



Board of Directors

Meeting Date

June 21, 2024



Board of Directors

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

June 14, 2024

Dear Connecticut Green Bank Board of Directors:

We have a **regular meeting** of the Board of Directors for 2024 scheduled for **Friday, June 21, 2024 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 April 26, 2024
 - Director-Level Position Descriptions, including:
 - Director of Program Development and Origination
 - Director of Accounting and Reporting
 - Director of Marketing and Communications
 - Director of Transaction Management and C-PACE Administration

In addition to the item requiring resolution, there are also documents that you might be interested in perusing that are report outs or updates, including:

- **Under \$500,000 and No More in Aggregate than \$1,000,000** – Staff Approved Energy Storage Solutions Projects
- Quarterly financial package for FY24 Q3 – you will notice that in addition to the quarterly report for FY24, we included an annual revenue to expense report from FY18 (i.e., “Sweep” year) through FY24 (current). From this report, you can see the progress the Green Bank has made towards sustainability.
- IPC FY24 Q3 Progress to Targets Report
- **Committee Recommendations and Updates** – from several committees, including:
 - **Budget, Operations, and Compensation Committee** – proposed FY25 targets, budget, and investments; and
 - **Audit, Compliance, and Governance Committee** – **review of the 2024 legislative session.**
- **Financing Programs Updates and Recommendations** – an **update on the C-PACE resiliency guidelines.**

- **Incentive Programs Updates and Recommendations** – given a deadline PURA established for stopping the nonresidential upfront incentives for Energy Storage Solutions, including a recently approved extension for Green Bank Board approval of incentives, we have received a lot of projects for review and approval that we have broken down into batches from the contractor, including:
 - **Batch #1** – one (1) project from C-Power
 - **Batch #2** – five (5) projects from Scale Microgrid Solutions
- **Investment Updates and Recommendations** – we have several investment recommendations for the following transactions:
 - **Smart-E Loan: Linked Deposit Pilot** – an extension and expansion of our pilot with Mutual Security Credit Union
 - **Smart-E Loan: Capital for Change** – an expansion of the funding facility
 - **Green Liberty Notes** – an extension of the program
 - **Green Bank Capital Solutions** – inclusion of environmental infrastructure projects within our Open RFP process
- **Other Business** – request for approval of contract with the Coalition for Green Capital for the National Clean Investment Fund (“NCIF”) of the Greenhouse Gas Reduction Fund (“GGRF”)

Please note, those items **underlined, italicized, and highlighted** above, are materials coming by the close of business on Tuesday, June 20, 2024.

Have a great weekend ahead!

Appreciatively,

A handwritten signature in black ink, appearing to be 'Bryan Garcia', with a stylized flourish at the end.

Bryan Garcia
President and CEO



AGENDA

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

Friday, June 21, 2024
9:00 a.m.– 11:00 a.m.

Dial In: (860) 924-7736
Phone Conference ID: 319 634 266#
[+1 860-924-7736,,319634266#](tel:+18609247736,319634266#)

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. Committee Recommendations and Updates – 30 minutes
 - a. Budget, Operations, and Compensation Committee – 20 minutes
 - i. Proposed FY 2025 Targets, Budget, and Investments
 - b. Audit, Compliance, and Governance Committee – 10 minutes
 - i. Legislative Session – 2024 in Review
5. Financing Programs Updates and Recommendations – 15 minutes
 - a. C-PACE Resiliency Guidelines Update
6. Incentive Programs Updates and Recommendations – 20 minutes
 - a. Batch #1 – C-Power
 - i. ESS Transaction – ESS-00991 – Town of Guilford (High School)
 - b. Batch #2 – Scale Microgrids Solutions
 - i. ESS Transaction – ESS-01031 – Windsor Locks
 - ii. ESS Transaction – ESS-01043 – Windsor

- iii. ESS Transaction – ESS-01044 – Windsor
- iv. ESS Transaction – ESS-01045 – Windsor
- v. ESS Transaction – ESS-01046 – Windsor

