b><u>Compensation:</u></b>					
Full Time Employees	\$ 5,802,613	\$ 6,366,804	\$ (564,191)	\$ 4,759,592	\$ 1,043,021
Interns	76,200	100,380	(24,180)	32,604	43,596
Temporary Employees	-	10,800	(10,800)	-	-
Overtime	24,046	-	24,046	21,098	2,949
<b>Total Compensation</b>	<b>\$ 5,902,859</b>	<b>\$ 6,477,984</b>	<b>\$ (575,125)</b>	<b>\$ 4,813,293</b>	<b>\$ 1,089,566</b>
<b><u>Employee Benefits:</u></b>					
State Retirement Plan Contributions	\$ 3,995,132			\$ 3,317,054	\$ 678,078
Medical Dental Rx Premiums	791,620			610,627	180,993
Payroll and Unemployment Taxes	417,828			353,405	64,424
Life, Disability & WC Premiums	35,115			28,223	6,892
<b>Total Employee Benefits</b>	<b>5,239,695</b>	<b>5,737,803</b>	<b>(498,108)</b>	<b>4,309,308</b>	<b>930,387</b>
<b>Total Compensation and Benefits</b>	<b>\$ 11,142,554</b>	<b>\$ 12,215,787</b>	<b>\$ (1,073,233)</b>	<b>\$ 9,122,602</b>	<b>\$ 2,019,952</b>
<b>Benefits and Taxes as a % of Salary</b>	<b>88.77%</b>	<b>88.57%</b>		<b>89.53%</b>	

**Actual vs. Budget**

Total Employee compensation and benefit costs were \$1.1M under budget. Full time employee costs are \$564k under budget mostly due to budgeted open positions with offsetting variances regarding timing of promotions and leases making up the remaining budget variance. Interns were \$15k under budget due to only 5 summer interns being hired compared to 7 budgeted positions being available in the summer. Benefits and Taxes are approx. \$544k less than budget due mostly to the favorable employee compensation variances previously noted. Additionally, Actual benefits and taxes were 88.77%, slightly higher than a budgeted 88.57% of total compensation for the period to date.

**Actual vs. Prior Year**

Compensation costs increased \$1.0M and benefit costs increased \$930k, respectively over the same period of the prior year. The Compensation increase is due to the 5% Cost-of-Living Adjustment (COLA) each employee received effective 7/1/22, merit increases for employees received in January 2023, as well as the addition of nine new employees joining the Green Bank offset by five departing employees in FY23. The Benefit increase is mostly in-line with the increase in total compensation for the reasons previously noted. Actual benefit percentages decreased from 89.53% in the prior period, to 88.77% in the current period. Additionally, actual contributions to the State employee retirement plan decreased from 69.7% to 68.9% of full time employee compensation, year over year.

For detailed staffing, please refer to FY23 Budget.



**Connecticut Green Bank  
June 2023 Financial Package  
Historical Analysis of Compensation and Benefits**

	FYE 6/30/23 YTD Actual	FYE 6/30/22 Actual	FYE 6/30/21 Actual	FYE 6/30/20 Actual	FYE 6/30/19 Actual	FYE 6/30/18 Actual
<b>Compensation:</b>						
Full Time Employees	\$ 5,902,859	\$ 4,813,293	\$ 4,476,214	\$ 3,929,354	\$ 4,195,593	\$ 5,136,066
Temporary Employees	-	-	-	2,242	9,262	17,955
<b>Total Compensation</b>	<b>\$ 5,902,859</b>	<b>\$ 4,813,293</b>	<b>\$ 4,476,214</b>	<b>\$ 3,931,596</b>	<b>\$ 4,204,855</b>	<b>\$ 5,154,021</b>
<b>Employee Benefits:</b>						
State Retirement Plan Contributions	\$ 3,995,132	\$ 3,317,054	\$ 2,903,780	\$ 2,411,864	\$ 2,869,823	\$ 3,013,747
Medical Dental Rx Premiums	791,620	610,627	625,480	553,908	545,779	678,633
Payroll and Unemployment Taxes	417,828	353,405	305,032	269,295	306,091	347,070
Life, Disability & WC Premiums	35,115	28,223	23,840	27,567	46,944	102,225
<b>Total Employee Benefits</b>	<b>5,239,695</b>	<b>4,309,308</b>	<b>3,858,132</b>	<b>3,262,634</b>	<b>3,768,636</b>	<b>4,141,675</b>
<b>Total Compensation and Benefits</b>	<b>\$ 11,142,554</b>	<b>\$ 9,122,602</b>	<b>\$ 8,334,346</b>	<b>\$ 7,194,230</b>	<b>\$ 7,973,491</b>	<b>\$ 9,295,696</b>
<b>Medical Dental Rx Premiums as a % of Salary</b>	13.41%	12.69%	13.97%	14.09%	12.98%	13.17%
<b>* Retirement Plan Contributions as a % of Salary</b>	67.68%	68.91%	64.87%	61.35%	68.25%	58.47%
<b>Total Benefits and Taxes as a % of Salary</b>	88.77%	89.53%	86.19%	82.98%	89.63%	80.36%
<b>*** State of CT Comptroller Employer SERS Rate</b>	67.40%	65.90%	64.14%	59.99%	64.30%	56.58%
<p>* Retirement Plan Contributions include Pension &amp; OPEB, included Employer contributions to the Tier IV Defined Contribution for employees in that plan.</p> <p>** OPEB began in the year ended 6/30/18.</p> <p>*** State of CT Comptroller Employer SERS Rate provided via the annual "Fringe Benefit Recover Rate" memo issued 7/1 of each year by the State Comptroller.</p>						
Total Benefits Cost @ Hypothetical Benefits Rate	<b>35%</b> 2,066,001	1,684,653	1,566,675	1,376,059	1,471,699	1,803,907
<b>Actual Total Compensation and Benefits</b>	11,142,554	9,122,602	8,334,346	7,194,230	7,973,491	9,295,696
<b>Less Total Compensation and Benefits @ Hypothetical Rate</b>	(7,968,860)	(6,497,946)	(6,042,889)	(5,307,655)	(5,676,554)	(6,957,928)
Incremental HR cost due to State Benefits Charge	3,173,694	2,624,656	2,291,457	1,886,575	2,296,937	2,337,768

**Analysis:**

As noted above, the cost of benefits per employee has been in excess of 80% of salary for every year since FYE 6/30/18, with retirement plan contributions making up 58-69% of the cost of total benefits in each of these years. It is noted that the medical/dental/Rx costs have remained fairly consistent over the period presented above (approx. 12-14%). The main driver of the benefits rate is the State of CT Comptroller Employer SERS rate that is a tool the state uses to allocate expenses across all SERS employees. The allocation is done only based on salary of the employees, regardless of the demographic information or tier level of the benefit plans that each employee is eligible for. The Green Bank has a fairly young staff, with 17 Tier III and 23 Tier IV employees of the total 48 full-time employees of the Green Bank at 6/30/23 (where Tier III and Tier IV are lower cost pension arrangements than Tier Ila and Tier II where the Green Bank only has 8 employees). This rate is a cost of doing business to the Green Bank as a quasi-public agency of the state, and management of the Green Bank has no control to manage this rate provided to us. Due to the demographics of our staff, we also believe the rate charged to the Green Bank based on its broad allocation to not be representative of the Tier of employees, where the Green Bank would likely pay a lower rate than what is being charged if employee demographic information as it relates to what Tier SERS plan they are enrolled in was used in the allocation. As further noted above, if we were to apply a standard 35% benefits rate to our salaries over the time period presented, we would save approx. **\$2 - 3.2M per year.**



**Connecticut Green Bank**  
**Summary of Unfunded Commitments**  
**As of June 30, 2023**  
(In thousands)

	<b>EPBB</b>	<b>PBI</b>	<b>CPACE</b>	<b>Non CPACE</b>	<b>All Projects</b>		
	<b>Balance</b>	<b>Balance</b>	<b>Loans</b>	<b>Loans</b>	<b>Balance</b>	<b>Balance</b>	<b>Increase /</b>
	<b>6/30/2023</b>	<b>6/30/2023</b>	<b>Balance</b>	<b>Balance</b>	<b>6/30/2023</b>	<b>6/30/2022</b>	<b>(Decrease)</b>
	<b>6/30/2023</b>	<b>6/30/2023</b>	<b>6/30/2023</b>	<b>6/30/2023</b>	<b>6/30/2023</b>	<b>6/30/2022</b>	<b>(Decrease)</b>
Solar - SHREC Eligible	1,275	18,700	0	0	19,975	26,324	(6,349)
Solar - Not SHREC Eligible	5	229	0	0	234	1,368	(1,134)
CPACE	0	0	22,911	0	22,911	1,783	21,128
Multifamily/LMI Solar PV & EE	0	0	0	15,053	15,053	16,087	(1,034)
SBEA	0	0	0	15,857	15,857	17,480	(1,623)
Solar PPAs/IPC	0	0	0	9,537	9,537	12,989	(3,452)
Fuel Cells	0	0	0	7,000	7,000	5,000	2,000
Hydropower	0	0	0	330	330	330	0
Total Unfunded Commitments	<u>\$ 1,280</u>	<u>\$ 18,929</u>	<u>\$ 22,911</u>	<u>\$ 47,777</u>	<u>\$ 90,897</u>	<u>\$ 81,361</u>	<u>\$ 9,536</u>



**Connecticut Green Bank  
Summary of Loan Guarantees  
As of June 30, 2023**

<b>Guarantor</b>	<b>Issuer</b>	<b>Beneficiary</b>	<b>Relationship of guarantor to Issuer</b>	<b>Type of obligation guaranteed</b>	<b>Maximum amount of guaranty</b>	<b>Obligations guaranteed as of 6/30/2023</b>	<b>Obligations guaranteed as of 6/30/2022</b>
CT Green Bank	Owners of multifamily dwellings in Connecticut	Housing Development Fund	Issuers participate in program administered by CGB and the Housing Development Fund to install energy upgrades in multifamily dwellings	Commercial and consumer loan products with various terms	\$ 5,000,000	\$ 3,004,188	\$ 3,448,384
CT Green Bank	New England Hydropower Company	Webster Bank	Issuer is the developer of hydropower project in Connecticut approved by the CGB Board of Directors.	Line of Credit	300,000	300,000	300,000
CEFIA Holdings LLC	CEFIA Solar Services Inc.	CHFA	Holdings is the sole shareholder of Services and an affiliate of CGB	Promissory Note for funds received from CHFA upon their issuance of Qualified Energy Conservation Bonds (QECBs) for State Sponsored Housing Projects (SSHP)	1,895,807	1,176,981	1,366,560
CT Green Bank	Canton Hydro, LLC	Provident Bank	Issuer is the developer of hydropower project in Connecticut approved by the CGB Board of Directors.	Unfunded guaranty not to exceed \$500,000, decreased to \$250,000 in December 2022.	500,000	500,000	500,000
					<b>\$ 7,695,807</b>	<b>\$ 4,981,169</b>	<b>\$ 5,614,944</b>



**Connecticut Green Bank**  
**Program Loans, Notes and Loan Loss Reserve Analysis**  
As of June 30, 2023

Legal Entity	Loan Program	Project	Loan Portfolio Balance 7/1/2022	FY23 YTD Investments	FY23 YTD Repayments	Loan Portfolio Balance As of June 30, 2023	Loan Loss Reserve Balance 7/1/2022	FY23 YTD Increase / Decrease to Reserve	Loan Loss Reserve Balance As of June 30, 2023	Reserve as a % of Portfolio Balance	Loan Portfolio Carrying Value As of June 30, 2023
CGB	CPACE Program	Various	\$ 52,649,614	\$ 400,781	\$ (4,723,671)	\$ 48,326,723	(5,264,961)	\$ 432,289	\$ (4,832,672)	10.0%	\$ 43,494,051
CGB	Fuel Cell Projects	Fuel Cell Energy-Bridgeport	3,715,899		(3,715,899)	-	(371,590)	371,590	-	0.0%	-
		FCE Corp-Bridge Loan	1,800,000		(1,800,000)	-	(180,000)	180,000	-	0.0%	-
		FCE Corp-Master Refinance Facility	-	10,000,000	(148,237)	9,851,763	-	(985,176)	(985,176)	10.0%	8,866,587
		FCE Corp-Bridge Loan	3,000,000			3,000,000	(300,000)		(300,000)	10.0%	2,700,000
CGB	CHP Pilot	Bridgeport MicroGrid	403,910		(22,410)	381,500	(20,196)	1,121	(19,075)	5.0%	362,425
CGB	Anaerobic Digester	Quantum Biopower	1,253,925		(133,160)	1,120,765	(62,696)	6,658	(56,038)	5.0%	1,064,727
		Fort Hill Ag-Grid LLC	662,475		(55,283)	607,193	(33,124)	2,764	(30,360)	5.0%	576,833
CGB	Other Loans	Nu Power Thermal	427,000			427,000	(427,000)		(427,000)	100.0%	-
		Terrace Heights Condos	77,899		(34,683)	43,216	(7,790)	3,468	(4,322)	10.0%	38,894
CGB	Multifamily / Affordable Housing / Credit Challenged / LMI	Capital for Change	3,672,898		(202,354)	3,470,544	(367,290)	20,235	(347,055)	10.0%	3,123,490
		CEEFCo	2,656,000	5,864,000		8,520,000	(265,600)	(586,400)	(852,000)	10.0%	7,668,000
		Pre-Dev Loans	266,236		(254,930)	11,306	(53,247)	50,986	(2,261)	20.0%	9,045
		Posigen	10,849,941	12,291,635	(2,175,921)	20,965,655	(1,084,994)	(1,011,571)	(2,096,566)	10.0%	18,869,089
CGB	Energy Efficiency Financing	RENEW Energy Efficiency Bridgeport	108,675		(30,492)	78,182	(10,867)	3,049	(7,818)	10.0%	70,364
CGB	Alpha Program	Anchor Science	150,000			150,000	(75,000)	(74,999)	(149,999)	100.0%	1
CGB	Op Demo Program	New England Hydropower Co.	500,000			500,000	(499,999)		(499,999)	100.0%	1
CGB	Wind Financing	Wind Colebrook	1,474,232		(115,745)	1,358,487	(147,423)	11,575	(135,849)	10.0%	1,222,638
CGB	Hydro Projects	Canton Hydro	704,827		(370)	704,457	(35,241)	19	(35,223)	5.0%	669,234
CGB	Sunwealth Note	Sunwealth	846,941		(52,128)	794,813	(42,347)	2,606	(39,741)	5.0%	755,072
CGB	IPC Note Receivable	IPC	1,000,000		(150,000)	850,000	-		-	0.0%	850,000
CGB	Budderfly	Budderfly	5,014,583	165,751	(69,029)	5,111,306	(501,458)	(9,673)	(511,132)	10.0%	4,600,174
CEFIA Holdings	Sunwealth Note	Sunwealth	761,915		(65,621)	696,293	(38,096)	3,281	(34,815)	5.0%	661,479
CEFIA Holdings	Skyview Notes	Skyview	6,197,860	1,345,900	(436,956)	7,106,804	(309,893)	(45,447)	(355,340)	5.0%	6,751,464
CEFIA Holdings	SBEA Loans	SBEA	54,147	-	(52,093)	2,054	-	-	-	0.0%	2,054
CEFIA Holdings	Inclusive Solar Manager	IPC	1,012,318	2,105,932	(32,252)	3,085,998	(20,246)	(41,474)	(61,720)	2.0%	3,024,278
CEFIA Holdings	Inclusive Solar Developer	IPC	445,169		(445,169)	-	(8,903)	8,903	-	0.0%	-
CT Solar Loan 1	Solar Loans	CT Solar Loan 1	865,378	-	(262,242)	603,135	(43,269)	13,112	(30,157)	5.0%	572,978
CT Solar Lease 1	Solar Lease Notes	CT Solar Lease 1	3,345,991	-	(1,014,685)	2,331,307	(342,330)	109,199	(233,131)	10.0%	2,098,176
CGB CPACE LLC	CPACE Program	Various	1,488,794	2,373,085	(206,395)	3,655,485	-	-	-	0.0%	3,655,485
CGB Green Liberty Notes LLC	SBEA Loans	SBEA	2,465,810	3,182,488	(1,500,775)	4,147,523	-	-	-	0.0%	4,147,523
<b>Total:</b>			<b>\$ 107,872,438</b>	<b>\$ 37,729,572</b>	<b>\$ (17,700,500)</b>	<b>\$ 127,901,509</b>	<b>\$ (10,513,562)</b>	<b>\$ (1,533,885)</b>	<b>\$ (12,047,447)</b>	<b>9.4%</b>	<b>\$ 115,854,062</b>
<b>CGB:</b>											
<b>CPACE Loans</b>			<b>\$ 52,649,614</b>	<b>\$ 400,781</b>	<b>\$ (4,723,671)</b>	<b>\$ 48,326,723</b>	<b>\$ (5,264,961)</b>	<b>\$ 432,289</b>	<b>\$ (4,832,672)</b>	<b>10.0%</b>	<b>\$ 43,494,051</b>
<b>Posigen</b>			<b>\$ 10,849,941</b>	<b>\$ 12,291,635</b>	<b>\$ (2,175,921)</b>	<b>\$ 20,965,655</b>	<b>\$ (1,084,994)</b>	<b>\$ (1,011,571)</b>	<b>\$ (2,096,566)</b>	<b>10.0%</b>	<b>\$ 18,869,089</b>
<b>Sunwealth</b>			<b>\$ 846,941</b>	<b>\$ -</b>	<b>\$ (52,128)</b>	<b>\$ 794,813</b>	<b>\$ (42,347)</b>	<b>\$ 2,606</b>	<b>\$ (39,741)</b>	<b>5.0%</b>	<b>\$ 755,072</b>
<b>Program Loans</b>			<b>\$ 26,888,560</b>	<b>\$ 16,029,751</b>	<b>\$ (6,732,593)</b>	<b>\$ 36,185,719</b>	<b>\$ (3,358,522)</b>	<b>\$ (1,004,784)</b>	<b>\$ (4,363,306)</b>	<b>12.1%</b>	<b>\$ 31,822,413</b>
<b>Total CGB:</b>			<b>\$ 91,235,056</b>	<b>\$ 28,722,167</b>	<b>\$ (13,684,313)</b>	<b>\$ 106,272,910</b>	<b>\$ (9,750,824)</b>	<b>\$ (1,581,460)</b>	<b>\$ (11,332,284)</b>	<b>10.7%</b>	<b>\$ 94,940,626</b>
<b>CEFIA Holdings</b>			<b>\$ 8,471,409</b>	<b>\$ 3,451,832</b>	<b>\$ (1,032,091)</b>	<b>\$ 10,891,149</b>	<b>\$ (377,138)</b>	<b>\$ (74,736)</b>	<b>\$ (451,875)</b>	<b>4.1%</b>	<b>\$ 10,439,275</b>
<b>CT Solar Loan 1</b>			<b>\$ 865,378</b>	<b>\$ -</b>	<b>\$ (262,242)</b>	<b>\$ 603,135</b>	<b>\$ (43,269)</b>	<b>\$ 13,112</b>	<b>\$ (30,157)</b>	<b>5.0%</b>	<b>\$ 572,978</b>
<b>CT Solar Lease 1</b>			<b>\$ 3,345,991</b>	<b>\$ -</b>	<b>\$ (1,014,685)</b>	<b>\$ 2,331,307</b>	<b>\$ (342,330)</b>	<b>\$ 109,199</b>	<b>\$ (233,131)</b>	<b>10.0%</b>	<b>\$ 2,098,176</b>
<b>CGB CPACE LLC</b>			<b>\$ 1,488,794</b>	<b>\$ 2,373,085</b>	<b>\$ (206,395)</b>	<b>\$ 3,655,485</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0.0%</b>	<b>\$ 3,655,485</b>
<b>CGB Green Liberty Notes LLC</b>			<b>\$ 2,465,810</b>	<b>\$ 3,182,488</b>	<b>\$ (1,500,775)</b>	<b>\$ 4,147,523</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0.0%</b>	<b>\$ 4,147,523</b>
											<b>\$ 115,854,062</b>



