

# The Impact of Federal Funds in Connecticut

Through our partnership with the Department of Energy & Environmental Protection, Connecticut Green Bank deployed \$8.25 million of American Recovery and Reinvestment Act of 2009 (ARRA) funds to create more than \$198.4 million of investments into residential clean energy projects. (All data as of 12-31-2023)



## Economic Development

The Green Bank turned \$8.25 million of federal funds

\$8.25 million



\$232.2 million

into **\$232.2 million in investments**

\$16.5M Green Bank investment

\$215.7M private investment

\$8.25M ARRA Funds



The Green Bank supported the creation of **2,694 job-years of employment** through the use of ARRA funds.



## Environment

ARRA funds helped to avoid **714,525 tons of CO<sub>2</sub>**, which is equal to:

**10.7 million tree seedlings** grown for 10 years

**removing 144,044 passenger cars from the road** for one year



## Equity

**27%** of investments **40%** of projects

were made in **vulnerable communities**

**\$17.0–38.5M** of lifetime public health value created

**11,859 families supported**

The Green Bank targets 40% of investment and benefits into vulnerable communities



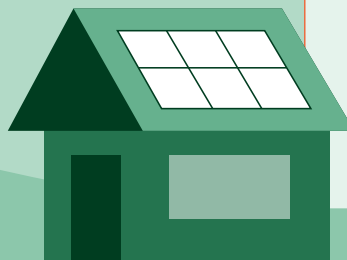
## Energy

The use of ARRA funds supported

- Deployment of over **25 megawatts of clean energy**
- **Lifetime savings of over 4.2 million MMBTUs** through energy efficiency projects, including:

- Solar panel installation
- Insulation upgrades
- Heating and cooling system upgrades

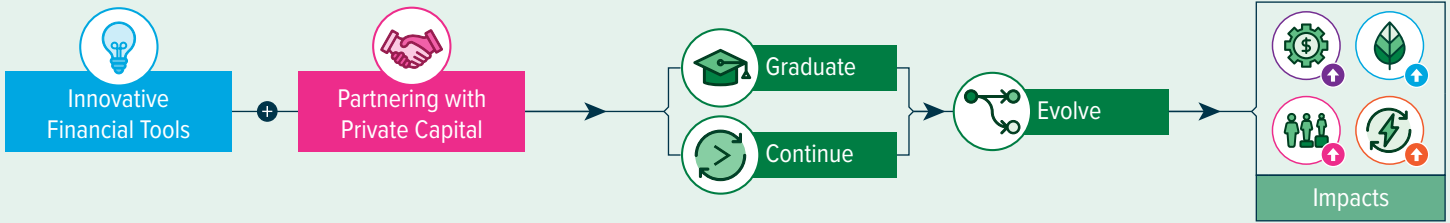
**\$165M** in lifetime energy savings generated



# Financing Programs with Federal Funds



The Green Bank's ARRA funded programs combined innovative financial tools and partnering with private capital to create programs that **promote clean energy, economic growth, a healthier environment, and greater equity** in Connecticut.



Program models, proved successful through the deployment of ARRA funds, evolved to focus on additional markets and larger investment beyond the Green Bank.

<b>CT SOLAR LEASE</b>	<p>Allowed homeowners to access the benefits of solar through a lease option.</p> <ul style="list-style-type: none"> <li>Leveraged \$3.5M in ARRA funds as a <b>lease loss reserve</b> and \$7.1M in Green Bank Subordinated Debt and Sponsor Equity.</li> <li>Raised \$15.0M of <b>tax equity investment</b> and \$16.9 million of senior debt through a <b>syndicate of local lenders</b>.</li> </ul>	<ul style="list-style-type: none"> <li>The success of this model led to the creation of <b>"Solar For All"</b>: a program based on the model that focused on providing residential solar to low-to-moderate income (LMI) families and communities of color — helping Connecticut achieve 41% deployment in LMI communities</li> </ul>
<b>CT SOLAR LOAN</b>	<p>Enabled homeowners of varying financial means to own their systems at affordable rates without a lien.</p> <ul style="list-style-type: none"> <li>Used \$517,000 in ARRA funds for a <b>loan loss reserve (LLR)</b> to allow for the creation of the <b>first-ever crowd-sourced portfolio of solar loans</b>.</li> <li>Partnered with Sungage Financial and The Reinvestment Fund to generate \$8.3M in lifetime savings.</li> </ul>	<p><b>A loan loss reserve</b> is a pool of money set aside to cover a prespecified amount of loan losses, providing partial risk coverage to lenders.</p> <ul style="list-style-type: none"> <li>After this model proved successful, the program expanded to include new partners and a \$100 million pool of capital, without any resources from the Green Bank.</li> </ul>
<b>SMART-E LOAN</b>	<p>Offers flexible financing for upgrades to home energy performance.</p> <ul style="list-style-type: none"> <li>ARRA funds used as <b>LLR and interest rate buydowns (IRB)</b> to offer homeowners low-interest financing to improve their home's energy performance.</li> <li>Provided in partnership with 13 local community banks and credit unions, 600+ contractors, and 8,348 families for \$232.2 million in total investment.</li> </ul>	<p>Originally focused on clean energy, this program is <b>expanding to support environmental infrastructure</b>.</p> <p>The program is transitioning from ARRA supported LLR to LLR on the Green Bank's balance sheet using IRBs from ARRA funds.</p> <p><b>An interest rate buydown</b> is when capital is deployed to pay a portion of the interest on borrowers' loans to decrease their costs.</p>
<b>LOW INCOME MULTI-FAMILY ENERGY (LIME) LOAN</b>	<p>Unsecured low interest loans serving properties where at least 60% of units serve renters at 80% or lower of Area Median Income.</p> <ul style="list-style-type: none"> <li>ARRA funds used as LLR and <b>projected energy savings are used to cover the debt service of the loan</b>.</li> <li>Offered through a partnership with Capital For Change (C4C), a community development financial institution (CDFI) that provides financial <b>products and services that support an inclusive and sustainable economy</b>.</li> </ul>	<ul style="list-style-type: none"> <li>Using \$391,397 in ARRA funds as LLR, LIME projects have a combined lifetime energy cost savings of over \$17.6M.</li> </ul>