7. Investment Updates and Recommendations – 30 minutes

- a. Smart-E Loan – Linked Deposit Pilot Extension and Expansion
- b. Smart-E Loan – Capital for Change Funding Facility
- c. Green Liberty Notes – Extension
- d. Green Bank Capital Solutions – RFP Revisions to include Environmental Infrastructure

8. Other Business – 15 minutes

- a. Greenhouse Gas Reduction Fund – National Clean Investment Fund: Coalition for Green Capital Subgrantee

9. Adjourn

[Click here to join the meeting](#)

Teams Meeting ID: 295 743 884 888

Passcode: TS5rKw

Dial In: [+1 860-924-7736,,319634266#](tel:+18609247736319634266)

Phone Conference ID: 319 634 266#

***Next Regular Meeting: Friday, July 26, 2024 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, June 21, 2024
9:00 a.m.– 11:00 a.m.

Dial In: (860) 924-7736
Phone Conference ID: 319 634 266#
[+1 860-924-7736,,319634266#](tel:+18609247736,319634266#)

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

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 April 26, 2024.

Resolution #2

Motion to approve the position descriptions for the Director of Accounting and Reporting, Director of Marketing and Communications, Director of Program Development and Origination, and Director of Transaction Management and C-PACE Administration.

4. Committee Recommendations and Updates – 30 minutes
 - a. Budget, Operations, and Compensation Committee – 20 minutes
 - i. Proposed FY 2025 Targets, Budget, and Investments

Resolution #3

WHEREAS, Section 5.2.2 of the Bylaws of the Connecticut Green Bank's requires the recommendation of the Budget, Operations, and Compensation Committee (Committee) of the annual budget to the Connecticut Green Bank Board of Directors;

WHEREAS, on June 5, 2024, the Committee recommended the adoption of these targets and budget for FY2025 and the professional services agreements (PSAs) listed below;

NOW, therefore be it:

WHEREAS, the Board of Directors authorizes Green Bank staff to enter into new or extend existing professional services agreements (PSAs) with the following, contingent upon a competitive bid process having occurred in the last three years (except Inclusive Prosperity Capital and Carahsoft):

- I. New Charter Technologies, LLC
- II. Alter Domus (formerly Cortland)
- III. Inclusive Prosperity Capital
- IV. DNV
- V. Guidehouse (formerly Navigant) (2)
- VI. PKF O'Connor Davies
- VII. CliftonLarsonAllen
- VIII. C-TEC Solar, LLC
- IX. GO, LLC
- X. Craftsman Technologies
- XI. Strategic Environmental Associates
- XII. Carahsoft
- XIII. AEC Solar
- XIV. DCS
- XV. AlsoEnergy
- XVI. Sourceone

For fiscal year 2025 with the amounts of each PSA not to exceed the applicable approved budget line item.

RESOLVED, that the Green Bank Board hereby approves: (1) the FY2025 Targets and Budget.

b. Audit, Compliance, and Governance Committee – 10 minutes

i. Legislative Session – 2024 in Review

5. Financing Programs Updates and Recommendations – 15 minutes

a. C-PACE Resilience Guidelines Update

Resolution #4

WHEREAS, Conn. Gen. Stat. Section 16a-40g (the “Authorizing Statute”) authorizes what has come to be known as the Commercial Property Assessed Clean Energy Program (“C-PACE”), the Authorizing Statute designates the Connecticut Green Bank (“Green Bank”) as the state-wide administrator of the program;

WHEREAS, the Authorizing Statute charges Green Bank to develop program guidelines (the “Program Guidelines”) governing the terms and conditions under which state and third-party financing may be made available to C-PACE;

WHEREAS, Green Bank staff drafted proposed changes to the Program Guidelines and Appendix O; and,

WHEREAS, The proposed changes to the Program Guidelines, went through a thirty-day public comment period in accordance with Conn. Gen. Stat. Section 1-120 et seq, and received no comments, as more particularly described in that memorandum to the Board dated June 18, 2024 (the “Memorandum”).