**Connecticut Green Bank - Primary Government**  
**Consolidated Balance Sheet**  
**As of June 30, 2023**

	Connecticut Green Bank As of 6/30/2023	CGB Meriden Hydro LLC As of 6/30/2023	SHREC ABS 1 LLC As of 6/30/2023	SHREC Warehouse 1 LLC As of 6/30/2023	CT Solar Lease 1 LLC As of 6/30/2023	CGB C-PACE LLC As of 6/30/2023	CT Solar Loan I LLC As of 6/30/2023	CEFIA Holdings LLC As of 6/30/2023	CGB Green Liberty Notes LLC As of 6/30/2023	Eliminations As of 6/30/2023	CGB-Primary Government As of 6/30/2023
<b>Assets</b>											
Current Assets											
Cash and Cash Equivalents	28,222,711	45,573	652,399	157,588	-	1,355,036	1,907,678	1,128,793	2,902,733	-	36,372,512
Accounts Receivable	3,983,065	-	-	-	-	138,140	-	14,576	-	-	4,135,781
Current Portion of Program Loans, Net of Reserves	6,288,310	-	-	-	-	76,193	86,522	785,360	-	-	7,236,385
Utility Remittance Receivable	1,852,328	-	-	-	-	-	-	-	-	-	1,852,328
Current Portion of Solar Lease Notes	-	-	-	-	1,019,733	-	-	-	-	-	1,019,733
Current Portion of SBEA Promissory Notes	-	-	-	-	-	-	-	-	1,455,172	-	1,455,172
Current Portion of Lease Receivable	-	-	-	-	-	-	-	-	-	-	-
Interest Receivable	1,526,755	-	-	-	-	56,224	-	35,111	-	-	1,618,090
Other Receivables	155,132	-	-	-	82,267	-	1,058	-	143,664	-	382,122
Prepaid Expenses and Other Assets	165,832	79,471	43,333	-	-	-	3,260	471,260	-	-	763,155
Current Portion of Prepaid Warranty Management	-	-	-	-	-	-	-	-	-	-	-
<b>Total Current Assets</b>	<b>42,194,134</b>	<b>125,044</b>	<b>695,732</b>	<b>157,588</b>	<b>1,102,000</b>	<b>1,625,593</b>	<b>1,998,518</b>	<b>2,435,100</b>	<b>4,501,569</b>	<b>-</b>	<b>54,835,277</b>
Noncurrent Assets											
Restricted Assets											
Cash and Cash Equivalents	15,252,327	-	769,988	3,107,268	-	-	85,141	881,639	-	-	20,096,362
Investments	852,427	-	-	-	-	-	-	-	-	-	852,427
Program Loans, net of reserves	88,652,315	-	-	-	-	3,579,292	486,457	9,651,860	-	-	102,369,925
Solar Lease I Promissory Notes, net of reserves	-	-	-	-	1,078,443	-	-	-	-	-	1,078,443
Renewable Energy Certificates	174,306	-	-	-	-	-	-	-	-	-	174,306
SBEA Promissory Notes, net of reserves	-	-	-	-	-	-	-	1,885	2,315,558	-	2,317,443
Lease Receivable, less current portion	-	-	-	-	-	-	-	-	-	-	-
Other Receivables	-	-	-	-	-	-	-	863,505	-	-	863,505
Due From Component Units	77,914,811	-	28,715,204	5,784,455	-	-	-	13,223,137	-	(69,291,133)	56,346,474
Investment in Component Units	100,100	-	-	-	-	-	-	100	-	(100,100)	100
Capital Assets, net	11,503,057	3,661,618	-	-	-	-	-	-	-	-	15,164,675
<b>Total Noncurrent Assets</b>	<b>194,449,342</b>	<b>3,661,618</b>	<b>29,485,192</b>	<b>8,891,723</b>	<b>1,078,443</b>	<b>3,579,292</b>	<b>571,598</b>	<b>24,622,127</b>	<b>2,315,558</b>	<b>(69,391,233)</b>	<b>199,263,660</b>
<b>Total Assets</b>	<b>236,643,476</b>	<b>3,786,662</b>	<b>30,180,924</b>	<b>9,049,311</b>	<b>2,180,444</b>	<b>5,204,885</b>	<b>2,570,116</b>	<b>27,057,227</b>	<b>6,817,126</b>	<b>(69,391,233)</b>	<b>254,098,937</b>
<b>Deferred Outflows of Resources</b>											
Deferred Amount for Pensions	7,301,972	-	-	-	-	-	-	-	-	-	7,301,972
Deferred Amount for OPEB	6,353,565	-	-	-	-	-	-	-	-	-	6,353,565
<b>Total Deferred Outflows of Resources</b>	<b>13,655,537</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13,655,537</b>
<b>Liabilities</b>											
Current Liabilities											
Accounts Payable	835,722	8,714	-	2,222	-	-	1,046	-	281	-	847,986
Accrued payroll and related liabilities	1,175,855	-	-	-	-	-	-	-	-	-	1,175,855
Accrued Expenses	9,747,700	-	43,070	-	-	-	-	98,276	17,363	-	9,906,408
Notes Payable-Green Liberty Notes	-	-	-	-	-	-	-	-	1,000,000	-	1,000,000
Current Maturities of Long-Term Debt	3,740,387	-	1,686,000	-	-	-	-	-	-	-	5,426,387
Custodial Liability	-	-	-	-	-	-	-	853,102	-	-	853,102
Deferred Revenue	66,818	-	-	-	-	-	-	-	-	-	66,818
<b>Total Current Liabilities</b>	<b>15,566,482</b>	<b>8,714</b>	<b>1,729,070</b>	<b>2,222</b>	<b>-</b>	<b>-</b>	<b>1,046</b>	<b>951,378</b>	<b>1,017,644</b>	<b>-</b>	<b>19,276,555</b>
Noncurrent Liabilities											
Due to Component Units	34,499,659	5,909,180	-	-	2,145,074	4,835,000	2,215,000	13,920,913	5,766,307	(69,291,133)	(0)
Long-term debt	45,008,380	-	18,213,482	-	-	-	-	-	-	-	63,221,862
Pension Liability	17,632,888	-	-	-	-	-	-	-	-	-	17,632,888
OPEB Liability	18,041,698	-	-	-	-	-	-	-	-	-	18,041,698
<b>Total Noncurrent Liabilities</b>	<b>115,182,625</b>	<b>5,909,180</b>	<b>18,213,482</b>	<b>-</b>	<b>2,145,074</b>	<b>4,835,000</b>	<b>2,215,000</b>	<b>13,920,913</b>	<b>5,766,307</b>	<b>(69,291,133)</b>	<b>98,896,448</b>
<b>Total Liabilities</b>	<b>130,749,107</b>	<b>5,917,894</b>	<b>19,942,552</b>	<b>2,222</b>	<b>2,145,074</b>	<b>4,835,000</b>	<b>2,216,046</b>	<b>14,872,290</b>	<b>6,783,951</b>	<b>(69,291,133)</b>	<b>118,173,003</b>
<b>Deferred Inflows of Resources</b>											
Deferred Pension Inflow Liability	6,176,916	-	-	-	-	-	-	-	-	-	6,176,916
Deferred OPEB Inflow Liability	11,459,840	-	-	-	-	-	-	-	-	-	11,459,840
<b>Total Deferred Inflows of Resources</b>	<b>17,636,756</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>17,636,756</b>
<b>Net Position</b>											
Net Investment in Capital Assets	2,189,845	1,389,063	-	-	-	-	-	-	-	-	3,578,908
Restricted-Energy Programs	15,030,626	-	769,988	3,107,268	-	-	85,141	28,537	-	-	19,021,559
Unrestricted Net Position	84,692,678	(3,520,295)	9,468,384	5,939,821	35,370	369,885	268,929	12,156,400	33,176	(100,100)	109,344,247
<b>Total Net Position</b>	<b>101,913,149</b>	<b>(2,131,232)</b>	<b>10,238,372</b>	<b>9,047,089</b>	<b>35,370</b>	<b>369,885</b>	<b>354,070</b>	<b>12,184,937</b>	<b>33,176</b>	<b>(100,100)</b>	<b>131,944,714</b>



**Connecticut Green Bank  
Consolidated Balance Sheet  
As of June 30, 2023**

	CGB-Primary Government As of 6/30/2023	CT Solar Lease 2 LLC As of 6/30/2023	CT Solar Lease 3 LLC As of 6/30/2023	CEFIA Solar Services Inc. As of 6/30/2023	Eliminations As of 6/30/2023	Consolidated As of 6/30/2023	Consolidated As of 6/30/2022	Consolidated YOY Change
<b>Assets</b>								
Current Assets								
Cash and Cash Equivalents	36,372,512	1,404,824	3,066,796	941,087	-	41,785,219	53,415,997	(10,771,293)
Accounts Receivable	4,135,781	89,032	25,519	2,091	-	4,252,423	4,210,088	42,335
Utility Remittance Receivable	1,852,328	-	-	-	-	1,852,328	2,041,786	(189,458)
Current Portion of Lease Receivable	-	1,019,815	-	2,628	-	1,022,443	987,476	34,967
Interest Receivable	1,618,090	9,027	-	-	-	1,627,117	1,167,400	462,977
Other Receivables	382,122	918,908	394,423	13,751	-	1,709,204	6,208,544	2,901,178
Prepaid Expenses and Other Assets	763,155	335,929	40,622	546,867	-	1,686,574	1,517,732	165,582
Current Portion of Prepaid Warranty Management	-	260,389	-	-	-	260,389	261,131	(742)
Total Current Assets	54,835,277	4,037,924	3,527,360	1,506,424	-	63,906,986	81,504,147	(9,343,735)
Noncurrent Assets								
Restricted Assets								
Cash and Cash Equivalents	20,096,362	1,877,855	-	390,249	-	22,364,466	20,506,619	998,361
Investments	852,427	-	-	-	-	852,427	912,217	(59,791)
Program Loans, net of reserves	102,369,925	-	-	-	-	102,369,925	82,287,433	20,082,492
Solar Lease I Promissory Notes, net of reserves	1,078,443	-	-	-	-	1,078,443	1,987,394	(908,951)
Renewable Energy Certificates	174,306	-	-	-	-	174,306	229,019	(54,713)
SBEA Promissory Notes, net of reserves	2,317,443	-	-	-	-	2,317,443	1,275,487	1,041,956
Lease Receivable, less current portion	-	15,218,710	-	63,640	-	15,282,350	16,281,319	(998,969)
Other	863,505	-	-	6,537,013	-	7,400,518	-	-
Due From Component Units	56,346,474	-	-	7,628,273	(63,974,747)	0	-	-
Investment in Component Units	100	-	-	31,264,299	(31,264,399)	-	-	-
Prepaid Warranty Management, less current portion	-	2,951,923	-	-	-	2,951,923	3,221,310	(269,387)
Fair Value - Interest Rate Swap	-	345,708	-	-	-	345,708	93,107	252,601
Capital Assets, net	15,164,675	47,541,372	9,494,595	388,402	-	72,589,044	76,164,900	(3,575,857)
Total Noncurrent Assets	199,263,660	67,935,569	9,494,595	46,271,876	(95,239,146)	227,726,553	202,958,806	16,507,744
<b>Total Assets</b>	<b>254,098,937</b>	<b>71,973,493</b>	<b>13,021,955</b>	<b>47,778,300</b>	<b>(95,239,146)</b>	<b>291,633,539</b>	<b>284,462,953</b>	<b>7,164,009</b>
<b>Deferred Outflows of Resources</b>								
Deferred Amount for Pensions	7,301,972	-	-	-	-	7,301,972	6,439,478	862,494
Deferred Amount for OPEB	6,353,565	-	-	-	-	6,353,565	5,172,871	1,180,694
Deferred Amount for Asset Retirement Obligations	-	1,644,691	382,351	-	-	2,027,042	2,317,404	(290,362)
<b>Total Deferred Outflows of Resources</b>	<b>13,655,537</b>	<b>1,644,691</b>	<b>382,351</b>	<b>-</b>	<b>-</b>	<b>15,682,579</b>	<b>13,929,753</b>	<b>1,752,826</b>
<b>Liabilities</b>								
Current Liabilities								
Accounts Payable	847,986	3,616	-	136,064	-	987,666	592,637	426,389
Accrued payroll and related liabilities	1,175,855	-	-	-	-	1,175,855	1,296,862	(121,007)
Accrued Expenses	9,906,408	153,257	33,835	145,531	-	10,239,031	8,295,516	1,683,875
Notes Payable-Green Liberty Notes	1,000,000	-	-	-	-	1,000,000	304,735	695,265
Current Maturities of Long-Term Debt	5,426,387	1,103,673	-	94,788	-	6,624,849	17,967,814	(11,342,965)
Custodial Liability	853,102	-	-	6,383	-	859,484	1,392,833	(311,648)
Deferred Revenue	66,818	-	1,980	-	-	68,798	24,130	44,668
Total Current Liabilities	19,276,555	1,260,547	35,815	382,765	-	20,955,683	29,874,526	(8,925,422)
Noncurrent Liabilities								
Due to Component Units	(0)	18,468,091	-	45,506,656	(63,974,747)	-	-	-
Asset Retirement Obligation	-	3,570,957	637,768	-	-	4,208,724	4,118,336	90,388
Long-term debt	63,221,862	7,337,563	-	1,176,981	-	71,736,406	79,296,521	(7,560,115)
Pension Liability	17,632,888	-	-	-	-	17,632,888	21,273,373	(3,640,485)
OPEB Liability	18,041,698	-	-	-	-	18,041,698	20,516,564	(2,474,866)
Total Noncurrent Liabilities	98,896,448	29,376,610	637,768	46,683,637	(63,974,747)	111,619,716	125,204,794	(13,585,078)
<b>Total Liabilities</b>	<b>118,173,003</b>	<b>30,637,157</b>	<b>673,583</b>	<b>47,066,402</b>	<b>(63,974,747)</b>	<b>132,575,399</b>	<b>155,079,320</b>	<b>(22,510,499)</b>
<b>Deferred Inflows of Resources</b>								
Deferred Pension Inflow Liability	6,176,916	-	-	-	-	6,176,916	5,424,891	752,025
Deferred OPEB Inflow Liability	11,459,840	-	-	-	-	11,459,840	9,694,281	1,765,559
Deferred Lease Inflow Liability	-	15,635,019	-	65,378	-	15,700,397	17,055,935	(1,355,538)
<b>Total Deferred Inflows of Resources</b>	<b>17,636,756</b>	<b>15,635,019</b>	<b>-</b>	<b>65,378</b>	<b>-</b>	<b>33,337,153</b>	<b>32,175,107</b>	<b>1,162,046</b>
<b>Net Position</b>								
Net Investment in Capital Assets	3,578,908	1,300,522	94,946	388,402	-	72,589,044	76,164,900	(3,575,857)
Restricted-Energy Programs	19,021,559	43,455,180	13,544,469	383,866	-	21,504,981	20,506,619	998,361
Unrestricted Net Position	109,344,247	(17,409,895)	(908,692)	(125,747)	(31,264,399)	47,309,542	14,466,758	32,842,784
<b>Total Net Position</b>	<b>131,944,714</b>	<b>27,346,007</b>	<b>12,730,724</b>	<b>646,520</b>	<b>(31,264,399)</b>	<b>141,403,567</b>	<b>111,138,278</b>	<b>30,265,289</b>



**Connecticut Green Bank - Primary Government**  
**Consolidated Statement of Revenues and Expenditures**  
**For the Period July 1, 2022 to June 30, 2023**

	Connecticut Green Bank	CGB Meriden Hydro LLC	SHREC ABS 1 LLC	SHREC Warehouse 1 LLC	CT Solar Lease 1 LLC	CGB C-PACE LLC	CT Solar Loan I LLC	CEFIA Holdings LLC	CGB Green Liberty Notes LLC	Eliminations	CGB-Primary Government
	Fiscal YTD 6/30/2023	Fiscal YTD 6/30/2023	Fiscal YTD 6/30/2023	Fiscal YTD 6/30/2023	Fiscal YTD 6/30/2023	Fiscal YTD 6/30/2023	Fiscal YTD 6/30/2023	Fiscal YTD 6/30/2023	Fiscal YTD 6/30/2023	Fiscal YTD 6/30/2023	Fiscal YTD 6/30/2023
<b>Operating Income (Loss)</b>											
Operating Revenues											
Utility Remittances	24,609,111	-	-	-	-	-	-	-	-	-	24,609,111
Interest Income-Promissory Notes	5,889,378	-	-	-	158,691	119,761	44,322	464,504	89,807	-	6,766,463
RGGI Auction Proceeds	9,138,709	-	-	-	-	-	-	-	-	-	9,138,709
Energy System Sales	-	-	-	-	-	-	-	3,154,486	-	-	3,154,486
REC Sales	6,315,529	-	4,788,306	3,220,035	-	-	-	1,302,432	-	-	15,626,302
Other Income	1,541,883	-	-	-	-	155,605	110	18,896	-	-	1,716,495
Total Operating Revenues	47,494,610	-	4,788,306	3,220,035	158,691	275,366	44,432	4,940,319	89,807	-	61,011,566
Operating Expenses											
Cost of Goods Sold-Energy Systems	-	-	-	-	-	-	-	3,154,486	-	-	3,154,486
Provision for Loan Losses	1,581,460	-	-	-	(109,199)	-	(13,112)	74,737	-	-	1,533,885
Grants and Incentive Payments	7,650,382	-	-	-	-	-	-	-	-	-	7,650,382
Program Administration Expenses	16,274,592	390,717	78,750	104,236	110,161	-	16,137	502,508	19,500	-	17,496,601
General and Administrative Expenses	(286,889)	5,500	-	14,753	-	1,491	3,126	16,958	13,679	-	(231,382)
Total Operating Expenses	25,219,545	396,217	78,750	118,990	962	1,491	6,151	3,748,689	33,179	-	29,603,973
Operating Income (Loss)	22,275,066	(396,217)	4,709,556	3,101,045	157,729	273,875	38,281	1,191,630	56,629	-	31,407,594
<b>Nonoperating Revenue (Expenses)</b>											
Interest Income-Short Term Cash Deposits	1,286,751	-	71,147	100	-	-	806	24	-	-	1,358,829
Interest Income-Component Units	71,199	-	-	-	-	-	-	-	-	-	71,199
Interest Expense-ST Debt	-	-	-	-	-	-	-	-	(19,870)	-	(19,870)
Interest Expense-LT Debt	(981,913)	-	(1,194,627)	-	-	-	-	-	-	-	(2,176,540)
Debt Issuance Costs	(2,500)	-	-	-	-	-	-	-	(10,000)	-	(12,500)
Unrealized Gain (Loss) on Investments	(32,401)	-	-	-	-	-	-	-	-	-	(32,401)
Total Nonoperating Revenue (Expenses)	341,136	-	(1,123,480)	100	-	-	806	24	(29,870)	-	(811,283)
<b>Change in Net Position</b>	<b>22,616,202</b>	<b>(396,217)</b>	<b>3,586,076</b>	<b>3,101,146</b>	<b>157,729</b>	<b>273,875</b>	<b>39,087</b>	<b>1,191,655</b>	<b>26,759</b>	<b>-</b>	<b>30,596,311</b>



**Connecticut Green Bank**  
**Consolidated Statement of Revenues and Expenditures**  
**For the Period July 1, 2022 to June 30, 2023**

	CGB-Primary Government Fiscal YTD 6/30/2023	CT Solar Lease 2 LLC Fiscal YTD 6/30/2023	CT Solar Lease 3 LLC Fiscal YTD 6/30/2023	CEFIA Solar Services Inc. Fiscal YTD 6/30/2023	Eliminations Fiscal YTD 6/30/2023	Consolidated Fiscal YTD 6/30/2023	Consolidated Fiscal YTD 6/30/2022	Consolidated YOY Variance
<b>Operating Income (Loss)</b>								
Operating Revenues								
Utility Remittances	24,609,111	-	-	-	-	24,609,111	25,279,305	(670,193)
Interest Income-Promissory Notes	6,766,463	-	-	-	-	6,766,463	6,142,849	623,614
RGGI Auction Proceeds	9,138,709	-	-	-	-	9,138,709	11,568,905	(2,430,196)
Energy System Sales	3,154,486	-	-	992,456	(2,818,863)	1,328,079	451,092	876,987
REC Sales	15,626,302	707,509	479,178	20,032	-	16,833,021	13,065,877	3,767,144
Lease Income	-	1,858,710	-	7,314	-	1,866,025	1,934,518	(68,494)
Other Income	1,716,495	731,365	399,402	620,711	(49,367)	3,418,605	2,272,829	1,145,776
Total Operating Revenues	61,011,566	3,297,585	878,580	1,640,513	(2,868,231)	63,960,014	60,715,376	3,244,638
Operating Expenses								
Cost of Goods Sold-Energy Systems	3,154,486	-	-	992,456	(2,818,863)	1,328,079	451,092	876,987
Provision for Loan Losses	1,533,885	-	-	-	-	1,533,885	(3,560,589)	5,094,474
Grants and Incentive Payments	7,650,382	-	-	-	88,008	7,738,390	15,997,021	(8,258,631)
Program Administration Expenses	17,496,601	3,141,676	352,204	597,298	-	21,587,778	19,717,474	1,870,304
General and Administrative Expenses	(231,382)	226,792	46,312	24,000	(137,375)	(71,653)	3,214,420	(3,286,073)
Total Operating Expenses	29,603,973	3,368,467	398,516	1,613,754	(2,868,231)	32,116,479	35,819,418	(3,702,939)
Operating Income (Loss)	31,407,594	(70,882)	480,064	26,760	-	31,843,535	24,895,958	6,947,577
<b>Nonoperating Revenue (Expenses)</b>								
Interest Income-Short Term Cash Deposits	1,358,829	1,038	3,299	867	-	1,364,032	141,950	1,222,082
Interest Income-Component Units	71,199	-	-	53,129	(124,328)	-	-	-
Interest Expense-Component Units	-	(124,328)	-	-	124,328	-	-	-
Interest Expense-ST Debt	(19,870)	-	-	-	-	(19,870)	(2,160)	(17,710)
Interest Expense-LT Debt	(2,176,540)	(461,006)	-	(32,880)	-	(2,670,427)	(3,523,585)	853,158
Debt Issuance Costs	(12,500)	-	-	-	-	(12,500)	(13,500)	1,000
Distributions to Member	-	(257,167)	(90,462)	-	-	(347,629)	(600,604)	252,975
Realized Loss on Investments	-	-	-	-	-	-	(3,712,615)	3,712,615
Unrealized Gain on Interest Rate Swap	-	252,601	-	-	-	252,601	3,665,453	(3,412,852)
Net change in fair value of investments	(32,401)	(112,053)	-	-	-	(144,454)	792,130	(936,584)
Total Nonoperating Revenue (Expenses)	(811,283)	(700,916)	(87,163)	21,115	-	(1,578,246)	(3,252,930)	1,674,683
<b>Change in Net Position</b>	<b>30,596,311</b>	<b>(771,798)</b>	<b>392,901</b>	<b>47,875</b>	<b>-</b>	<b>30,265,289</b>	<b>21,643,028</b>	<b>8,622,260</b>



**Connecticut Green Bank - Primary Government**  
**Consolidated Statement of Cash Flows**  
**For the Period July 1, 2022 to June 30, 2023**

	Connecticut Green Bank	CGB Meriden Hydro LLC	CGB KCF LLC	SHREC ABS 1 LLC	SHREC Warehouse 1 LLC	CT Solar Lease 1 LLC	CGB C-PACE LLC	CT Solar Loan I LLC	CEFIA Holdings LLC	CGB Green Liberty Notes LLC	Eliminations	CGB-Primary Government
	Fiscal YTD 6/30/2023	Fiscal YTD 6/30/2023	Fiscal YTD 6/30/2023	Fiscal YTD 6/30/2023	Fiscal YTD 6/30/2023	Fiscal YTD 6/30/2023	Fiscal YTD 6/30/2023	Fiscal YTD 6/30/2023	Fiscal YTD 6/30/2023	Fiscal YTD 6/30/2023	Fiscal YTD 6/30/2023	Fiscal YTD 6/30/2023
<b>Operating Activities</b>												
Change in Net Position	22,616,202	(396,217)	-	3,586,076	3,101,146	157,729	273,875	39,087	1,191,655	26,759	-	30,596,311
Adjustments to reconcile change in net position to net cash provided by (used in) operating activities												
Depreciation	518,891	152,040	-	-	-	-	-	-	-	-	-	670,930
Accretion	-	-	-	-	-	-	-	-	-	-	-	-
Provision for Loan Losses	1,581,460	-	-	-	-	-	-	13,112	74,736	-	-	1,669,309
Changes in operating assets and liabilities:												
Accounts Receivable	53,020	-	-	-	-	-	(116,150)	-	(0)	-	-	(63,130)
Utility Remittance Receivable	189,458	-	-	-	-	-	-	-	-	-	-	189,458
Interest Receivables	(364,018)	-	-	-	-	-	(56,224)	1,403	(35,111)	-	-	(453,949)
Other Receivables	11,817	-	-	-	-	97	-	(1,058)	3,259,103	(116,791)	-	3,153,168
Due from Component Units	(11,424,997)	-	-	6,920,740	(2,000,000)	-	-	-	(5,464,012)	-	-	(11,968,268)
Prepaid Expenses and Other Assets	150,634	23,658	-	-	-	-	-	-	256,057	-	-	430,350
Accounts Payable and Accrued Expenses	1,935,385	(22,345)	-	(25,307)	(1,944)	-	-	(334)	71,665	16,532	-	1,973,651
Due to Component Units	(5,040,740)	200,000	-	-	-	(1,063,311)	3,100,000	(217,500)	3,583,961	2,742,250	-	3,304,660
Custodial Liability	(32,356)	-	-	-	-	-	-	-	(279,291)	-	-	(311,648)
Deferred Revenue	66,818	-	-	-	-	-	-	-	-	-	-	66,818
<b>Net cash provided by (used in) operating activities</b>	<b>4,625,019</b>	<b>(42,864)</b>	<b>-</b>	<b>10,481,509</b>	<b>1,099,201</b>	<b>(905,485)</b>	<b>3,201,501</b>	<b>(165,290)</b>	<b>2,658,763</b>	<b>2,668,750</b>	<b>-</b>	<b>23,621,104</b>
<b>Investing Activities</b>												
Purchase of Capital Assets	188,065	-	-	-	-	-	-	-	-	-	-	188,065
Program Loan Disbursements	(28,722,167)	-	-	-	-	-	(2,373,085)	-	(3,447,380)	(2,917,970)	-	(37,460,603)
Return of Principal on Program Loans	13,744,103	-	-	-	-	905,485	206,395	236,018	1,032,091	1,500,775	-	17,624,867
<b>Net cash provided by (used in) investing activities</b>	<b>(14,789,999)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>905,485</b>	<b>(2,166,690)</b>	<b>236,018</b>	<b>(2,415,289)</b>	<b>(1,417,195)</b>	<b>-</b>	<b>(19,647,670)</b>
<b>Financing Activities</b>												
Proceeds from Green Liberty Notes	-	-	-	-	-	-	-	-	-	1,000,000	-	1,000,000
Repayments of Debt	(3,729,848)	-	-	(11,715,908)	-	-	-	-	-	(304,735)	-	(15,750,491)
<b>Net cash provided by (used in) financing activities</b>	<b>(3,729,848)</b>	<b>-</b>	<b>-</b>	<b>(11,715,908)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>695,265</b>	<b>-</b>	<b>(14,750,491)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(13,894,828)</b>	<b>(42,864)</b>	<b>-</b>	<b>(1,234,398)</b>	<b>1,099,201</b>	<b>-</b>	<b>1,034,811</b>	<b>70,728</b>	<b>243,474</b>	<b>1,946,820</b>	<b>-</b>	<b>(10,777,058)</b>
<b>Cash and Cash Equivalents, Beginning of Period</b>												
Unrestricted	43,664,058	88,438	-	1,577,523	276,176	-	320,226	1,620,256	1,741,285	955,913	-	50,243,875
Restricted	13,705,808	-	-	1,079,262	1,889,479	-	-	301,834	25,673	-	-	17,002,056
<b>Cash and Cash Equivalents, Beginning of Period</b>	<b>57,369,866</b>	<b>88,438</b>	<b>-</b>	<b>2,656,785</b>	<b>2,165,655</b>	<b>-</b>	<b>320,226</b>	<b>1,922,091</b>	<b>1,766,958</b>	<b>955,913</b>	<b>-</b>	<b>67,245,931</b>
<b>Cash and Cash Equivalents, End of Period</b>												
Unrestricted	28,222,711	45,573	-	652,399	157,588	-	1,355,036	1,907,678	1,981,895	2,902,733	-	37,225,614
Restricted	15,252,327	-	-	769,988	3,107,268	-	-	85,141	28,537	-	-	19,243,260
<b>Cash and Cash Equivalents, End of Period</b>	<b>43,475,038</b>	<b>45,573</b>	<b>-</b>	<b>1,422,387</b>	<b>3,264,856</b>	<b>-</b>	<b>1,355,036</b>	<b>1,992,819</b>	<b>2,010,432</b>	<b>2,902,733</b>	<b>-</b>	<b>56,468,874</b>



**Connecticut Green Bank**  
**Consolidated Statement of Cash Flows**  
**For the Period July 1, 2022 to June 30, 2023**

	CGB-Primary Government Fiscal YTD 6/30/2023	CT Solar Lease 2 LLC Fiscal YTD 6/30/2023	CT Solar Lease 3 LLC Fiscal YTD 6/30/2023	CEFIA Solar Services Inc. Fiscal YTD 6/30/2023	Eliminations Fiscal YTD 6/30/2023	Consolidated Fiscal YTD 6/30/2023
<b>Operating Activities</b>						
Change in Net Position	30,596,311	(771,798)	392,901	47,875	-	30,265,289
Adjustments to reconcile change in net position to net cash provided by (used in) operating activities						
Depreciation	670,930	2,335,232	491,799	15,246	-	3,513,208
Accretion	-	162,529	(72,141)	-	-	90,388
Provision for Loan Losses	1,669,309	-	-	-	-	1,669,309
Pension & OPEB expense	(5,640,955)	-	-	-	-	(5,640,955)
Loss on Fixed Asset Disposals/Solar Lease Buyouts	4,401	112,053	-	-	-	116,454
Gain (Loss) on FV of Interest Rate Swap	-	(252,601)	-	-	-	(252,601)
Gain (Loss) on Investments	-	-	-	-	-	-
Noncash exercise of warrants	-	-	-	-	-	-
Changes in operating assets and liabilities:						
Accounts Receivable	(63,130)	4,998	15,839	(41)	-	(42,335)
Utility Remittance Receivable	189,458	-	-	-	-	189,458
Leases Receivable	-	961,452	-	2,550	-	964,002
Interest Receivable	(453,949)	(9,027)	-	-	-	(462,977)
Other Receivables	3,153,168	(182,298)	(74,098)	(5,797,949)	-	(2,901,178)
Due from Component Units	(11,968,268)	120,000	-	46,871	11,801,397	-
Prepaid Expenses and Other Assets	430,350	279,810	(4,032)	(546,867)	-	159,260
Accounts Payable and Accrued Expenses	1,973,651	170,740	182,696	227,447	-	2,554,534
Due to Component Units	3,304,660	1,524,923	225	6,971,589	(11,801,397)	-
Custodial Liability	(311,648)	-	-	-	-	(311,648)
Deferred Revenue	66,818	-	(22,150)	-	-	44,668
Lease Liability	-	(1,352,097)	-	(3,441)	-	(1,355,538)
<b>Net cash provided by (used in) operating activities</b>	<b>23,621,104</b>	<b>3,103,914</b>	<b>911,040</b>	<b>963,280</b>	<b>-</b>	<b>28,599,338</b>
<b>Investing Activities</b>						
Purchase of Capital Assets	188,065	-	-	-	-	188,065
Proceeds from sale of Capital Assets/Solar Lease Buyouts	-	48,492	-	-	-	48,492
Program Loan Disbursements	(37,460,603)	-	-	-	-	(37,460,603)
Return of Principal on Program Loans	17,624,867	-	-	-	-	17,624,867
<b>Net cash provided by (used in) investing activities</b>	<b>(19,647,670)</b>	<b>48,492</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(19,599,178)</b>
<b>Financing Activities</b>						
Proceeds from Green Liberty Notes	1,000,000	-	-	-	-	1,000,000
Repayments of Debt	(15,750,491)	(3,362,533)	-	(94,791)	-	(19,207,814)
Distributions to Investor Member	-	(384,354)	(180,923)	-	-	(565,277)
<b>Net cash provided by (used in) investing activities</b>	<b>(14,750,491)</b>	<b>(3,746,887)</b>	<b>(180,923)</b>	<b>(94,791)</b>	<b>-</b>	<b>(18,773,091)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(10,777,058)</b>	<b>(594,481)</b>	<b>730,117</b>	<b>868,490</b>	<b>-</b>	<b>(9,772,932)</b>
<b>Cash and Cash Equivalents, Beginning of Period</b>						
Unrestricted	50,243,875	455,596	2,336,679	379,846	-	53,415,997
Restricted	17,002,056	3,421,563	-	83,000	-	20,506,619
<b>Cash and Cash Equivalents, Beginning of Period</b>	<b>67,245,931</b>	<b>3,877,160</b>	<b>2,336,679</b>	<b>462,846</b>	<b>-</b>	<b>73,922,617</b>
<b>Cash and Cash Equivalents, End of Period</b>						
Unrestricted	37,225,614	1,404,824	3,066,796	947,470	-	42,644,704
Restricted	19,243,260	1,877,855	-	383,866	-	21,504,981
<b>Cash and Cash Equivalents, End of Period</b>	<b>56,468,874</b>	<b>3,282,679</b>	<b>3,066,796</b>	<b>1,331,336</b>	<b>-</b>	<b>64,149,685</b>



# Memo

**To:** Connecticut Green Bank Senior Team

**From:** Inclusive Prosperity Capital Staff

**Date:** August 15, 2023

**Re:** IPC Quarterly Reporting – Q4 FY23 (April 1, 2023 – June 30, 2023)

## Progress to targets for Fiscal Year 2023, as of 6/30/2023

Product	Number of Projects	Projects Target	% to goal	Total Financed Amount	Financed Target	% to goal	MW Installed	MW Target	% to goal
Smart-E Loan	1250	960	130.1%	\$23,413,915	\$14,994,623	156.15%	0.5	0.2	252%
Multi-Family H&S	2	1	200%	\$18,622,572	\$0	n/a	n/a	n/a	n/a
Multi-Family Pre-Dev.	0	0	0%	\$0	\$0	0%	0.0	0.0	0%
Multi-Family Term	1	6	13.7%	\$3,100,000	\$1,380,000	224.6%	0.0	0.60	0.0%
Solar PPA	6	19	31.6%	\$2,639,950	\$13,710,000	19.26%	1.1	7.6	14.47 %

## PSA 5410 – Smart-E Loan

- Smart-E Volume finished FY2023 surpassing all Smart-E goals. In the fourth quarter specifically, 415 loans were closed for \$7,775,833 (128 in April, 130 in May and 157 in June). HVAC projects continue to be the majority of volume this year, but the evolving solar market has seen an increase of new solar contractors and solar projects coupled with battery storage. The fourth quarter of FY2023 saw the implementation of lender outreach in the form of a 'lender road show'. The Smart-E team met with each of the 9 lenders individually to provide a program to date review of their performance along with opportunities for lenders to become more engaged with the Smart-E program. Additionally, the Smart-E program was pleased to award its top contractors with performance awards for 2022 along with two lenders, Nutmeg State Financial Credit



Union and Mutual Security Credit Union for their continued support of the Smart-E program.

### PSA 5411 – Multifamily

- **2 Projects Closed in Q4 of FY'23.** Seabury Cooperative refinanced the entirety of its existing capital stack in May 2023, including a loan in the amount of \$892,500 from the ECT Health & Safety RLF.
- **The ECT Health & Safety Revolving Loan Fund capital has been fully deployed.** With the closing of the Seabury ECT H&S RLF loan and deployment of the funds, IPC fully met the terms of the agreement between DEEP, IPC and CGB, expiring on June 30, 2023, for development of this program and deployment of these funds. Funds will be redeployed as they revolve from existing borrowers and become available.

### PSA 5412 – Solar PPA

- To-date, 6 solar PPA projects have closed in FY23 for 1.1MW for \$2,639,950 in total funds deployed.
- IPC staff responded to PPA pricing requests received by CTGB staff, particularly extensive scenarios to support the Solar MAP initiative.
- IPC staff continues to survey and monitor pricing competitiveness across installer and developer channels. General feedback is that our current pricing offering is competitive (for those projects requesting pricing).
- IPC staff continues to enhance its use of IPC Salesforce Platform to provide formatted installer/developer pricing responses.
- Staff continue to coordinate with CTGB staff on funding the remaining 4 Solar MAP Round 1 projects in mid-2023.
- Staff continues to coordinate as part of the CGB-IPC Storage Product Working Group to identify market opportunities, structures and products to leverage the Green Bank's new storage incentive program.
- IPC staff coordinated with CGB staff to structurally approve Greenleaf as an eligible PPA EPC.

### Use of DEEP Proceeds

#### Energize CT Health & Safety Revolving Loan Fund

- The multifamily housing team's work in closing and funding two H&S loans to distressed co-ops in New Haven is complete.
- We will begin funding new projects with capital as it becomes available from repayments.

#### \$5M Capital Grant

- In Q1 FY20, IPC's Board approved a \$1.2M investment in Capital for Change to provide liquidity under its successful LIME Loan program offered in partnership with the Connecticut Green Bank. Although the transaction was expected to close in February 2020 under a master facility construct with CGB, in the wake of the COVID-19 outbreak, CGB funded the entirety of the LIME recapitalization in IPC's stead. IPC has reauthorized



its ability to participate in this lending facility with CGB with a target closing in Q3 of 2023.

## General Updates

Below are updates for the fourth quarter of FY23:

- **Capital raising:**
  - No capital raising needs at present.
- **Business/Product Development/Initiatives of interest to Connecticut:**
  - Software licensing agreement for the NGEN platform
    - Colorado Energy Office has transferred the program out of the state energy office to the CO Clean Energy Fund (their green bank) for easier contracting. Discussions in advanced stages for licensing NGEN.
    - Advanced discussions for NGEN licensing with CAETFA. Have worked through numerous CA contracting and procurement challenges.
  - Full Smart-E Program Implementation
    - Working with Inclusiv, Smart-E launch has launched in NM (public launch event on 4/22) and AZ (public launch event on 5/19) with TX to follow later in 2023 with funding provided by Wells Fargo Foundation. This is for a lender-led model, meaning no green bank or state energy office sponsoring the program, and with IPC being compensated to manage the program. IPC closed a \$2.5M guarantee with the Community Investment Guarantee Program for a credit enhancement for participating lenders.
    - Continued work with Inclusiv (the member network of CDFI/community development credit unions) and UNH Carsey (under a DOE grant) on potential Smart-E programs in various geographies, many led by lender interest, some by green bank or state/local government interest. Discussions ongoing with partners in over 20 states.
  - Continued to work with a number of green banks, state energy offices, local governments, community-based lenders (including CDFIs), etc. on leveraging IPC's products and financing strategies. Continue to coordinate with CGC on a variety of opportunities.

## Administrative:

Below are changes to staff and our talent acquisition process:

### ***Additions and Departures:***

#### **Additions**

1. **Brian Sullivan, Director, Clean Energy Finance – April 3, 2023**
2. **Matthew Yung, Senior Investment Analyst – May 1, 2023**
3. **Vijay Dora, Accounting Manager – June 5, 2023**
4. **Gerardo Shorey, Underwriting Analyst – June 13, 2023**
5. **Mazahir Bootwala, Manager, Project Finance – Starts July 5, 2023**

***Current Vacancies:*** There are currently no vacancies.

### ***Recruiting:***

1. **Our revised recruiting efforts have been very successful. We have been able to attract a pool of top candidates with a wide range of skills and experiences. We are particularly proud of the diversity of our new hires, which reflects our**



**commitment to creating a workplace that is welcoming and inclusive for everyone.**





# Memo

**To:** Connecticut Green Bank Board of Directors  
**From:** Eric Shrago  
**CC:** Bryan Garcia, Sergio Carrillo, and Mackey Dykes  
**Date:** October 13, 2023  
**Re:** Fiscal Year 2024 Progress to Targets and Activity in Vulnerable Communities through Q1

The following memo outlines Connecticut Green Bank (CGB) progress to targets and capital deployed, including investments in vulnerable communities<sup>1</sup> for Fiscal Year (FY) 2024 as of September 30, 2023.