NOW, therefore be it:

RESOLVED, the Green Bank Board of Directors (the “Board”) approves the proposed changes to Program Guidelines, substantially in the form of attached to the Memorandum; 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 Program Guidelines.

6. Incentive Programs Updates and Recommendations – 20 minutes

- a. Batch #1 – C-Power
 - i. ESS Transaction – ESS-00991 – Town of Guilford (High School)

Resolution #5

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; and,

WHEREAS, in its December 9, 2002 meeting the Board approved updated Procedures to better align with the Program process.

NOW, therefore be it:

RESOLVED, that the Green Bank Board hereby approves the estimated upfront incentives sought by CPower for one non-residential project individually under \$500,000, totaling \$485,750 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.

- b. Batch #2 – Scale Microgrids Solutions
 - i. ESS Transaction – ESS-01031 – Windsor Locks
 - ii. ESS Transaction – ESS-01043 – Windsor
 - iii. ESS Transaction – ESS-01044 – Windsor
 - iv. ESS Transaction – ESS-01045 – Windsor
 - v. ESS Transaction – ESS-01046 – Windsor

Resolution #6

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; and,

WHEREAS, in its December 9, 2002 meeting the Board approved updated Procedures to better align with the Program process.

NOW, therefore be it:

RESOLVED, that the Green Bank Board hereby approves the estimated upfront incentives sought by Scale Microgrid Solutions for five non-residential projects individually under \$500,000, totaling \$2,002,000 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.

7. Investment Updates and Recommendations – 30 minutes

- a. Smart-E Loan – Linked Deposit Pilot Extension and Expansion

Resolution # 7

WHEREAS, the Connecticut Green Bank (“Green Bank”) has established the Smart-E Loan program with financing agreements with various credit unions, community banks and a community development financial institution;

WHEREAS, pursuant to approval by the Green Bank Deployment Committee in May 2023, the Green Bank commenced a pilot linked deposits program (the “Linked Deposits Pilot”) with a Smart-E lender as described in the memorandum to the Deployment Committee dated May 19, 2023 (the “Linked Deposit Pilot Memo”);

WHEREAS, pursuant to the approval by the Green Bank Deployment Committee in May 2024, the Green Bank raised the Linked Deposit Pilot “not to exceed” amount from \$2,000,000 to 2,500,000; and,

WHEREAS, the Linked Deposits Pilot has been a success and per request by the participating institution, Green Bank staff recommends approval by the Green Bank Board of Directors (“Board”) to extend the Linked Deposit Pilot program to June 30, 2025 and raise the “not to exceed” amount from \$2,500,000 to 3,500,000;

NOW, therefore be it:

RESOLVED, that the Board approves of the extension of the Linked Deposit Pilot to June 30, 2025 and an increase in the “not to exceed” amount from \$2,500,000 to \$3,500,000, to be implemented as described in the Linked Deposit Pilot Memorandum dated June 18, 2024;

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 Linked Deposit Pilot on such terms and conditions as are materially consistent with the Linked Deposit Pilot Memorandum; 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 instruments.

b. Smart-E Loan – Capital for Change Funding Facility

Resolution #8

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 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 a refinancing of said facility as explained in the memorandum dated June 18, 2024 to the Green Board (the “Revolving Facility Memo”); and

WHEREAS, Green Bank staff recommends approval by the Board for an new short term revolving loan facility for C4C/ CEEFCo (the “CEEFCo Revolving Loan”) in order to refinance existing indebtedness from Amalgamated Bank and Green Bank in partnership with Webster Bank and M&T Bank as explained in the Revolving Facility Memo.