**Table 1. CGB Totals Progress to Targets**

## Progress to Targets

YearFiscal	Project Counter Actual	Project Counter Target	% of Target	Capital Deployed Actual	Capital Deployed Target	% of Target	MW Actual	MW Target	% of Target
2024	650	1,726	37.7%	\$45,934,365	\$157,977,816	29.1%	27.8	60.5	45.9%

**Table 2. CGB Totals Vulnerable Communities (excluding SBEA)**

## Vulnerable Community (excluding SBEA)

Vintage Vulnerable Community YearFiscal	Not Vulnerable				Vulnerable				Total			
	Capital Deployed	% of Total Capital Deployed	# Projects	% of Total Projects	Capital Deployed	% of Total Capital Deployed	# Projects	% of Total Projects	Capital Deployed	% of Total Capital Deployed	# Projects	% of Total Projects
2024	\$30,330,953	70.38%	318	65.03%	\$12,763,942	29.62%	171	34.97%	\$43,094,895	100.00%	489	100.00%

<sup>1</sup> CGB Performance Metrics Power BI data source: <https://app.powerbi.com/groups/289235dd-d77d-4043-8dae-d232a51a116a/reports/dcec3754-1e52-4c0c-b579-cfa7df20379c/ReportSection3a1e4346c50856c3c008>



**Table 3. Financing Programs Progress to Targets**

**Progress to Targets**

ProgramSegment	Project Counter Actual	Project Counter Target	% of Target	Capital Deployed Actual	Capital Deployed Target	% of Target	MW Actual	MW Target	% of Target
Financing	169	515	32.8%	\$13,396,068	\$58,979,668	22.7%	1.6	8.2	20.0%

**Progress to Targets**

Program2	Project Counter Actual	Project Counter Target	% of Target	Capital Deployed Actual	Capital Deployed Target	% of Target	MW Actual	MW Target	% of Target
Commercial Lease		16			\$16,081,668			8.2	
CPACE	8	19	42.1%	\$10,556,598	\$21,170,000	49.9%	1.6	0.0	
Multi-Family Term		3			\$300,000			0.3	
SBEA	161	480	33.5%	\$2,839,470	\$11,728,000	24.2%	0.0	0.0	

**Table 4. Financing Programs Vulnerable Communities (excluding SBEA)**

**Vulnerable Community (excluding SBEA)**

Vintage Vulnerable Community	Not Vulnerable				Vulnerable				Total			
ProgramSegment	Capital Deployed	% of Total Capital Deployed	# Projects	% of Total Projects	Capital Deployed	% of Total Capital Deployed	# Projects	% of Total Projects	Capital Deployed	% of Total Capital Deployed	# Projects	% of Total Projects
Financing	\$6,664,496	63.13%	4	50.00%	\$3,892,101	36.87%	4	50.00%	\$10,556,598	100.00%	8	100.00%

**Vulnerable Community (excluding SBEA)**

Vintage Vulnerable Community	Not Vulnerable				Vulnerable				Total			
ProgramName	Capital Deployed	% of Total Capital Deployed	# Projects	% of Total Projects	Capital Deployed	% of Total Capital Deployed	# Projects	% of Total Projects	Capital Deployed	% of Total Capital Deployed	# Projects	% of Total Projects
CPACE	\$6,664,496	63.13%	4	50.00%	\$3,892,101	36.87%	4	50.00%	\$10,556,598	100.00%	8	100.00%



**Table 5. Incentive Programs FY 2023 Progress to Targets**

**Progress to Targets**

ProgramSegment	Project Counter Actual	Project Counter Target	% of Target	Capital Deployed Actual	Capital Deployed Target	% of Target	MW Actual	MW Target	% of Target
Incentive	481	1,211	39.7%	\$32,538,297	\$98,998,148	32.9%	26.2	52.3	50.0%

**Progress to Targets**

Program2	Project Counter Actual	Project Counter Target	% of Target	Capital Deployed Actual	Capital Deployed Target	% of Target	MW Actual	MW Target	% of Target
Energy Storage Solutions - Commercial	5	29	17.2%	\$22,755,780	\$73,529,412	30.9%	25.6	50.0	51.2%
Energy Storage Solutions - Residential	24	250	9.6%	\$762,650	\$8,000,000	9.5%	0.1	2.0	6.7%
Smart-E	452	944	47.9%	\$9,019,867	\$17,852,737	50.5%	0.4	0.3	137.7%

**Table 6. Incentive Programs Vulnerable Communities**

Vulnerable Community

Vintage Vulnerable Community ProgramSegment	Not Vulnerable Capital Deployed	% of Total Capital Deployed	# Projects	% of Total Projects	Vulnerable Capital Deployed	% of Total Capital Deployed	# Projects	% of Total Projects	Total Capital Deployed	% of Total Capital Deployed	# Projects	% of Total Projects
Incentive	\$23,666,456	72.73%	314	65.28%	\$8,871,841	27.27%	167	34.72%	\$32,538,297	100.00%	481	100.00%

Vulnerable Community

Vintage Vulnerable Community ProgramName	Not Vulnerable Capital Deployed	% of Total Capital Deployed	# Projects	% of Total Projects	Vulnerable Capital Deployed	% of Total Capital Deployed	# Projects	% of Total Projects	Total Capital Deployed	% of Total Capital Deployed	# Projects	% of Total Projects
Energy Storage Solutions - Commercial	\$16,925,204	74.38%	2	0.42%	\$5,830,576	25.62%	3	0.62%	\$22,755,780	100.00%	5	1.04%
Energy Storage Solutions - Residential	\$656,450	86.07%	21	4.37%	\$106,200	13.93%	3	0.62%	\$762,650	100.00%	24	4.99%
Smart-E	\$6,084,802	67.46%	291	60.50%	\$2,935,065	32.54%	161	33.47%	\$9,019,867	100.00%	452	93.97%



**Table 7. Current Reporting Periods for Smart-E Lenders**

ProgramName	Latest Current Reporting Period
<b>Smart-E</b>	<b>09/01/2023</b>
Capital For Change	08/01/2023
CorePlus Federal Credit Union	08/01/2023
Eastern Connecticut Savings Bank	09/01/2023
First National Bank of Suffield	09/01/2023
Ion Bank	08/01/2023
Liberty Bank	09/01/2023
Mutual Security Credit Union	08/01/2023
Nutmeg State Financial Credit Union	08/01/2023
Patriot Bank	09/01/2023
Quinnipac Bank & Trust	
Thomaston Savings Bank	08/01/2023
Union Savings Bank	08/01/2023
Workers Federal Credit Union	09/01/2023
<b>Total</b>	<b>09/01/2023</b>



**Annual Comprehensive Financial Report**

**of**

**Connecticut Green Bank  
(A Component Unit of the State of Connecticut)**

**For the Fiscal Year Ended June 30, 2023  
(With Summarized Totals as of and for Fiscal Year Ended June 30, 2022)**

**Department of Finance and Administration  
75 Charter Oak Avenue, Suite 1-103  
Hartford, Connecticut**



**Connecticut Green Bank**  
**Annual Comprehensive Financial Report**  
**For the Year Ended June 30, 2023**

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## Introductory Section

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Preliminary Draft





October XX, 2023

To the Members of the Board of Directors, Connecticut General Assembly, Governor, and the Citizens of the State of Connecticut

As we complete our twelfth year as the nation's first green bank, we are pleased to present the Annual Comprehensive Financial Report (ACFR) of the Connecticut Green Bank (Green Bank) for the fiscal year ending June 30, 2023 accompanied by summarized totals as of and for the fiscal year ended June 30, 2022.

Management assumes full responsibility for the completeness and reliability of the information contained in this report based upon a comprehensive framework of internal controls that it has established for this purpose. To provide a reasonable basis for making these representations, the management of Green Bank has established a comprehensive internal control framework that is designed both to protect the entity's assets from loss, theft, or misuse, and to compile sufficient reliable information for the preparation of Green Bank's financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP). Because the cost of internal controls should not outweigh the benefits, Green Bank's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute assurance that the financial statements will be free from material misstatement. As such, management asserts that this financial report is complete and reliable in all material respects to the best of managements' knowledge and belief.

PKF O'Connor Davies, LLP has issued an unmodified opinion on the Green Bank's financial statements for the fiscal year ending June 30, 2023. The independent auditors' report is presented in the financial section of this report. This letter of transmittal is designed to complement the Management's Discussion and Analysis (MD&A) and should be read in conjunction with it. The Green Bank's MD&A can be found immediately following the report of the independent auditors.

Kestrel Verifiers has issued an independent opinion that the metrics, data collection, calculation methodologies, and transparency for the social and environmental benefits supported by the Green Bank are sound and represent best practice. The independent opinion is presented in the non-financial statistics section of this report.

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Connecticut Green Bank for its annual comprehensive financial report for the fiscal year ended June 30, 2022. This is the ninth consecutive year that the Green Bank has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.



## **Profile of the Connecticut Green Bank**

The Green Bank<sup>1</sup> was established in a bipartisan manner by the Governor and Connecticut's General Assembly on July 1, 2011 through Public Act 11-80 (i.e., CGS 16-245n) as a quasi-public agency that supersedes the former Connecticut Clean Energy Fund. As the nation's first green bank, the Green Bank makes clean energy more affordable and accessible for all Connecticut citizens and businesses. In July of 2021, after a successful first decade of operations increasing and accelerating investment in and deployment of clean energy, through the bipartisan passage of Public Act 21-115, the scope of the Green Bank was broadened to include environmental infrastructure to create a thriving marketplace to accelerate the growth of the green economy in Connecticut. The Green Bank facilitates investment in clean energy and environmental infrastructure deployment by leveraging a public-private financing model that uses limited public dollars to attract and mobilize private capital investments. By partnering with the private sector, we create solutions that result in long-term, affordable financing to increase the number of clean energy and environmental infrastructure projects statewide.

As outlined in its Comprehensive Plan: Green Bonds US,<sup>2</sup> the Green Bank's vision is a planet protected by the love of humanity. The Green Bank's mission is to confront climate change by increasing and accelerating investment into Connecticut's green economy to create more resilient, healthier, and equitable communities.

To achieve its vision and mission, the Green Bank has established the following three goals:

1. To leverage limited public resources to scale-up and mobilize private capital investment in the green economy of Connecticut.
2. To strengthen Connecticut's communities, especially vulnerable communities, by making the benefits of the green economy inclusive and accessible to all individuals, families, and businesses.
3. To pursue investment strategies that advance market transformation in green investing while supporting the organization's pursuit of financial sustainability.

These goals support the implementation of Connecticut's clean energy policies be they statutory (e.g., Public Act 11-80, Public Act 13-298, Public Act 15-194, Public Act 21-115, Public Act 21-53), planning (e.g., State Plan of Conservation and Development, Comprehensive Energy Strategy, Integrated Resources Plan, Water Plan, Green Plan, Forest Action Plan), or regulatory (e.g., Docket No. 17-12-03(RE03)) in nature. The powers of the Green Bank are vested in and exercised by a Board of Directors that is comprised of twelve voting and one non-voting member each with knowledge and expertise in matters related to the purpose of the organization. Upon the passage of Public Act 21-115 on July 6, 2021, one additional voting member was added to the Board of Directors (i.e., Secretary of the Office of Policy and Management or their designee). Board of Directors and Staff are governed through the statute, as well as an Ethics Statement and Ethical Conduct Policy, Resolutions of Purposes, Bylaws, and Comprehensive Plan.

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<sup>1</sup> Public Act 11-80 repurposed the Connecticut Clean Energy Fund (CCEF) administered by Connecticut Innovations, into a separate quasi-public organization called the Clean Energy Finance and Investment Authority (CEFIA). Per Public Act 14-94, CEFIA was renamed to the Connecticut Green Bank.

<sup>2</sup> [https://www.ctgreenbank.com/wp-content/uploads/2023/04/Comprehensive-Plan\\_FY-2024\\_Revised\\_072723.pdf](https://www.ctgreenbank.com/wp-content/uploads/2023/04/Comprehensive-Plan_FY-2024_Revised_072723.pdf)



## **Initiatives and Results**

### *Accelerate the Growth of and Investment in the Green Economy*

The Green Bank makes clean energy and environmental infrastructure more accessible and affordable for all Connecticut citizens and businesses by creating a thriving marketplace to accelerate the growth of the green economy. As a result of the efforts undertaken over the past twelve years, we are enabling more investment in the green economy of our State than ever before (see Table 1).

**Table 1. Project Investments between FY 2012 through FY 2023<sup>3</sup>**

<b>Fiscal Year</b>	<b>Total Investment (Millions)</b>	<b>Green Bank Investment (Millions)</b>	<b>Leverage Ratio</b>	<b>% of Funding as Grants</b>	<b>Installed Capacity (MW)</b>
2023	\$ 169.6	\$ 40.2	4.2	35%	64.3
2022	\$ 116.6	\$ 13.7	8.5	26%	21.3
2021	\$ 269.2	\$ 34.5	7.8	35%	64.8
2020	\$ 285.9	\$ 32.9	8.7	45%	73.9
2019	\$ 319.5	\$ 32.5	9.8	47%	64.3
2018	\$ 221.7	\$ 28.5	7.8	44%	56.4
2017	\$ 180.4	\$ 30.1	6.0	41%	50.0
2016	\$ 320.2	\$ 38.0	8.4	52%	65.8
2015	\$ 320.3	\$ 58.7	5.5	56%	62.2
2014	\$ 107.1	\$ 31.8	3.4	65%	23.4
2013	\$ 111.1	\$ 18.5	6.0	67%	23.5
2012	\$ 9.9	\$ 3.4	2.9	100%	1.9
Total	\$ 2,431.6	\$ 362.8	6.7	50%	571.8

By investing \$362.8 million of Green Bank funds,<sup>4</sup> we have helped attract \$2,068.8 million of private investment in clean energy for a total investment of over \$2.4 billion in Connecticut's green economy. In addition, \$129.6 million in estimated tax revenues have been generated from this investment. This is supporting the deployment of 571.8 MW of clean renewable energy, saving an estimated 68.6 million MMBtu of energy, producing 22.0 million MWh of clean energy, and avoiding an estimated 11.1 million tons of CO<sub>2</sub> emissions over the life of the projects, while creating over 27,000 job-years, and improving public health benefits by \$207.2 to \$468.5 million as a result of cleaner air.

### **Responsible Public Investment in Clean Energy**

The Green Bank receives funding through a number of public revenue sources, including a systems benefit charge (i.e., Clean Energy Fund), and allowance proceeds from the Regional Greenhouse Gas Initiative (RGGI), as well as earned revenues from Renewable Energy Certificate (REC) sales, interest income from its loans, fees, and the federal government. The Green Bank's predecessor organization's programs were primarily structured as grants, which meant the funds were spent with no expectation of return. This model put the organization at the mercy of these funding streams which, while reliable, are largely determined by activities outside of our control such as levels of state electricity use and RGGI allowance prices. With the transition to a new financing model, the Green Bank is able to invest its funds in activities that earn a return and begin to build revenue streams that can be reinvested in clean energy and environmental infrastructure in Connecticut while strengthening the financial position and sustainability of the organization.

<sup>3</sup> Includes closed transactions approved by the Board of Directors consistent with its Comprehensive Plan and Budget.

<sup>4</sup> Including, but not limited to public resources such as the Clean Energy Fund and Regional Greenhouse Gas Initiative allowance proceeds, as well as earned revenues such as interest income, sales of renewable energy credits, and fees.



## Acknowledgements

First and foremost, we would like to thank the Staff of the Connecticut Green Bank. Through their hard work, commitment and innovation, in twelve years we have eclipsed over \$2.4 billion of investment into Connecticut's green economy helping more than 69,000 families and businesses reduce energy costs. We have built a model that is delivering results for our state and serving as a model across the country and around the world, including inspiring the \$27 billion Greenhouse Gas Reduction Fund included within the Inflation Reduction Act passed by the US Congress and signed into law by President Biden in August of 2022.

We are grateful to our independent auditors, PKF O'Connor Davies, LLP and Kestrel Verifiers, for their assistance and advice during the course of this audit and review, and for supporting our interests in continuing to disclose not only our financial position, but also the public benefits to society resulting from increasing public and private investment and the deployment of clean energy and environmental infrastructure.

Finally, we thank the Board of Directors, Connecticut General Assembly, and the Governor for their continued leadership and guidance as we continue to prove that there is a new model for how government is able to support the growth and development of a green economy, at a faster pace, while using public resources responsibly.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "B. Garcia", with a long horizontal flourish extending to the right.

Bryan T. Garcia  
President and CEO

A handwritten signature in black ink, appearing to read "Jane J. Murphy", written in a cursive style.

Jane J. Murphy  
Executive Vice President - Finance



# Board of Directors

## Connecticut Green Bank

Position	Status	Voting	Name	Organization
State Treasurer (or designee)	Ex Officio	Yes	Bettina Bronisz <sup>5</sup>	Treasurer's Office
Commissioner of DEEP <sup>6</sup> (or designee)	Ex Officio	Yes	Hank Webster <sup>7 8</sup>	DEEP
Commissioner of DECD <sup>9</sup> (or designee)	Ex Officio	Yes	Robert Hotaling <sup>10</sup>	DECD
Secretary of the Office of Policy Management (or designee) <sup>11</sup>	Ex Officio	Yes	Joanna Wozniak-Brown	OPM
Residential or Low-Income Group	Appointed	Yes	Brenda Watson <sup>12</sup>	Operation Fuel
Investment Fund Management	Appointed	Yes	Adrienne Farrar Houël	Greater Bridgeport Community Enterprises
Environmental Organization	Appointed	Yes	Matthew Ranelli <sup>13</sup>	Shipman & Goodwin
Finance or Deployment	Appointed	Yes	Thomas Flynn <sup>14</sup>	Coral Drive Partners
Finance of Renewable Energy	Appointed	Yes	Dominick Grant	Dirt Capital Partners
Finance of Renewable Energy	Appointed	Yes	Vacant <sup>15</sup>	
Labor Organization	Appointed	Yes	John Harrity <sup>16</sup>	Connecticut Roundtable on Climate and Jobs
R&D or Manufacturing	Appointed	Yes	Lonnie Reed <sup>17</sup>	Former Chair of E&T Committee
President of the Green Bank	Ex Officio	No	Bryan Garcia	Connecticut Green Bank

## Discretely Presented Component Units

Position	Name
President	Bryan Garcia
Treasurer	Jane Murphy
Secretary	Brian Farnen
Chief Investment Officer	Roberto Hunter

<sup>5</sup> Sara Sanders served until January 17, 2023

<sup>6</sup> Department of Energy and Environmental Protection

<sup>7</sup> Vice Chair of the Board of Directors

<sup>8</sup> Vicki Hackett served until May 10, 2023

<sup>9</sup> Department of Economic and Community Development

<sup>10</sup> Binu Chandy served until May 17, 2023

<sup>11</sup> As of July 1, 2021, with the passage of Public Act 21-115, the Board of Directors was expanded by an additional member, including the Secretary of the Office of Policy Management (or their designee).

<sup>12</sup> Chairperson of the Joint Committee of the EEB and CGB

<sup>13</sup> Secretary of the Board of Directors

<sup>14</sup> Chairperson of the Audit, Compliance and Governance Committee

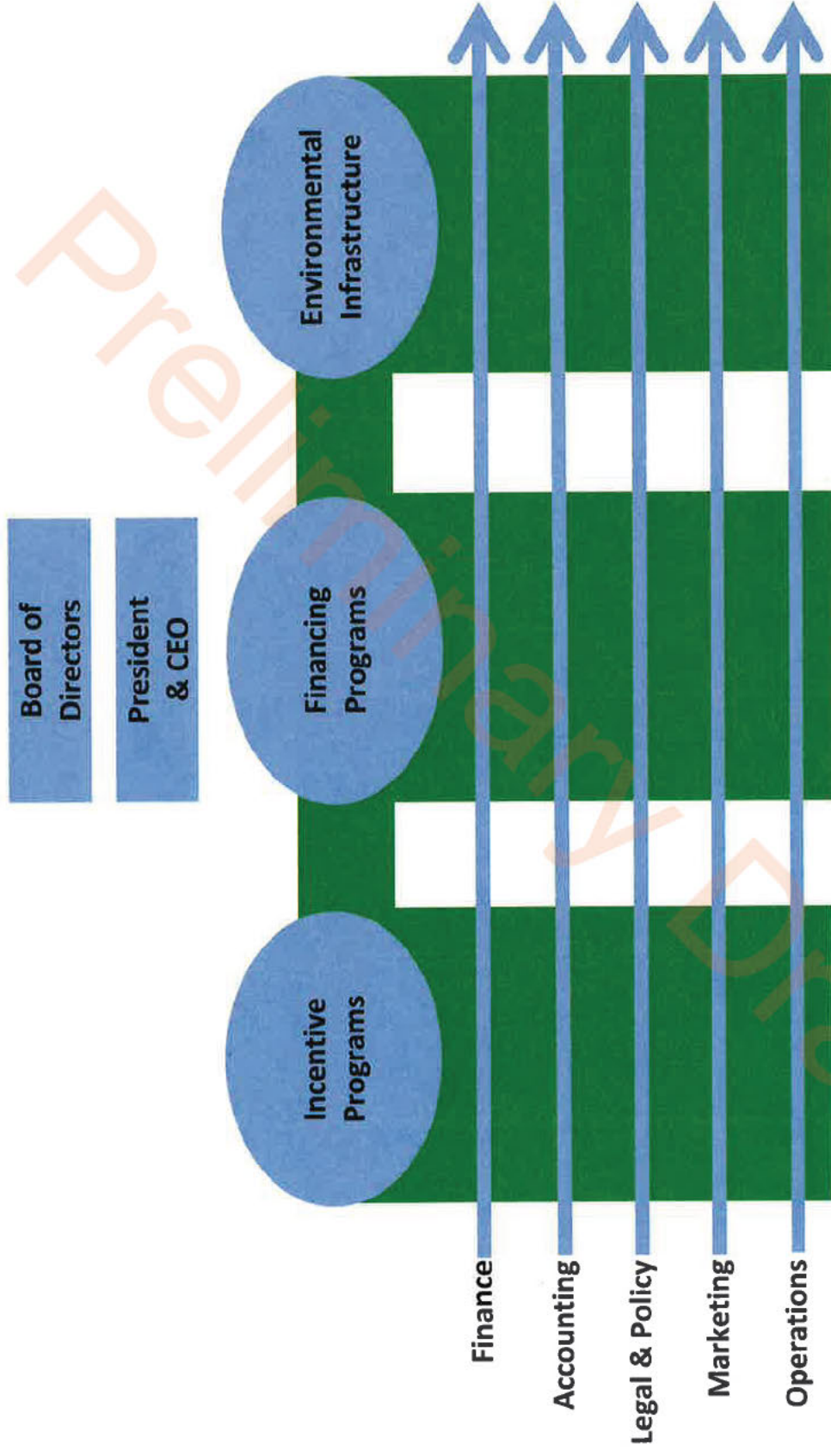
<sup>15</sup> Laura Hoydick served until March 20, 2023

<sup>16</sup> Chairperson of the Budget, Operations, and Compensation Committee

<sup>17</sup> Appointed by Governor Lamont and designated as Chair on October 10, 2019



## Organizational Chart







Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**Connecticut Green Bank**

**For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended**

**June 30, 2022**

*Christopher P. Morill*

**Executive Director/CEO**



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## Financial Section

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Preliminary Draft



## **Independent Auditors' Report**

**Board of Directors  
Connecticut Green Bank**

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the financial statements of the business-type activities, discretely presented component units and the reporting entity totals of Connecticut Green Bank (a component unit of the State of Connecticut), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise Connecticut Green Bank's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities, discretely presented component units and the reporting entity totals of Connecticut Green Bank, as of June 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS") and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Connecticut Green Bank, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Connecticut Green Bank's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.



***Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Connecticut Green Bank's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about Connecticut Green Bank's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

***Prior Year Summarized Comparative Information***

We have previously audited Connecticut Green Bank's June 30, 2022 financial statements, and our report dated October 21, 2022, expressed an unmodified opinion on those financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2022, is consistent, in all material respects, with the audited basic financial statements from which it has been derived.



***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis, and the pension and other post-employment benefit schedules, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

***Other Information***

Management is responsible for the other information included in the annual comprehensive financial report. The other information comprises the introductory, financial statistical and other statistical sections but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated October XX, 2023 on our consideration of the Connecticut Green Bank's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Connecticut Green Bank's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Connecticut Green Bank's internal control over financial reporting and compliance.

Wethersfield, Connecticut  
October XX, 2023



## **Connecticut Green Bank**

### **Management's Discussion and Analysis For the Year Ended June 30, 2023**

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The following Management's Discussion and Analysis (MD&A) provides an overview of the financial performance of the Connecticut Green Bank (Green Bank), formerly known as the Clean Energy Finance and Investment Authority, (a component unit of the State of Connecticut) for the fiscal year ended June 30, 2023. The information contained in this MD&A should be considered in conjunction with the information contained in the financial statements and notes to the financial statements included in the "Basic Financial Statements" section of this report.

The Green Bank as a reporting entity is comprised of the primary government and three discretely presented component units as defined under generally accepted accounting principles.

This MD&A discusses the financial performance of both the primary government, Green Bank, and its discretely presented component units, CT Solar Lease 2 LLC, CT Solar Lease 3 LLC and CEFIA Solar Services Inc. We are including the performance of these component units in the consolidated data tables included in this analysis because they play an integral part in assisting the Green Bank in achieving its goal to deploy renewable energy in the State of Connecticut and to omit them from the analysis would not provide a complete picture of the Green Bank's activities. Where possible we have distinguished activity pertaining solely to a component unit or the primary government in the discussion that follows.

#### **Financial statements presented in this report**

On June 6, 2014, Public Act 14-94 of the State of Connecticut changed the name of the Clean Energy Finance and Investment Authority to the Connecticut Green Bank.

Green Bank is a quasi-public agency of the State of Connecticut established on July 1, 2011 by Section 16-245n of the Connecticut General Statutes ('CGS'), created for the purposes of, but not limited to: (1) implementing the Comprehensive Plan developed by Green Bank pursuant to Section 16-245n(c) of the CGS, as amended; (2) developing programs to finance and otherwise support clean energy investment in residential, municipal, small business and larger commercial projects, and such others as Green Bank may determine; (3) supporting financing or other expenditures that promote investment in clean energy sources to foster the growth, development and commercialization of clean energy resources and related enterprises; and (4) stimulating demand for clean energy and the deployment of clean energy sources within the state that serve end-use customers in the State. Green Bank constitutes the successor agency to Connecticut Innovations for the purposes of administering the Connecticut Clean Energy Fund in accordance with section 4-38d of the CGS and therefore the net position of such fund was transferred to the newly created the Green Bank as of July 1, 2011.

On July 6, 2021, Public Act No. 21-115 extended the green bank model beyond clean energy and increased the scope of the Green Bank's mission to now include environmental infrastructure (structures, facilities, systems, services, and improvement projects related to water, waste and recycling, climate adaptation and resiliency, agriculture, land conservation, parks and recreation, and environmental markets such as carbon offsets and ecosystem services).

The basic financial statements include the Statement of Net Position, Statement of Revenues, Expenses and Changes in Net Position, and the Statement of Cash Flows. The Statement of Net Position provides a measure of Green Bank's economic resources. The Statement of Revenues, Expenses and Changes in Net Position measures the transactions for the periods presented and the impact of those transactions on the resources of Green Bank. The Statement of Cash Flows reconciles the changes in cash and cash equivalents with the activities of Green Bank for the period presented. The activities are classified as operating, noncapital financing, capital and related financing, and investing activities.

Notes to the basic financial statements provide additional detailed information to supplement the basis for reporting and nature of key assets and liabilities.



## Connecticut Green Bank

### Management's Discussion and Analysis For the Year Ended June 30, 2023

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#### Financial highlights for the fiscal year 2023

##### Net position

Green Bank's net position, which is reflective of the reporting entity's overall financial position, increased year over year. Net position as of June 30, 2023, and 2022 was \$141.4 million and \$111.1 million, respectively, an increase of \$30.3 million. Unrestricted net position increased to \$59.6 million as of June 30, 2023, as compared to \$31.0 million as of June 30, 2022, an increase of \$28.6 million. Contributing to this increase was a \$30.6 million increase in the primary government's net position due to a \$3.6 million increase in REC revenues and a \$8.8 million decrease in grants and incentive payments, leading to operating income of \$30.6 million for the primary government for fiscal year ended June 30, 2023. Nonexpendable restricted net position decreased to \$57.3 million as of June 30, 2023, as compared to \$57.7 million as of June 30, 2022, a decrease of \$0.4 million. Net position restricted for energy programs increased to \$19.1 million as of June 30, 2023, as compared to \$16.9 million as of June 30, 2022, an increase of \$2.2 million. Note II. F. Restricted Net Position provides additional details of the amounts restricted by program.

Green Bank assets increased \$7.1 million in fiscal year 2023 to \$291.6 million. As of June 30, 2022, assets totaled \$284.5 million. Program loans increased by \$17.8 million. Note II. B. 2. Program loans receivable provides additional details on program loans by project type.

Unrestricted cash and cash equivalents decreased \$10.5 million to \$41.8 million as of June 30, 2023, compared to \$52.3 million as of June 30, 2022, and restricted cash and cash equivalents increased \$0.7 million to \$22.4 million as of June 30, 2023 from \$21.6 million as of June 30, 2022. The net decrease in both unrestricted cash and restricted cash was primarily the result of increased investment in program loans and payment of long-term debt in fiscal year 2023. The Statement of Cash Flows provides additional details on changes in cash balances in the current year.

Capital assets net of depreciation decreased \$3.6 million to \$72.6 million as of June 30, 2023, from \$76.2 million as of June 30, 2022. This decrease was due primarily to depreciation expense for the total reporting entity of \$3.5 million. Note II. C. Capital Assets provides further details on capital assets by type and reporting unit.

Green Bank liabilities decreased by \$22.5 million in fiscal year 2023 to \$132.6 million as of June 30, 2023, from \$155.1 million as of June 30, 2022. Current liabilities, comprised of current maturities of long-term debt, accounts payable, accrued payroll and related liabilities, accrued expenses, short-term notes payable, warranty management, line of credit and performance bonds decreased \$9.0 million to \$20.9 million as of June 30, 2023, compared to \$29.9 million as of June 30, 2022. This decrease is primarily due to current maturities of long-term debt decreasing by \$11.3 million from the prior year due primarily to a prepayment of the SHREC ABS 1 bonds in fiscal year 2023 which was \$9.3 million more than originally scheduled under the agreement.

Green Bank's allocation of the State of Connecticut State Employee Retirement System net pension liability decreased \$3.6 million to \$17.6 million as of June 30, 2023, compared to \$21.3 million as of June 30, 2022. The related deferred outflows of resources, which represents timing differences in actual experience, plan earnings, assumptions and Green Bank pension contributions increased \$0.9 million to \$7.3 million as of June 30, 2023, compared to \$6.4 million as of June 30, 2022. Deferred inflows of resources related to the pension liability, which represent timing of changes in proportion and differences between employer contributions and proportionate share of contributions increased \$0.8 million to \$6.2 million as of June 30, 2023, compared to \$5.4 million as of June 30, 2022. Note IV.A provides further detail regarding the pension plan. Green Bank, the primary government, is responsible for the net pension liability.



# Connecticut Green Bank

## Management's Discussion and Analysis For the Year Ended June 30, 2023

Green Bank's allocation of the State of Connecticut State Employee Retirement System net other post-employment benefit (OPEB) liability decreased \$2.5 million to \$18.0 million as of June 30, 2023, compared to \$20.5 million as of June 30, 2022. The related deferred outflows of resources, which represents actual experience, timing differences in plan earnings, assumptions, and Green Bank OPEB contributions increased by \$1.2 million to \$6.4 million as of June 30, 2023, compared to \$5.2 million as of June 30, 2022. Deferred inflows of resources related to the OPEB liability, which represent timing of changes in proportion and differences between employer contributions and proportionate share of contributions and other actuarial assumptions, increased \$1.8 million to \$11.5 million at June 30, 2023, compared to \$9.7 million at June 30, 2022. Note IV.B provides further details regarding the OPEB plan. Green Bank, the primary government, is responsible for this net OPEB liability.

Long term debt decreased \$7.6 million to \$71.7 million as of June 30, 2023, as compared to \$79.3 million as of June 30, 2022. The decrease is due to principal payments being made on outstanding debt in fiscal year 2023. Note II.E Long Term liabilities provides a breakout by dollar amount of the types of long-term debt including changes during fiscal year 2023.

As of June 30, 2023, the Green Bank's unfunded contingent grant and loan commitments, which are obligations of the primary government, the majority of which represent Performance Based Incentive ('PBI') payments to third party owners of solar facilities as well as loan commitments for Solar PPA, SBEA and Multifamily/LMI loan programs as described in Note III.B, totaled \$90.9 million. These grant and loan commitments are expected to be funded over the next one to five years from current and future unrestricted cash balances.

The following table summarizes the net position of the reporting entity at June 30, 2023, and 2022:

Summary Statement of Net Position June 30,											
	Primary Government	Discretely Presented Component Units	Eliminations	2023	Primary Government	Discretely Presented Component Units	Eliminations	2022	Primary Government	Discretely Presented Component Units	Change Increase (Decrease)
Cash and cash equivalents- unrestricted	\$ 36,372,511	\$ 5,412,707	\$ -	\$ 41,785,218	\$ 49,111,482	\$ 3,165,738	\$ -	\$ 52,277,220	\$ (12,738,971)	\$ 2,246,969	\$ (10,492,002)
Cash and cash equivalents- restricted	20,096,363	2,268,104	-	22,364,467	18,134,449	3,510,946	-	21,645,395	1,961,914	(1,242,842)	719,072
Investments	852,427	-	-	852,427	912,217	-	-	912,217	(59,790)	-	(59,790)
Receivables (net):											
Program loans	109,606,309	-	-	109,606,309	91,835,257	-	-	91,835,257	17,771,052	-	17,771,052
Solar lease notes	2,098,177	-	-	2,098,177	3,003,661	-	-	3,003,661	(905,484)	-	(905,484)
Promissory notes	3,772,615	-	-	3,772,615	2,405,387	-	-	2,405,387	1,367,228	-	1,367,228
Capital assets, net	15,184,675	57,424,369	-	72,589,044	16,028,070	60,136,826	-	76,164,896	(863,395)	(2,712,457)	(3,575,852)
Other assets	66,135,860	67,668,568	(95,239,146)	38,565,282	60,880,553	62,233,399	(66,862,859)	36,251,093	5,255,307	5,435,169	2,314,169
Total assets	254,098,937	132,773,748	(95,239,146)	291,633,539	242,311,076	129,046,909	(66,862,859)	284,495,126	11,787,861	3,726,839	7,139,413
Deferred outflows of resources	13,655,537	2,027,042	-	15,682,579	11,612,349	2,317,404	-	13,929,753	2,043,168	(290,362)	1,752,826
Current liabilities	19,276,556	1,679,126	-	20,955,682	26,902,624	3,004,086	-	29,906,710	(7,626,068)	(1,324,960)	(8,951,028)
Other long term liabilities	-	68,183,472	(63,974,747)	4,208,725	120,225	59,596,571	(55,598,460)	4,118,336	(120,225)	8,586,901	(8,376,287)
Long-term debt, less current maturities	63,221,862	8,514,544	-	71,736,406	68,643,067	10,853,453	-	79,496,520	(5,421,205)	(2,138,909)	(7,560,114)
Net pension liability	17,632,888	-	-	17,632,888	21,273,373	-	-	21,273,373	(3,640,485)	-	(3,640,485)
Net OPEB liability	18,041,698	-	-	18,041,698	20,516,584	-	-	20,516,584	(2,474,866)	-	(2,474,866)
Total liabilities	118,173,004	78,377,142	(63,974,747)	132,575,399	137,455,853	73,254,110	(55,598,460)	155,111,503	(19,282,849)	5,123,032	(22,536,104)
Deferred inflows of resources	17,636,756	15,700,397	-	33,337,153	15,119,172	17,055,935	-	32,175,107	2,517,584	(1,355,538)	1,162,046
Net position:											
Net investment in capital assets	3,578,908	1,783,870	-	5,362,778	3,534,455	1,981,474	-	5,515,929	44,453	(197,604)	(153,151)
Restricted:											
Nonexpendable	-	57,281,736	-	57,281,736	-	57,729,657	-	57,729,657	-	(447,921)	(447,921)
Restricted - energy programs	19,021,560	101,779	-	19,123,339	16,747,999	117,216	-	16,865,215	2,273,561	(15,437)	2,258,124
Unrestricted	109,344,246	(18,444,134)	(31,264,399)	59,635,713	81,065,946	(18,774,079)	(31,264,399)	31,027,468	28,278,300	329,945	28,608,245
Total net position	\$131,944,714	\$40,723,251	\$ (31,264,399)	\$141,403,566	\$101,348,400	\$41,054,268	\$ (31,264,399)	\$111,138,269	\$30,596,314	\$ (331,017)	\$30,265,297



## Connecticut Green Bank

### Management's Discussion and Analysis For the Year Ended June 30, 2023

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#### Changes in net position

Operating revenues increased by \$3.3 million to \$64.0 million as of June 30, 2023, as compared to \$60.7 million as of June 30, 2022. Remittances to the primary government from utility companies representing the one mil per kilowatt hour charge to each end use customer of electric services in the State of Connecticut decreased \$0.7 million to \$24.6 million for the fiscal year ended June 30, 2023, as compared to \$25.3 million for the fiscal year ending June 30, 2022, due to decrease in electricity usage.

Interest earned on promissory notes increased by \$0.6 million in fiscal 2023 to \$6.8 million as compared to \$6.1 million in fiscal 2022 due to the increased balance of interest-bearing program loans receivable as compared to fiscal year 2022.

Sales of energy systems increased \$0.8 million to \$1.3 million in 2023 compared to \$0.5 million in 2022. The increase is due to more sales of commercial Power Purchase Agreements ('PPA') projects to third-party renewable energy companies than in the prior year.

Sales of Renewable Energy Credits (RECs) increased \$3.8 million to \$16.8 million in 2023 compared to \$13.1 million in 2022 primarily as a result of the inclusion of sales of RECs for Tranche 6 systems to the two public utility companies in Connecticut. Fiscal year 2022 only included sales of RECs for Tranche 1, 2, 3, 4 and 5 systems.

Proceeds received by the primary government from quarterly Regional Greenhouse Gas Initiative (RGGI) auctions decreased \$2.4 million year over year with proceeds of \$9.1 million in fiscal year 2023 compared to proceeds of \$11.6 million in fiscal year 2022. The decrease in proceeds is due to the RGGI auctions reaching the Ratepayer Relief threshold for calendar year 2022 in accordance with Section 22a-174-31(j)(3) which caused excess proceeds above the threshold for the calendar year to be returned to ratepayers.

Provision for loan losses increased \$5.1 million to \$1.5 million in fiscal 2023 from (\$3.6 million) in fiscal 2022. The increase is due to higher reserves in correlation with the increase in Green Bank's loan portfolio in fiscal year 2023. The prior year's balance was a recovery due to the decrease of reserves specifically for potential COVID-19 losses that were determined to be no longer needed. The provision for loan losses in fiscal year 2023 returns to a rate consistent with years prior to the write off of COVID-19 specific reserves.

Total payments of grants and incentives to commercial, not for profit, municipal and residential owners by the primary government to install either solar PV systems or energy efficiency measures decreased \$8.3 million to \$7.7 million in fiscal year 2023 compared to \$16.0 million for the fiscal year 2022. The decrease is primarily due to significantly lower PBI solar PV payments under the Residential Solar Investment Program and EPBB incentives paid out in 2023 as the program is closed to new systems. PBI payments comprised the largest component of incentives paid in both these fiscal years.

Program administration expenses decreased \$1.0 million to \$14.7 million in fiscal 2023 from \$15.7 million in fiscal year 2022, an 8.5% decrease. General and administrative costs decreased by \$0.3 million to \$3.5 million in fiscal year 2023 from \$3.8 million in fiscal year 2022, a 2.5% decrease. Included in both program administration and general and administrative costs using an allocation for 2023 and 2022 is (\$5.6 million) and (\$1.2 million) respectively for the non-cash GASB 68 pension expense and GASB 75 OPEB expense allocated to the Green Bank by the State of Connecticut which is not an expense that is controllable by Green Bank management. Excluding these non-cash charges for 2023 and 2022, the total program administration and general and administrative costs combined increased \$3.0 million.

Interest income increased \$1.2 million to \$1.4 million from \$0.2 million due to increased interest rates.



# Connecticut Green Bank

## Management's Discussion and Analysis For the Year Ended June 30, 2023

Interest expense decreased \$0.8 million to \$2.7 million from \$3.5 million due to an overall decreased outstanding debt balance in fiscal year 2023 mostly attributable to the \$11.7 million payment made on the SHREC Collateralized Note in fiscal year 2023. Interest expense related to the note decreased \$0.5 million to \$1.2 million in fiscal year 2023, as compared to \$1.7 million in fiscal year 2022.

The following table summarizes the changes in net position between June 30, 2023, and 2022:

Summary Statement of Net Position June 30,												
								Change				
	Primary Government	Discretely Presented Component Units	Eliminations	2023	Primary Government	Discretely Presented Component Units	Eliminations	2022	Primary Government	Discretely Presented Component Units	Elimination	Increase (Decrease)
Operating revenues:												
Utility remittances	\$ 24,609,111	\$ -	\$ -	\$ 24,609,111	\$ 25,279,305	\$ -	\$ -	\$ 25,279,305	\$ (670,194)	\$ -	\$ -	\$ (670,194)
Interest income - promissory notes	6,766,463	-	-	6,766,463	6,142,849	-	-	6,142,849	623,614	-	-	623,614
RGGI auction proceeds	9,138,709	-	-	9,138,709	11,568,905	-	-	11,568,905	(2,430,196)	-	-	(2,430,196)
Energy system sales	3,154,486	992,456	(2,818,863)	1,328,079	451,092	-	-	451,092	2,703,394	992,456	(2,818,863)	876,987
Renewable energy credit sales	15,626,302	1,206,719	-	16,833,021	12,013,272	1,052,605	-	13,065,877	3,613,030	154,114	-	3,767,144
Other	1,716,494	3,617,503	(61,856)	5,272,141	794,196	4,050,735	(637,582)	4,207,349	922,298	(433,232)	575,726	1,064,792
Total revenues	61,011,565	5,616,678	(2,880,719)	63,947,524	56,249,619	5,103,340	(637,582)	60,715,377	4,761,946	713,338	(2,243,137)	3,232,147
Operating expenses:												
Cost of goods sold - energy systems	3,154,486	992,456	(2,818,863)	1,328,079	451,092	-	-	451,092	2,703,394	992,456	(2,818,863)	876,987
Provision for loan losses	1,533,886	-	-	1,533,886	(3,560,588)	-	-	(3,560,588)	5,094,474	-	-	5,094,474
Grants and incentive programs	7,650,382	-	88,008	7,738,390	16,488,395	-	(491,374)	15,997,021	(8,838,013)	-	579,392	(8,258,631)
Program administration	12,985,853	1,671,167	-	14,657,020	14,097,535	1,585,831	-	15,683,366	(1,111,682)	85,336	-	(1,026,346)
General and administrative	3,355,830	297,104	(149,864)	3,503,070	3,571,201	354,858	(146,208)	3,779,851	(215,371)	(57,754)	(3,656)	(276,781)
Depreciation/amortization	923,530	2,551,915	-	3,475,445	915,664	2,553,015	-	3,468,679	7,866	(1,100)	-	6,766
Total expenses	29,603,967	5,512,642	(2,880,719)	32,235,890	31,963,299	4,493,704	(637,582)	35,819,421	(2,359,332)	1,018,938	(2,243,137)	(3,583,531)
Operating income	31,407,598	304,036	-	31,711,634	24,286,320	609,636	-	24,895,956	7,121,278	(305,600)	-	6,815,678
Non-operating revenues (expenses):												
Interest income	1,430,028	58,333	(124,328)	1,364,033	207,981	55,277	(121,308)	141,950	1,222,047	3,056	(3,020)	1,222,083
Other nonoperating revenues	-	131,909	-	131,909	-	-	-	-	-	131,909	-	131,909
Interest expense	(2,196,411)	(618,214)	124,328	(2,690,297)	(2,739,598)	(907,456)	121,308	(3,525,746)	543,187	289,242	3,020	835,449
Debt issuance costs	(12,500)	-	-	(12,500)	(13,500)	-	-	(13,500)	1,000	-	-	1,000
Distribution to member	-	(347,629)	-	(347,629)	-	(600,604)	-	(600,604)	-	252,975	-	252,975
Gain (loss) on disposal of assets	(1,345)	(112,053)	-	(113,398)	-	-	-	-	(1,345)	(112,053)	-	(113,398)
Net change in fair value of investments	(31,056)	-	-	(31,056)	104,782	(151,944)	-	(47,162)	(135,838)	151,944	-	16,106
Unrealized gain (loss) on interest rate swap	-	252,601	-	252,601	-	792,130	-	792,130	-	(539,529)	-	(539,529)
Total non-operating revenues (expenses)	(811,284)	(635,053)	-	(1,446,337)	(2,440,335)	(812,597)	-	(3,252,932)	1,629,051	177,544	-	1,806,595
Change in net position	30,596,314	(331,017)	-	30,265,297	21,845,985	(202,961)	-	21,643,024	8,750,329	(128,056)	-	8,622,273
Net position - July 1	101,348,400	41,054,268	(31,264,399)	111,138,269	79,502,415	41,257,229	(31,264,399)	89,495,245	21,845,985	(202,961)	-	21,643,024
Total net position - June 30	\$131,944,714	\$40,723,251	\$(31,264,399)	\$141,403,566	\$101,348,400	\$41,054,268	\$(31,264,399)	\$111,138,269	\$30,596,314	\$(331,017)	\$ -	\$30,265,297



## Connecticut Green Bank

### Management's Discussion and Analysis For the Year Ended June 30, 2023

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#### Financial highlights of fiscal 2022

##### Net position

Green Bank's net position, which is reflective of the reporting entity's overall financial position, increased year over year. Net position as of June 30, 2022, and 2021 was \$111.1 million and \$89.5 million, respectively, an increase of \$21.6 million. Unrestricted net position increased to \$31.0 million as of June 30, 2022 as compared to \$4.6 million as of June 30, 2021, an increase of \$26.4 million. Contributing to this increase was a \$16.9 million increase in Connecticut Green Bank (CGB)'s net position due to a \$5.1 million increase in RGGI revenues, a \$2.9 million increase in REC revenues, as well as the release of \$3.2 million in loan loss reserves no longer needed for the related loan portfolios leading to a \$2.4 million overall decrease in operating expenses. Nonexpendable restricted net position decreased to \$57.7 million as of June 30, 2022, as compared to \$62.7 million as of June 30, 2021, a decrease of \$4.9 million. Net position restricted for energy programs remained consistent at \$16.9 million as of both June 30, 2022 and 2021. Note II. F. Restricted Net Position provides additional details of cash balances restricted by program.

Green Bank assets increased \$6.2 million in fiscal year 2022 to \$284.5 million. As of June 30, 2021, assets totaled \$278.3 million. Program Loans decreased by \$0.1 million. Note II.B.2. Program loans receivable provides a breakout by dollar amount of program loans by project type.

Unrestricted cash and cash equivalents increased \$9.4 million to \$52.3 million as of June 30, 2022, compared to \$42.9 million as of June 30, 2021 and restricted cash and cash equivalents decreased \$0.3 million to \$21.6 million as of June 30, 2022 from \$21.9 million as of June 30, 2021. The net increase in unrestricted cash was primarily the result of the positive operations for fiscal year 2022. The Statement of Cash Flows provides a breakout of changes in cash balances in the current year.

Capital assets net of depreciation decreased \$3.5 million to \$76.2 million as of June 30, 2022, from \$79.7 million as of June 30, 2021. This decrease was due primarily to depreciation expense for the total reporting entity of \$3.5 million. Note II. C. Capital Assets provides further details on capital assets by type and reporting unit.

Green Bank liabilities decreased by \$15.3 million in fiscal year 2022 to \$155.1 million as of June 30, 2022, from \$170.4 million as of June 30, 2021. Current liabilities, comprised of current maturities of long-term debt, accounts payable, accrued payroll and related liabilities, accrued expenses, short-term notes payable, warranty management, line of credit and performance bonds increased \$10.7 million to \$29.9 million as of June 30, 2022, compared to \$19.2 million as of June 30, 2021. This increase is primarily due to current maturities of long-term debt increasing by \$11.5 million from the prior year due primarily to a prepayment of the SHREC ABS 1 bonds in fiscal year 2023 that was \$9.3 million more than originally scheduled under the agreement.

Green Bank's allocation of the State of Connecticut State Employee Retirement System net pension liability increased \$1.0 million to \$21.3 million as of June 30, 2022, compared to \$20.3 million as of June 30, 2021. The related deferred outflows of resources, which represents timing differences in plan earnings, assumptions and Green Bank pension contributions increased \$1.8 million to \$6.4 million as of June 30, 2022, compared to \$4.6 million as of June 30, 2021.



## Connecticut Green Bank

### Management's Discussion and Analysis For the Year Ended June 30, 2023

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Deferred inflows of resources related to the pension liability, which represent timing of changes in proportion and differences between employer contributions and proportionate share of contributions increased \$0.3 million to \$5.4 million as of June 30, 2022, compared to \$5.1 million as of June 30, 2021. Note IV. A. provides further details regarding the pension plan. Green Bank, the primary government, is responsible for the net pension liability.

Green Bank's allocation of the State of Connecticut State Employee Retirement System net other post-employment benefit (OPEB) liability decreased \$3.2 million to \$20.5 million as of June 30, 2022, compared to \$23.7 million as of June 30, 2021. The related deferred outflows of resources, which represents timing differences in plan earnings, assumptions, and Green Bank OPEB contributions remained consistent at \$5.2 million as of June 30, 2022 and June 30, 2021.

Deferred inflows of resources related to the OPEB liability, which represent timing of changes in proportion and differences between employer contributions and proportionate share of contributions and other actuarial assumptions, increased \$2.5 million to \$9.7 million at June 30, 2022, compared to \$7.2 million at June 30, 2021. Note IV.B provides further details regarding the OPEB plan. Green Bank, the primary government, is responsible for this net OPEB liability.

Long term debt decreased \$23.3 million to \$79.3 million as of June 30, 2022, as compared to \$102.6 million as of June 30, 2021. The decrease is due partially to the aforementioned increase in current maturities as well as \$11.5 million in principal payments made on outstanding debt in fiscal year 2022. Green Bank made principal payments of \$2.5 million against the SHREC Collateralized Note, principal payments \$1.6 million against Green Liberty Bonds, and principal payments of \$0.7 million on the Meriden Hydro and CSCU Clean Renewable Energy Bonds ('CREBs'). An additional \$6.7 million decrease resulted from repayments of principal by CT Solar Lease 2 LLC of funds borrowed under its credit facility. Note II.D Long Term Debt provides a breakout by dollar amount of the types of long-term debt including changes during fiscal year 2022.

As of June 30, 2022, the Green Bank's unfunded contingent grant and loan commitments, the majority of which represent Performance Based Incentive ('PBI') payments to third party owners of solar facilities as well as loan commitments for Solar PPA, SBEA and Multifamily/LMI loan programs as described in Note III. B. totaled \$81.5 million. These grant and loan commitments are expected to be funded over the next one to six years from current and future unrestricted cash balances.



# Connecticut Green Bank

## Management's Discussion and Analysis For the Year Ended June 30, 2023

The following table summarizes the net position of the reporting entity at June 30, 2022 and 2021:

### Summary Statement of Net Position June 30,

									Change			
	Primary Government	Discretely Presented Component Units	Eliminations	2022	Primary Government (as restated)	Discretely Presented Component Units (as restated)	Eliminations (as restated)	2021 (as restated)	Primary Government	Discretely Presented Component Units	Eliminations	Increase (Decrease)
Cash and cash equivalents- unrestricted	\$ 49,111,482	\$ 3,165,738	\$ -	\$ 52,277,220	\$ 41,325,253	\$ 2,810,941	\$ -	\$ 44,136,194	\$ 7,786,229	\$ 354,797	\$ -	\$ 8,141,026
Cash and cash equivalents- restricted	18,134,449	3,510,946	-	21,645,395	17,121,687	3,503,461	-	20,625,148	1,012,762	7,485	-	1,020,247
Investments	912,217	-	-	912,217	1,231,792	-	-	1,231,792	(319,575)	-	-	(319,575)
Receivables (net):												
Program loans	91,835,257	-	-	91,835,257	91,937,026	-	-	91,937,026	(101,769)	-	-	(101,769)
Solar lease notes	3,003,661	-	-	3,003,661	3,959,711	-	-	3,959,711	(956,050)	-	-	(956,050)
Promissory notes	2,405,387	-	-	2,405,387	1,876,534	-	-	1,876,534	528,853	-	-	528,853
Capital assets, net	16,028,070	60,136,826	-	76,164,896	16,863,284	62,831,114	-	79,694,398	(835,214)	(2,694,288)	-	(3,529,502)
Other assets	60,880,553	62,233,399	(86,862,859)	36,251,093	51,764,003	62,804,489	(79,538,401)	34,830,091	9,116,550	(371,090)	(7,324,458)	1,421,002
<b>Total assets</b>	<b>242,311,076</b>	<b>129,046,909</b>	<b>(86,862,859)</b>	<b>284,495,126</b>	<b>226,079,290</b>	<b>131,750,005</b>	<b>(79,538,401)</b>	<b>278,290,894</b>	<b>16,231,786</b>	<b>(2,703,096)</b>	<b>(7,324,458)</b>	<b>6,204,232</b>
Deferred outflows of resources	11,612,349	2,317,404	-	13,929,753	9,789,222	2,487,824	-	12,277,046	1,823,127	(170,420)	-	1,652,707
Current liabilities	26,902,624	3,004,086	-	29,906,710	15,549,955	3,682,982	(48,274,002)	(29,041,065)	11,352,669	(678,896)	48,274,002	58,947,775
Other long term liabilities	120,225	59,596,571	(55,598,460)	4,118,336	279,000	51,955,412	-	52,234,412	(158,775)	7,641,159	(55,598,460)	(48,116,076)
Long-term debt, less current maturities	68,643,067	10,653,453	-	79,296,520	84,280,736	18,270,403	-	102,551,139	(15,637,669)	(7,616,950)	-	(23,254,619)
Net pension liability	21,273,373	-	-	21,273,373	20,268,725	-	-	20,268,725	1,004,648	-	-	1,004,648
Net OPEB liability	20,516,564	-	-	20,516,564	23,688,513	-	-	23,688,513	(3,171,949)	-	-	(3,171,949)
Fair value of interest rate swap	-	-	-	-	-	699,023	-	699,023	-	(699,023)	-	(699,023)
<b>Total liabilities</b>	<b>137,455,853</b>	<b>73,254,110</b>	<b>(55,598,460)</b>	<b>155,111,503</b>	<b>144,066,929</b>	<b>74,607,820</b>	<b>(48,274,002)</b>	<b>170,400,747</b>	<b>(6,611,076)</b>	<b>(1,353,710)</b>	<b>(7,324,458)</b>	<b>(15,289,244)</b>
Deferred inflows of resources	15,119,172	17,055,935	-	32,175,107	12,299,168	18,372,780	-	30,671,948	2,820,004	(1,316,845)	-	1,503,159
Net position:												
Net investment in capital assets	3,534,455	1,981,474	-	5,515,929	3,612,561	1,714,626	-	5,327,187	(78,106)	266,848	-	188,742
Restricted:												
Nonexpendable	-	57,729,657	-	57,729,657	-	62,673,746	-	62,673,746	-	(4,944,089)	-	(4,944,089)
Restricted - energy programs	16,747,999	117,216	-	16,865,215	16,764,107	117,205	-	16,881,312	(16,108)	11	-	(16,097)
Unrestricted	81,065,946	(18,774,079)	(31,264,399)	31,027,468	59,125,747	(23,248,348)	(31,264,399)	4,613,000	21,940,199	4,474,269	-	26,414,468
<b>Total net position</b>	<b>\$ 101,348,400</b>	<b>\$ 41,054,268</b>	<b>\$ (31,264,399)</b>	<b>\$ 111,138,269</b>	<b>\$ 79,502,415</b>	<b>\$ 41,257,229</b>	<b>\$ (31,264,399)</b>	<b>\$ 89,495,245</b>	<b>\$ 21,845,985</b>	<b>\$ (202,961)</b>	<b>\$ -</b>	<b>\$ 21,643,024</b>



## Connecticut Green Bank

### Management's Discussion and Analysis For the Year Ended June 30, 2023

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#### Changes in net position

Operating revenues increased by \$4.8 million to \$60.7 million as of June 30, 2022, as compared to \$55.9 million as of June 30, 2021. Remittances to Green Bank from utility companies representing the one mil per kilowatt hour charge to each end use customer of electric services in the State of Connecticut increased \$0.1 million to \$25.3 million for the fiscal year ended June 30, 2022, as compared to \$25.2 million for the fiscal year ending June 30, 2021. Interest earned on promissory notes decreased by \$0.7 million in to \$6.1 million as compared to \$6.8 million in fiscal 2021 as a result of \$0.5 million decreased program loans interest earned in fiscal year 2022 compared to fiscal year 2021. Interest, however, is expected to increase in future years, as Green Bank expands its investment portfolio. Sales of energy systems decreased \$0.2 million to \$0.5 million in 2022 compared to \$0.7 million in 2021. The decrease is due to fewer sales of commercial Power Purchase Agreements ('PPA') projects to third-party renewable energy companies than in the prior year. Sales of Renewable Energy Credits (RECs) increased \$0.9 million to \$13.1 million in 2022 compared to \$12.2 million in 2021 primarily as a result of the inclusion of sales of RECs for Tranche 5 systems to the two public utility companies in Connecticut. Fiscal year 2021 only included sales of RECs for Tranche 1, 2, 3 and 4 systems. Proceeds received by Green Bank from quarterly Regional Greenhouse Gas Initiative (RGGI) auctions increased \$5.1 million year over year with proceeds of \$11.6 million in fiscal year 2022 compared to proceeds of \$6.5 million in fiscal year 2021. The increase in proceeds is due to the price per allowance increasing substantially throughout fiscal year 2022 compared to fiscal year 2021.

Provision for loan losses decreased \$3.8 million to (\$3.6 million) in fiscal 2022 from \$0.2 million in fiscal 2021. The decrease is from higher reserves being provided in the prior year due to anticipated loan payment deferrals as a result of COVID-19. As Green Bank did not see many negative affects in payments received as a result of COVID-19, the reserves were decreased as of June 30, 2022, as they were no longer deemed necessary, thus decreasing the provision for loan losses during fiscal year 2022.

Total payments of grants and incentives to commercial, not for profit, municipal and residential owners by the primary government to install either solar PV systems or energy efficiency measures increased \$0.1 million to \$16.0 million in fiscal year 2022 compared to \$15.9 million for the fiscal year 2021. The decrease is primarily due to slightly lower PBI solar PV payments under the Residential Solar Investment Program offset by an increase in interest-rate buydowns paid out in 2022. PBI payments comprised the largest component of incentives paid in both these fiscal years.

Program administration expenses increased \$2.2 million to \$19.7 million in fiscal 2022 from \$17.5 million in fiscal 2021, a 12.5% increase. General and administrative costs decreased by \$0.8 million to \$3.2 million in fiscal year 2022 from \$4.0 million in fiscal year 2021, a 20% decrease. Included in general and administrative costs for 2022 and 2021 is (\$1.2 million) and \$0.6 million respectively for the non-cash GASB 68 pension expense and GASB 75 OPEB expense allocated to Green Bank by the State of Connecticut which is not an expense that is controllable by Green Bank management. General and Administrative expenses excluding these non-cash charges for 2021 and 2020 were \$4.4 million and \$3.4 million, respectively.

Interest expense increased \$0.2 million to \$3.5 million from \$3.3 million due to an increase related to the first full year of Green Liberty Bonds Series 2021 interest expense. Debt issuance costs decreased \$1.0 million due to the issuance of Series 2020-1 and 2021-1 Green Liberty Bonds in fiscal year 2021.



# Connecticut Green Bank

## Management's Discussion and Analysis For the Year Ended June 30, 2023

The following table summarizes the changes in net position between June 30, 2022 and 2021:

Summary Statement of Net Position June 30,												
	2022				2021				Change			
	Primary Government	Discretely Presented Component Units	Eliminations		Primary Government (as restated)	Discretely Presented Component Units (as restated)	Eliminations (as restated)		Primary Government	Discretely Presented Component Units	Eliminations	Increase (Decrease)
Operating revenues:												
Utility remittances	\$ 25,279,305	\$ -	\$ -	\$ 25,279,305	\$ 25,144,416	\$ -	\$ -	\$ 25,144,416	\$ 134,889	\$ -	\$ -	\$ 134,889
Interest income - promissory notes	6,142,849	-	-	6,142,849	6,844,741	-	-	6,844,741	(701,892)	-	-	(701,892)
RGCI auction proceeds	11,568,905	-	-	11,568,905	-	-	-	-	11,568,905	-	-	11,568,905
Energy system sales	451,092	-	-	451,092	746,515	-	-	746,515	(295,423)	-	-	(295,423)
Renewable energy credit sales	12,013,272	1,052,605	-	13,065,877	10,844,449	1,345,467	-	12,189,916	1,168,823	(292,862)	-	875,961
Other	794,196	4,050,735	(637,582)	4,207,349	7,673,208	4,373,163	(1,050,534)	10,995,837	(6,879,012)	(322,428)	412,952	(6,788,488)
Total revenues	56,249,619	5,103,340	(637,582)	60,715,377	51,253,329	5,718,630	(1,050,534)	55,921,425	4,396,290	(615,290)	412,952	4,793,952
Operating expenses:												
Cost of goods sold - energysystems	451,092	-	-	451,092	746,515	-	-	746,515	(295,423)	-	-	(295,423)
Provision for loan losses	(3,560,588)	-	-	(3,560,588)	238,942	-	-	238,942	(3,799,530)	-	-	(3,799,530)
Grants and incentive programs	16,488,395	-	(491,374)	15,997,021	16,787,858	-	(907,892)	15,879,966	(299,463)	-	416,518	117,055
Program administration	15,578,628	4,138,846	-	19,717,474	13,399,419	4,123,417	-	17,522,836	2,179,209	15,429	-	2,194,638
General and administrative	3,005,772	354,858	(146,208)	3,214,422	3,748,459	394,127	(142,642)	3,999,944	(742,687)	(38,269)	(3,566)	(785,522)
Total expenses	31,963,299	4,493,704	(637,582)	35,819,421	34,921,193	4,517,544	(1,050,534)	38,388,203	(2,957,894)	(23,840)	412,952	(2,568,782)
Operating income	24,286,320	609,636	-	24,895,956	16,332,136	1,201,086	-	17,533,222	7,954,184	(591,450)	-	7,362,734
Non-operating revenues (expenses):												
Interest income	207,981	55,277	(121,308)	141,950	83,833	53,387	(118,359)	18,861	124,148	1,890	(2,949)	123,089
Interest expense	(2,739,598)	(907,456)	121,308	(3,525,746)	(2,481,167)	(985,876)	118,359	(3,348,684)	(258,431)	78,420	2,949	(177,062)
Debt issuance costs	(13,500)	-	-	(13,500)	(1,001,139)	-	-	(1,001,139)	987,639	-	-	987,639
Distribution to member	-	(600,604)	-	(600,604)	-	(526,754)	-	(526,754)	-	(73,850)	-	(73,850)
Net change in fair value of investments	104,782	(151,944)	-	(47,162)	(74,762)	(312,537)	-	(387,299)	179,544	160,593	-	340,137
Unrealized gain (loss) on interest rate swap	-	792,130	-	792,130	-	465,334	-	465,334	-	326,796	-	326,796
Total non-operating revenues (expenses)	(2,440,335)	(812,597)	-	(3,252,932)	(3,473,235)	(1,306,446)	-	(4,779,681)	1,032,900	493,849	-	1,526,749
Change in net position	21,845,985	(202,961)	-	21,643,024	12,858,901	(105,360)	-	12,753,541	8,987,084	(97,601)	-	8,889,483
Net position - July 1 (as restated)	79,502,415	41,257,229	(31,264,399)	89,495,245	66,643,514	41,362,589	(31,264,399)	76,741,704	12,858,901	(105,360)	-	12,753,541
Total net position - June 30	\$ 101,348,400	\$ 41,054,268	\$ (31,264,399)	\$ 111,138,269	\$ 79,502,415	\$ 41,257,229	\$ (31,264,399)	\$ 89,495,245	\$ 21,845,985	\$ (202,961)	\$ -	\$ 21,643,024



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**Basic  
Financial  
Statements**

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Preliminary Draft



Connecticut Green Bank  
Statement of Net Position  
June 30, 2023

(With Summarized Totals as of June 30, 2022)

	Discretely Presented Component Units					Eliminations	2023 Total Reporting Entity	2022 Total Reporting Entity
	Primary Government	CT Solar Lease 2 LLC	CEFIA Solar Services, Inc.	CT Solar Lease 3 LLC				
<b>Assets</b>								
<b>Current assets:</b>								
Cash and cash equivalents	\$ 36,372,511	\$ 1,404,824	\$ 941,087	\$ 3,066,796	\$ -	\$ -	\$ 41,785,218	\$ 52,277,220
Receivables:								
Accounts	4,135,781	89,032	2,091	25,519	-	-	4,252,423	4,210,087
Program loans	7,236,385	-	-	-	-	-	7,236,385	9,547,825
Utility remittance	1,852,328	-	-	-	-	-	1,852,328	2,041,786
Solar lease notes	1,019,733	-	-	-	-	-	1,019,733	1,016,267
SBEA promissory notes	1,455,172	-	-	-	-	-	1,455,172	1,129,900
Leases	-	1,019,815	2,628	-	-	-	1,022,443	987,476
Interest	1,618,090	9,027	-	-	-	-	1,627,117	1,162,737
Other	382,121	918,908	13,751	394,423	-	-	1,709,203	2,085,934
Prepaid expenses and other assets	763,155	335,929	546,868	40,622	-	-	1,686,574	1,554,577
Prepaid warranty management	-	260,389	-	-	-	-	260,389	261,131
<b>Total current assets</b>	<b>54,835,276</b>	<b>4,037,924</b>	<b>1,506,425</b>	<b>3,527,360</b>	<b>-</b>	<b>-</b>	<b>63,906,985</b>	<b>76,274,940</b>
<b>Noncurrent assets:</b>								
Restricted cash and cash equivalents	20,096,363	1,877,855	390,249	-	-	-	22,364,467	21,645,395
Investments	852,427	-	-	-	-	-	852,427	912,217
Interest rate swap	-	345,708	-	-	-	-	345,708	93,107
Receivables (net):								
Program loans	102,369,924	-	-	-	-	-	102,369,924	82,287,432
Solar lease notes	1,078,444	-	-	-	-	-	1,078,444	1,987,394
Renewable energy credits	174,306	-	-	-	-	-	174,306	229,019
SBEA promissory notes	2,317,443	-	-	-	-	-	2,317,443	1,275,487
Leases	-	15,218,710	63,640	-	-	-	15,282,350	16,281,320
Other	863,505	-	-	-	-	-	7,400,518	4,122,609
Due from component units	56,346,474	-	6,537,013	-	-	(62,702,978)	-	-
Advances to component units	-	-	6,356,504	-	-	(1,271,769)	-	-
Prepaid warranty management	-	2,951,923	1,271,769	-	-	-	2,951,923	3,221,310
Contribution to subsidiaries	100	-	31,264,299	-	-	(31,264,399)	-	-
Capital assets, net	15,164,675	47,541,372	388,402	9,494,595	-	-	72,589,044	76,164,896
<b>Total noncurrent assets</b>	<b>199,263,661</b>	<b>67,935,568</b>	<b>46,271,876</b>	<b>9,494,595</b>	<b>(95,239,146)</b>	<b>(95,239,146)</b>	<b>227,726,554</b>	<b>208,220,186</b>
<b>Total assets</b>	<b>254,098,937</b>	<b>71,973,492</b>	<b>47,778,301</b>	<b>13,021,955</b>	<b>(95,239,146)</b>	<b>(95,239,146)</b>	<b>291,633,539</b>	<b>284,495,126</b>
<b>Deferred Outflows of Resources</b>								
Pension related	7,301,972	-	-	-	-	-	7,301,972	6,439,478
OPEB related	6,353,565	-	-	-	-	-	6,353,565	5,172,871
Asset retirement obligations	-	1,644,691	-	382,351	-	-	2,027,042	2,317,404
<b>Total deferred outflows of resources</b>	<b>13,655,537</b>	<b>1,644,691</b>	<b>-</b>	<b>382,351</b>	<b>-</b>	<b>-</b>	<b>15,682,579</b>	<b>13,929,753</b>

(Continued)



Connecticut Green Bank  
Statement of Net Position  
June 30, 2023

(With Summarized Totals as of June 30, 2022)

	Discretely Presented Component Units				Eliminations	2023 Total Reporting Entity	2022 Total Reporting Entity
	Primary Government	CT Solar Lease 2 LLC	CEFIA Solar Services, Inc.	CT Solar Lease 3 LLC			
<b>Liabilities</b>							
Current liabilities:							
Accounts payable	\$ 847,985	\$ 3,616	\$ 136,064	\$ -	\$ -	\$ 987,665	\$ 924,380
Accrued payroll and related liabilities	1,175,855	-	-	-	-	1,175,855	1,296,862
Accrued expenses	9,906,409	153,257	145,530	33,835	-	10,239,031	8,250,013
Short-term notes payable	1,000,000	-	-	-	-	1,000,000	304,735
Long-term debt	5,426,387	1,103,673	94,788	-	-	6,624,848	17,967,814
Performance bonds	853,102	-	6,383	-	-	859,485	1,138,776
Unearned revenue	66,818	-	-	1,980	-	68,798	24,130
Total current liabilities	19,276,556	1,260,546	382,765	35,815	-	20,955,682	29,906,710
Noncurrent liabilities:							
Due to component units	-	17,196,322	45,506,656	-	(62,702,978)	-	-
Advances from component units	-	1,271,769	-	-	(1,271,769)	-	-
Asset retirement obligation	-	3,570,957	-	637,768	-	4,208,725	4,118,336
Long-term debt	63,221,862	7,337,563	1,176,981	-	-	71,736,406	79,296,520
Net pension liability	17,632,888	-	-	-	-	17,632,888	21,273,373
Net OPEB liability	18,041,698	-	-	-	-	18,041,698	20,516,564
Total noncurrent liabilities	98,896,448	29,376,611	46,683,637	637,768	(63,974,747)	111,619,717	125,204,793
Total liabilities	118,173,004	30,637,157	47,066,402	673,583	(63,974,747)	132,575,399	155,111,503
Deferred Inflows of Resources							
Pension related	6,176,916	-	-	-	-	6,176,916	5,424,891
OPEB related	11,459,840	-	-	-	-	11,459,840	9,694,281
Lease related	-	15,635,019	65,378	-	-	15,700,397	17,055,935
Total deferred inflows of resources	17,636,756	15,635,019	65,378	-	-	33,337,153	32,175,107
Net Position							
Net investment in capital assets	3,578,908	1,300,522	388,402	94,946	-	5,362,778	5,515,929
Restricted net position:							
Nonexpendable	-	43,436,401	300,866	13,544,469	-	57,281,736	57,729,657
Energy programs	19,021,560	18,779	83,000	-	-	19,123,339	16,865,215
Unrestricted	109,344,246	(17,409,695)	(125,747)	(908,692)	(31,264,399)	59,635,713	31,027,468
Total net position	\$ 131,944,714	\$ 27,346,007	\$ 646,521	\$ 12,730,723	\$ (31,264,399)	\$ 141,403,566	\$ 111,138,269

(Concluded)



## Connecticut Green Bank

Statement of Revenues, Expenses and Changes in Net Position  
For the Year Ended June 30, 2023

(With Summarized Totals for the Year Ended June 30, 2022)

	Discretely Presented Component Units					2023 Total Reporting Entity	2022 Total Reporting Entity
	Primary Government	CT Solar Lease 2 LLC	CEFA Solar Services, Inc.	CT Solar Lease 3 LLC	Eliminations		
<b>Operating revenues:</b>							
Utility remittances	\$ 24,609,111	\$ -	\$ -	\$ -	\$ -	\$ 24,609,111	\$ 25,279,305
Interest income - promissory notes	6,766,463	-	-	-	-	6,766,463	6,142,849
RGGI auction proceeds	9,138,709	-	-	-	-	9,138,709	11,568,905
Energy system sales	3,154,486	-	992,456	-	(2,818,863)	1,328,079	451,092
Renewable energy credits/certificate sales	15,626,302	707,509	20,032	479,178	-	16,833,021	13,065,877
Leases	-	1,858,710	7,315	-	-	1,866,025	1,934,519
Other	1,716,494	731,365	620,711	399,402	(61,856)	3,406,116	2,272,830
<b>Total operating revenues</b>	<b>61,011,565</b>	<b>3,297,584</b>	<b>1,640,514</b>	<b>878,580</b>	<b>(2,880,719)</b>	<b>63,947,524</b>	<b>60,715,377</b>
<b>Operating expenses:</b>							
Cost of goods sold - energy systems	3,154,486	-	992,456	-	(2,818,863)	1,328,079	451,092
Provision for loan losses	1,533,886	-	-	-	-	1,533,886	(3,560,588)
Grants and incentive programs	7,650,382	-	-	-	88,008	7,738,390	15,997,021
Program administration	12,985,853	995,211	582,050	93,906	-	14,657,020	15,683,365
General and administrative	3,355,830	226,792	24,000	46,312	(149,864)	3,503,070	3,779,852
Depreciation/amortization	923,530	2,146,461	15,246	390,208	-	3,475,445	3,468,679
<b>Total operating expenses</b>	<b>29,603,967</b>	<b>3,368,464</b>	<b>1,613,752</b>	<b>530,426</b>	<b>(2,880,719)</b>	<b>32,235,890</b>	<b>35,819,421</b>
<b>Operating income (loss)</b>	<b>31,407,598</b>	<b>(70,880)</b>	<b>26,762</b>	<b>348,154</b>	<b>-</b>	<b>31,711,634</b>	<b>24,895,956</b>
<b>Nonoperating revenues (expenses):</b>							
Interest income - deposits	1,358,829	1,038	867	3,299	-	1,364,033	141,950
Interest income - component units	71,199	-	53,129	-	(124,328)	-	-
Other nonoperating revenues	-	-	-	131,909	-	131,909	-
Interest expense	(2,196,411)	(461,006)	(32,880)	-	-	(2,690,297)	(3,525,746)
Interest expense - component units	-	(124,328)	-	-	124,328	-	-
Debt issuance costs	(12,500)	-	-	-	-	(12,500)	(13,500)
Distributions to member	-	(257,167)	-	(90,462)	-	(347,629)	(600,604)
Gain (loss) on disposal of assets	(1,345)	(112,053)	-	-	-	(113,398)	-
Net change in fair value of investments	(31,056)	-	-	-	-	(31,056)	(47,162)
Unrealized gain (loss) on interest rate swap	-	252,601	-	-	-	252,601	792,130
<b>Net nonoperating revenues (expenses)</b>	<b>(811,284)</b>	<b>(700,915)</b>	<b>21,116</b>	<b>44,746</b>	<b>-</b>	<b>(1,446,337)</b>	<b>(3,252,932)</b>
<b>Change in net position</b>	<b>30,596,314</b>	<b>(771,795)</b>	<b>47,878</b>	<b>392,900</b>	<b>-</b>	<b>30,265,297</b>	<b>21,643,024</b>
<b>Total net position - July 1</b>	<b>101,348,400</b>	<b>28,117,802</b>	<b>598,643</b>	<b>12,337,823</b>	<b>(31,264,399)</b>	<b>111,138,269</b>	<b>89,495,245</b>
<b>Total net position - June 30</b>	<b>\$ 131,944,714</b>	<b>\$ 27,346,007</b>	<b>\$ 646,521</b>	<b>\$ 12,730,723</b>	<b>\$ (31,264,399)</b>	<b>\$ 141,403,566</b>	<b>\$ 111,138,269</b>

The notes to the financial statements are an integral part of this statement.



## Connecticut Green Bank

## Statement of Cash Flows

## For the Year Ended June 30, 2023

(With Summarized Totals for the Year Ended June 30, 2022)

	Primary Government	Discretely Presented Component Units				Eliminations	2023 Total Reporting Entity	2022 Total Reporting Entity
		CT Solar Lease 2 LLC	CEFIA Solar Services, Inc.	CT Solar Lease 3 LLC				
Cash flows from (used in) operating activities:								
Sales of energy systems	\$ 687,889	\$ -	\$ -	\$ -	\$ -		\$ 687,889	\$ 451,092
Sales of renewable energy credits/certificates	15,626,302	709,765	18,832	469,830	-		16,824,729	14,410,323
Utility company remittances	24,798,569	-	-	-	-		24,798,569	25,282,138
RGCI auction proceeds	9,490,753	-	-	-	-		9,490,753	10,283,837
Other	1,574,056	750,575	619,821	395,863	(61,856)		3,278,459	2,370,094
Lease payments received	-	1,399,572	6,041	-	-		1,405,613	1,327,281
Interest income on promissory notes	5,854,853	-	-	-	-		5,854,853	5,831,860
Program administrative expenses	(16,958,280)	(493,751)	(387,237)	(2,326)	-		(17,841,594)	(18,264,073)
Grants, incentives and credit enhancements	(5,649,833)	120,000	-	-	(88,008)		(5,617,841)	(14,956,751)
Purchases of energy equipment	-	-	-	-	-		-	(451,092)
General and administrative expenses	(5,196,752)	(226,086)	(9,920)	(46,312)	149,864		(5,329,206)	(3,682,426)
Net cash from (used in) operating activities	30,227,557	2,260,075	247,537	817,055	-		33,552,224	22,602,283
Cash flows from (used in) noncapital financing activities:								
Advances to component units	(11,236,686)	(115,626)	(1,505)	(4,896)	11,358,713		-	-
Advances for development of solar projects	1,399,969	-	(4,947,471)	-	-		(3,547,502)	(2,479,465)
Payments from component units	4,140,440	1,516,221	5,696,931	5,121	(11,358,713)		-	-
Net cash from (used in) noncapital financing activities	(5,696,277)	1,400,595	747,955	225	-		(3,547,502)	(2,479,465)
Cash flows from (used in) capital and related financing activities:								
Purchase of capital assets	(63,191)	-	-	-	-		(63,191)	(80,450)
Sale of capital assets	1,711	48,492	-	-	-		50,203	64,023
Proceeds from short-term debt	1,000,000	-	-	-	-		1,000,000	304,735
Repayment of short-term debt	(304,735)	-	-	-	-		(304,735)	(100,000)
Repayment of long-term debt	(15,236,794)	(3,362,533)	(94,791)	-	-		(18,694,118)	(11,556,672)
Repayment of right to use leases	(214,143)	-	-	-	-		(214,143)	(152,035)
Debt issuance costs	(12,500)	-	-	-	-		(12,500)	(26,211)
Payment of interest	(2,188,925)	(557,793)	(33,078)	-	-		(2,779,796)	(3,607,842)
Return of capital to developer	-	(384,354)	-	(90,462)	-		(474,816)	(600,605)
Net cash from (used in) capital and related financing activities	(17,018,577)	(4,256,188)	(127,869)	(90,462)	-		(21,493,096)	(15,755,057)

(Continued)

The notes to the financial statements are an integral part of this statement.



Connecticut Green Bank

Statement of Cash Flows  
For the Year Ended June 30, 2023

(With Summarized Totals for the Year Ended June 30, 2022)

	Discretely Presented Component Units					2023 Total Reporting Entity	2022 Total Reporting Entity
	Primary Government	CT Solar Lease 2 LLC	CEFIA Solar Services, Inc.	CT Solar Lease 3 LLC	Eliminations		
Cash flows from (used in) investing activities:							
Gains and losses on investments	\$ 219,161	\$ -	\$ -	\$ -	\$ -	\$ 219,161	\$ 166,558
Return of principal on working capital and program loans	16,674,784	-	-	-	-	16,674,784	26,551,791
Interest on short-term investments, cash, solar lease notes and loans	1,363,565	1,038	867	3,299	-	1,368,769	239,814
Purchase of SBEA loan portfolios	(2,759,752)	-	-	-	-	(2,759,752)	(8,553,837)
CPACE program loan disbursements	(2,645,566)	-	-	-	-	(2,645,566)	(3,871,465)
Grid tied program loan disbursements	(10,000,000)	-	-	-	-	(10,000,000)	-
Commercial solar loan program disbursements	(1,640,418)	-	-	-	-	(1,640,418)	(757,856)
Residential solar loan program disbursements	(19,501,535)	-	-	-	-	(19,501,535)	(8,981,493)
Other program loan disbursements	-	-	-	-	-	-	-
Net cash from (used in) investing activities	(18,289,761)	1,038	867	3,299	-	(18,284,557)	4,793,512
Net increase (decrease) in cash	(10,777,058)	(594,480)	868,490	730,117	-	(9,772,931)	9,161,273
Cash and cash equivalents (including restricted cash) - July 1	67,245,932	3,877,159	462,846	2,336,679	-	73,922,616	64,761,342
Cash and cash equivalents (including restricted cash) - June 30	\$ 56,468,874	\$ 3,282,679	\$ 1,331,336	\$ 3,066,796	\$ -	\$ 64,149,685	\$ 73,922,615
Reconciliation of operating income (loss) to net cash from (used in) operating activities:							
Operating income (loss)	\$ 31,407,598	\$ (70,880)	\$ 26,762	\$ 348,154	\$ -	\$ 31,711,634	\$ 24,895,956
Adjustments to reconcile operating income (loss) to net cash from (used in) operating activities:							
Depreciation and amortization	923,530	2,146,461	15,246	390,208	-	3,475,445	3,468,679
Accretion	-	85,328	-	17,967	-	103,295	187,526
Provision for loan losses	1,533,886	-	-	-	-	1,533,886	(3,589,800)
Unearned revenue	66,818	-	-	(22,150)	-	44,668	(27,285)
Pension/OPEB adjustment	(5,640,955)	-	-	-	-	(5,640,955)	(1,170,424)
Changes in operating assets and deferred outflows and liabilities and deferred inflows:							
(Increase) decrease in operating assets and deferred outflows	138,657	1,372,732	(18,673)	171,208	-	1,663,924	939,279
(Decrease) increase in operating liabilities and deferred inflows	1,798,023	(1,273,566)	224,202	(88,332)	-	660,327	(2,101,648)
Net cash from (used in) operating activities	\$ 30,227,557	\$ 2,260,075	\$ 247,537	\$ 817,055	\$ -	\$ 33,552,224	\$ 22,602,283

(Concluded)

The notes to the financial statements are an integral part of this statement.



**Connecticut Green Bank****Notes to Financial Statements  
As of and for the Year Ended June 30, 2023****I. Nature of operations and significant accounting policies**

Connecticut Green Bank (Green Bank) was established in July 2011 under Title 16, Sec. 16-245n of the General Statutes of the State of Connecticut as the successor entity of the Connecticut Clean Energy Fund. Green Bank, a component unit of the State of Connecticut, was created to promote energy efficiency and investment in renewable energy sources in accordance with a comprehensive plan developed by it to foster the growth, development and commercialization of renewable energy sources and related enterprises and stimulate demand for renewable energy and deployment of renewable energy sources which serve end-use customers in the State. Green Bank constitutes the successor agency to Connecticut Innovations Incorporated (CI), a quasi-public agency of the State of Connecticut, for the purposes of administering the Clean Energy Fund in accordance with section 4-38d of the Connecticut General Statutes and therefore the net position of such fund was transferred to the newly created Green Bank as of July 1, 2011.

On June 6, 2014, Public Act 14-94 of the State of Connecticut changed the name of the Clean Energy Finance and Investment Authority to Connecticut Green Bank.

On July 6, 2021, Public Act No. 21-115 extended the green bank model beyond clean energy and increased the scope of Green Bank's mission to now include environmental infrastructure (structures, facilities, systems, services, and improvement projects related to water, waste and recycling, climate adaptation and resiliency, agriculture, land conservation, parks and recreation, and environmental markets such as carbon offsets and ecosystem services).

**Prior period summarized financial information**

The basic financial statements include certain prior year summarized comparative information in total but not at the level of detail required for a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with Green Bank's financial statements for the year ended June 30, 2022, from which the summarized information was derived.

**Principal revenue sources**

The Public Utility Regulatory Authority (PURA) assesses a charge per kilowatt-hour to each end-use customer of electric services provided by utility companies (excluding municipally owned entities) in the state, which is paid to Green Bank and is the principal source of Green Bank's revenue. Green Bank may deploy the funds for loans, direct or equity investments, contracts, grants or other actions that support energy efficiency projects and research, development, manufacture, commercialization, deployment and installation of renewable energy technologies.

Green Bank also receives a portion, currently 23.00%, of proceeds the State of Connecticut receives from quarterly Regional Greenhouse Gas Initiative (RGGI) auctions. These proceeds finance Class I renewable energy projects through Green Bank's CPACE program. Green Bank also earns both interest income and revenue from the sale of Renewable Energy Credits (RECs) and Solar Home Renewable Energy Credits (SHREC's) and generated by facilities it has financed. See Note II.G for more information on RECs and SHRECs.



## Connecticut Green Bank

Notes to Financial Statements  
As of and for the Year Ended June 30, 2023

## I. Nature of operations and significant accounting policies (continued)

## Reporting entity

Green Bank, as the primary government, follows the reporting requirements of Governmental Accounting Standards Board (GASB) regarding presentation of component units. The Statement modifies certain requirements for including component units in the reporting entity, either by blending (recording their amounts as part of the primary government), or discretely presenting them (showing their amounts separately in the reporting entity's financial statements). To qualify as a blended component unit, the unit must meet one of the following criteria: 1) have substantively the same governing body as that of the primary government, and either (A) a financial benefit or burden relationship exists between the unit and the primary government, or (B) management of the primary government (below the level of the governing body) has operational responsibility of the unit; 2) the unit provides services or benefits exclusively or almost exclusively to the primary government; or 3) the unit's total debt outstanding, including leases, is expected to be repaid by resources of the primary government. A unit which fails to meet the substantively the same governing requirement may still be included as a discretely presented component unit, if the primary government has appointed the voting majority of the component unit's governance or met other criteria specified in the Statement such as whether or not it would be misleading were the entity to be excluded.

Green Bank has established 11 legally separate for-profit entities whose collective purpose is to administer Green Bank's clean energy programs. Green Bank believes to exclude any of the entities from these financial statements would be misleading. Each entity is listed below, along with whether it is included as a blended component unit (blended) or qualifies as a discretely presented component unit (discrete) within these financial statements based on the criteria previously described.

*CEFIA Holdings LLC (blended)*

A Connecticut limited liability company (LLC), wholly owned by Green Bank, established to acquire and develop a portfolio of commercial and residential solar facilities and, through its CT Solar Lease 2 and CT Solar Lease 3 programs, to enable investment in solar photovoltaic equipment for the benefit of Connecticut homeowners, businesses, not-for-profits and municipalities (the End Users). CEFIA Holdings LLC acquired the initial title to the solar assets and contracts with independent solar installers to complete the installation of the solar assets and arrange for the leasing of the solar assets (or sale of energy under power purchase agreements) to the End Users. CEFIA Holdings LLC is also responsible for procuring insurance for the solar assets, operation and maintenance services as well as warranty management services for the ultimate owner of the solar assets, CT Solar Lease 2 LLC or CT Solar Lease 3 LLC, to which CEFIA Holdings LLC sold the residential and commercial projects before the projects are placed in service. As noted below, CT Solar Lease 2 completed its acquisition of residential and commercial solar projects on June 30, 2017, and CT Solar Lease 3 completed its acquisition on December 17, 2019. Subsequent to these dates, CEFIA Holdings has entered into investments as program loans for development of various solar projects.

Green Bank's Board of Directors acts as the governing authority of CEFIA Holdings LLC. Green Bank appoints its employees to manage the operations of CEFIA Holdings LLC. Green Bank is also financially responsible (benefit/burden) for CEFIA Holdings LLC's activities.



## Connecticut Green Bank

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**

**I. Nature of operations and significant accounting policies (continued)***CT Solar Loan I LLC (blended)*

A limited liability company, wholly owned by CEFIA Holdings LLC, CT Solar Loan I LLC was established to make loans to residential property owners for the purpose of purchasing and installing solar photovoltaic equipment. Green Bank's Board of Directors acts as the governing authority of CT Solar Loan I LLC. Green Bank appoints its employees to manage the operations of CT Solar Loan I LLC. Green Bank is also financially responsible (benefit/burden) for CT Solar Loan I LLC's activities.

*CEFIA Solar Services, Inc. (discrete – major component unit)*

A Connecticut corporation, 100% owned by CEFIA Holdings LLC, established to share in the ownership risks and benefits derived from the leasing of solar photovoltaic and the sale of energy under power purchase agreements as managing member of CT Solar Lease 2 LLC and CT Solar Lease 3 LLC. CEFIA Solar Services, Inc. (Solar Services) has a one percent ownership interest in CT Solar Lease 2 LLC and CT Solar Lease 3 and is its managing member. Solar Services is responsible for performing all management and operational functions pursuant to the Operating Agreement of CT Solar Lease 2 LLC and of CT Solar Lease 3 LLC. Additionally, Solar Services has entered into transactions related to development of various clean energy projects.

Green Bank through CEFIA Holdings LLC directly appoints the Board of Directors of Solar Services. The Board of Directors is comprised exclusively of Green Bank employees. The primary government's intent for owning a controlling interest in Solar Services is to enhance its ability to offer financing options to commercial entities and residents of Connecticut wishing to install renewable energy equipment. Green Bank believes that to exclude Solar Services from these financial statements would be misleading.

*CT Solar Lease 2 LLC (discrete – major component unit)*

A Connecticut limited liability company, CT Solar Lease 2 LLC acquires title to the residential and commercial solar projects from the developer, CEFIA Holdings LLC, using capital from its members along with non-recourse funding from participating banks. Repayment to participating banks is predicated upon the property owners' payment to CT Solar Lease 2 LLC of their obligations under leases and power purchase agreements, as well as revenue earned from production-based incentives. Through December 31, 2022 (the "Flip Date"), CT Solar Lease 2 LLC was owned ninety-nine percent (99%) by a Delaware limited liability company, as the Investor Member and one percent (1%) by CEFIA Solar Services, Inc., as the Managing Member. After the Flip Date, the Investor Member owns five-point-two percent (5.2%) and CEFIA Solar Services, Inc. owns ninety-four-point-eight percent (94.8%) of CT Solar Lease 2. The primary government's intent to provide management services through Solar Services is to directly enhance its ability to provide financing options to commercial entities and residents of Connecticut wishing to install renewable energy equipment.

As of June 30, 2017, CT Solar Lease 2 LLC has completed its acquisition of residential and commercial solar projects from the developer. All projects have been placed in service and are generating revenue. CT Solar Lease 2 LLC has also received all capital contributions required under its operating agreement from its members. CT Solar Lease 2 issues separate financial statements.



## Connecticut Green Bank

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**

**I. Nature of operations and significant accounting policies (continued)***CT Solar Lease 3 LLC (discrete – nonmajor component unit)*

A Connecticut limited liability company, CT Solar Lease 3 LLC acquires title to commercial solar projects from the developer, CEFIA Holdings LLC, using capital from its members. CT Solar Lease 3 LLC's primary sources of revenue are from the sale of electricity generated by its solar PV facilities to property owners through power purchase agreements and the sale of RECs generated from facility electrical production to third parties. CT Solar Lease 3 LLC is owned ninety-nine percent (99%) by a Delaware limited liability company, as the Investor Member and one percent (1%) by CEFIA Solar Services Inc., as the Managing Member. The primary government's intent to provide management services through Solar Services is to directly enhance its ability to provide financing options to commercial entities and residents of Connecticut wishing to install renewable energy equipment. Although Green Bank has a minority membership interest in CT Solar Lease 3 LLC, Green Bank believes that to exclude it from these financial statements would be misleading.

As of December 17, 2019, CT Solar Lease 3 LLC has completed its acquisition of commercial solar projects from the developer. All projects have been placed in service and are generating revenue. CT Solar Lease 3 LLC has also received all capital contributions required under its operating agreement from its members. CT Solar Lease 3 issues separate financial statements.

*CGB Meriden Hydro LLC (blended)*

On August 31, 2017, Green Bank, through its wholly owned component unit, CGB Meriden Hydro LLC (CGB Meriden), purchased a 195 kW hydroelectric facility located in Meriden, Connecticut, from the facility's developer, pursuant to an agreement dated January 1, 2017. Green Bank utilized the proceeds of the Clean Energy Renewable Bond (CREB) to finance a portion of the total purchase price.

The developer remits to CGB Meriden a monthly lease payment equal to the monthly payment made by the City of Meriden to Hanover Pond for the purchase of electricity generated by the hydroelectric facility under a power purchase agreement dated August 14, 2014, as amended. This lease commenced on the date commercial operations began and terminates on the 30<sup>th</sup> anniversary of said date. Commercial operations began on March 7, 2017. In addition to revenues earned through its lease with the developer, CGB Meriden also receives revenues from the sale of renewable energy credits generated by the facility and sold to the local utility company under a sale and purchase contract dated July 31, 2014 which was assigned to CGB Meriden on September 18, 2017. These revenues are recorded directly by Green Bank.

*SHREC ABS 1 LLC (blended)*

A Delaware corporation, single member LLC 100% owned by Connecticut Green Bank, established on February 19, 2019 as issuer of \$38,600,000 of SHREC Collateralized Notes, Series 2019-1 (\$36,800,000 Class A notes and \$1,800,000 Class B notes). The SHREC notes were sold to a single investor on April 2, 2019. The proceeds were used to retire Green Bank short-term debt, as well as to support Green Bank investment and operational activities. Quarterly payments of scheduled principal and interest for a period of 14 years are funded by billings to two Connecticut utilities for SHREC revenues generated by approximately 14,000 solar PV systems on residential rooftops. Advances between Green Bank and SHREC ABS 1 LLC were involved in the establishment of the note, retirement of Green Bank short-term debt, as well as to pay certain organizational costs. Advances were eliminated in preparing the combining and reporting entity financial statements.



## Connecticut Green Bank

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**

**I. Nature of operations and significant accounting policies (continued)***SHREC Warehouse 1 LLC (blended)*

A Connecticut corporation, single member LLC 100% owned by Connecticut Green Bank, established on April 23, 2019 to collect payments due from two electric utilities pursuant to the master purchase agreement dated July 30, 2018 as amended for the purchase and sale of Solar Home Renewable Energy Credits (SHRECs). SHREC Warehouse 1 LLC acts as the sole borrower under a revolving loan facility provided by local banks. Payments due from the utilities are pledged as security for the loans. Loans drawn by SHREC Warehouse 1 LLC are advanced to CGB to be used for investment and operational activities. Advances are eliminated in preparing the combining and reporting entity financial statements.

*CT Solar Lease 1 LLC (blended)*

A Connecticut corporation, single member LLC 100% owned by Green Bank, established on April 23, 2019 to hold collateral that supports a \$3,500,000 guaranty on a line of credit. On May 21, 2019 Green Bank assigned its solar lease promissory note portfolio to CT Solar Lease 1 LLC. Solar Lease 1 LLC receives note payments and maintains a loan loss reserve for the portfolio. Advances between Green Bank and Solar Lease 1 LLC were involved in the transfer of assets and loan loss reserves. Advances are eliminated in preparing the combining and reporting entity financial statements.

*CGB C-PACE LLC (blended)*

A Connecticut corporation, single member LLC 100% owned by Green Bank, established on August 7, 2017. The entity did not have activity until it started to originate and warehouse new C-PACE projects under construction beginning October 2021. Advances between Green Bank and CGB C-PACE LLC were involved to help fund disbursements made for development of new C-PACE construction projects. Advances are eliminated in preparing the combining and reporting entity financial statements.

*CGB Green Liberty Notes LLC (blended)*

A Connecticut corporation, 100% owned by CEFIA Holdings LLC, established on October 15, 2021. The entity was formed to offer low and moderate income investors greater access to green investment by issuing "Green Liberty Notes", and to support the repayment of those notes with revenues from small business, municipal, and state energy efficiency loans in Connecticut through one of Green Bank's partner programs. The notes are issued to eligible investors in reliance of the exemption under Section 4(a)(6) of the Securities Act of 1933. The exemption limits the amount of securities issued during the 12-month period preceding the date of such offer or sale, including the securities offered in such transaction, to \$5,000,000. Advances between Green Bank and CGB Green Liberty Notes LLC were involved to help fund the participation in the small business, municipal, and state energy efficiency loan program. Advances are eliminated in preparing the combining and reporting entity financial statements. CGB Green Liberty Notes LLC issues separate financial statements.

Advances between the primary government (Green Bank) and its component units, or between the component units themselves, involved establishment of funds to provide for loan loss reserves as well as pay certain organizational costs. Advances are eliminated in preparing the combining and reporting entity financial statements.

Condensed combining information for the primary government (Green Bank) and its 8 blended component units described above is presented on the following pages:



## Connecticut Green Bank

Notes to Financial Statements  
As of and for the Year Ended June 30, 2023

## I. Nature of operations and significant accounting policies (continued)

## Condensed, combining information - statement of net position

Assets											
Connecticut Green Bank	CBG Meriden Hydro LLC	SHREC ABS 1 LLC	SHREC Warehouse 1 LLC	CT Solar Lease I LLC	CT Solar Loan I LLC	CEFA Holdings LLC	CGB Green Liberty Notes LLC	CGB C-PACE LLC	Eliminations	Total	
Current assets:											
Cash and cash equivalents	\$ 45,573	\$ 652,399	\$ 157,588	\$ -	\$ 1,907,678	\$ 1,128,793	\$ 2,902,733	\$ 1,355,036	\$ -	\$ 36,372,511	
Receivables:											
Accounts	-	-	-	-	-	14,576	-	138,140	-	4,135,781	
Program loans	-	-	-	-	86,522	785,360	-	76,193	-	7,236,385	
Utility remittance	-	-	-	-	-	-	-	-	-	1,852,328	
Solar lease notes	-	-	-	1,019,733	-	-	-	-	-	1,019,733	
SBEA promissory notes	-	-	-	-	-	-	1,455,172	-	-	1,455,172	
Interest	1,526,755	-	-	-	-	35,111	-	56,224	-	1,618,090	
Other	155,132	-	-	82,267	1,058	-	143,664	-	-	382,121	
Prepaid expenses and other assets	79,471	43,333	-	-	3,260	471,260	-	-	-	763,155	
Total current assets	42,194,132	125,044	157,588	1,102,000	1,998,518	2,435,100	4,501,569	1,625,593	-	54,835,276	
Noncurrent assets:											
Restricted cash and cash equivalents	-	-	3,107,268	-	85,141	881,639	-	-	-	20,096,363	
Investments	-	-	-	-	-	-	-	-	-	852,427	
Receivables (net):											
Program loans	88,652,315	-	-	-	486,457	9,651,860	-	3,579,292	-	102,369,924	
Solar lease notes	-	-	-	1,078,444	-	-	-	-	-	1,078,444	
Renewable energy credits	174,306	-	-	-	-	-	-	-	-	174,306	
SBEA promissory notes	-	-	-	-	-	1,885	2,315,558	-	-	2,317,443	
Other	-	-	-	-	-	863,505	-	-	-	863,505	
Due from component units	77,914,811	-	5,784,455	-	-	13,223,137	-	-	(69,291,133)	56,346,474	
Contribution to subsidiaries	100,100	-	-	-	-	100	-	-	(100,100)	100	
Capital assets, net	11,503,057	3,661,618	-	-	-	-	-	-	-	15,164,675	
Total noncurrent assets	194,449,343	3,661,618	8,891,723	1,078,444	571,598	24,622,126	2,315,558	3,579,292	(69,391,233)	199,263,661	
Total assets	236,643,475	3,786,662	9,049,311	2,180,444	2,570,116	27,057,226	6,817,127	5,204,885	(69,391,233)	254,098,937	
Deferred Outflows of Resources											
Pension related	7,301,972	-	-	-	-	-	-	-	-	7,301,972	
OPEB related	6,353,565	-	-	-	-	-	-	-	-	6,353,565	
Total deferred outflows of resources	13,655,537	-	-	-	-	-	-	-	-	13,655,537	



## Connecticut Green Bank

**Notes to Financial Statements**  
**As of and for the Year Ended June 30, 2023**

**I. Nature of operations and significant accounting policies (continued)****Condensed, combining information - statement of net position**

	Connecticut Green Bank	CBG Meriden Hydro LLC	SHREC ABS 1 LLC	SHREC Warehouse 1 LLC	CT Solar Lease I LLC	CT Solar Loan I LLC	CEFA Holdings LLC	CGB Green Liberty Notes LLC	CGB C-PACE LLC	Eliminations	Total
<b>Liabilities</b>											
Current liabilities:											
Accounts payable	\$ 835,722	\$ 8,714	\$ -	\$ 2,222	\$ -	\$ 1,046	\$ -	\$ 281	\$ -	\$ -	\$ 847,985
Accrued payroll and related liabilities	1,175,855	-	-	-	-	-	-	-	-	-	1,175,855
Accrued expenses	9,747,700	-	43,070	-	-	-	98,276	17,363	-	-	9,906,409
Short-term notes payable	-	-	-	-	-	-	-	1,000,000	-	-	1,000,000
Long-term debt	3,740,387	-	1,686,000	-	-	-	-	-	-	-	5,426,387
Performance bonds	-	-	-	-	-	-	853,102	-	-	-	853,102
Unearned revenue	66,818	-	-	-	-	-	-	-	-	-	66,818
Total current liabilities	15,566,482	8,714	1,729,070	2,222	-	1,046	951,378	1,017,644	-	-	19,276,556
Noncurrent liabilities:											
Due to component units	34,499,659	5,909,180	-	-	2,145,074	2,215,000	13,920,913	5,766,307	4,835,000	(69,291,133)	-
Long-term debt	45,008,380	-	18,213,482	-	-	-	-	-	-	-	63,221,862
Net pension liability	17,632,888	-	-	-	-	-	-	-	-	-	17,632,888
Net OPEB liability	18,041,698	-	-	-	-	-	-	-	-	-	18,041,698
Total noncurrent liabilities	115,182,625	5,909,180	18,213,482	-	2,145,074	2,215,000	13,920,913	5,766,307	4,835,000	(69,291,133)	98,896,448
Total liabilities	130,749,107	5,917,894	19,942,552	2,222	2,145,074	2,216,046	14,872,291	6,783,951	4,835,000	(69,291,133)	118,173,004
<b>Deferred Inflows of Resources</b>											
Pension related	6,176,916	-	-	-	-	-	-	-	-	-	6,176,916
OPEB related	11,459,840	-	-	-	-	-	-	-	-	-	11,459,840
Total deferred inflows of resources	17,636,756	-	-	-	-	-	-	-	-	-	17,636,756
<b>Net Position</b>											
Net investment in capital assets	2,189,845	1,389,063	-	-	-	-	-	-	-	-	3,578,908
Restricted net position:											
Restricted for energy programs	15,030,626	-	769,988	3,107,268	-	85,141	28,537	-	-	-	19,021,560
Unrestricted	84,692,678	(3,520,295)	9,468,384	5,939,821	35,370	268,929	12,156,398	33,176	369,885	(100,100)	109,344,246
Total net position	\$ 101,913,149	\$ (2,131,232)	\$ 10,238,372	\$ 9,047,089	\$ 35,370	\$ 354,070	\$ 12,184,935	\$ 33,176	\$ 369,885	\$ (100,100)	\$ 131,944,714