NOW, therefore be it:

RESOLVED, that the Board approves the CEEFCo Revolving Loan in an amount of up to \$25 million in capital from the Green Bank balance sheet in support of energy efficiency and Smart-E Loans in partnership with Webster Bank and M&T Bank generally consistent with the Revolving Facility 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 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. Green Liberty Notes – Extension

Resolution #9

WHEREAS, at the July 2021 meeting of the Connecticut Green Bank (“Green Bank”) Board of Directors (“Board”), the Board authorized staff to enter into an agreement (the “Issuer Agreement”) with Raise Green, Inc. an entity registered with and approved by the Securities and Exchange Commission (the “SEC”) as a crowdfunding funding portal, to issue bonds in an amount not to exceed \$2,000,000 under the SEC’s Regulation Crowdfunding;

WHEREAS, subsequently, the Green Bank launched and closed 6 Crowdfunding issuances named “Green Liberty Notes”;

WHEREAS, at the June 2023 meeting of the Green Bank Board, the Board authorized staff to issue four additional bonds in quarterly issuances not to exceed \$350,000 and in a total program amount not to exceed \$2,705,000 under the SEC’s Regulation Crowdfunding regulations;

WHEREAS, subsequently, the Green Bank launched and closed 4 additional Crowdfunding issuances named “Green Liberty Notes”;

WHEREAS, staff has cultivated investor demand and managed investor relations, principal and interest repayment and reinvestment, capitalization table management, accounting, and all other operational and legal requirements of the program; and,

WHEREAS, staff wishes to build on the successes of the program, which include eight consecutive oversubscribed issuances, and ensure that new investors have the opportunity to invest in the Green Bank’s efforts to fight climate change in Connecticut.

NOW, therefore be it:

RESOLVED, that the Green Bank is authorized to modify its existing agreement (the “Issuer Agreement”) with Raise Green, Inc. an entity registered with and approved by the SEC as a crowdfunding funding portal, to issue bonds in an amount not to exceed \$4,105,000, in quarterly issuances not to exceed \$250,000 for the first six issuances and \$350,000 for the subsequent eight issuances (the “Bonds”) under the SEC’s Regulation Crowdfunding regulations. The Bonds shall be issued by a subsidiary of CEFIA Holdings and shall be issued by and for the sole purposes of the subsidiary, and shall not be issued by or on behalf of the Green Bank. The proceeds of the Bonds shall be used by the subsidiary to acquire certain loans under the Small Business Energy Advantage program (the “Loans”), and to pay the costs of issuance on the Bonds;

RESOLVED, that the payment of debt service on the Bonds shall be made solely from the revenues from the Loans and other revenues available to the subsidiary. CEFIA Holdings and/the

Green Bank are authorized to assign and transfer all or any portion of their rights in the Loans to the subsidiary as security for the payment of the Bonds and the interest thereon. The Green Bank shall not guarantee or pledge any other revenues for the payment of debt service on the Bonds;

RESOLVED, that in connection with the Bonds, the President and any Officer of Green Bank (each, an “Authorized Representative”) be, and each of them acting individually hereby is, authorized and directed in the name and on behalf of the Green Bank, to prepare and deliver, or cause to be prepared and delivered, the Issuer Agreement with Raise Green and any other documents required under the SEC’s Regulation Crowdfunding, including a Form C, a Subscription Agreement, a Note and any other documents or instruments necessary to complete the Bond issuance, in such form and with such changes, insertions and omissions as may be approved by an Authorized Representative, as he or she deems advisable for the purpose of issuing the Bonds (collectively, the “Financing Documents”) and the execution and delivery of said Financing Documents shall be conclusive evidence of any approval required by this Resolution; and,

RESOLVED, that to the extent that any act, action, filing, undertaking, execution or delivery authorized or contemplated by this Resolution has been previously accomplished, all of the same are hereby ratified, confirmed, accepted, approved and adopted by the Board as if such actions had been presented to the Board for its approval before any such action’s being taken, agreement being executed and delivered, or filing being effected.

- d. Green Bank Capital Solutions – RFP Revisions to include Environmental Infrastructure

Resolution #10

WHEREAS, on December 17, 2019, the Connecticut Green Bank (“Green Bank”) Board of Directors (“Board”) approved of an Open RFP (a.k.a., Green Bank Capital Solutions) to provide access by project developers and capital providers / investors to Green Bank capital that will catalyze investment which – but for the Green Bank’s participation – would either not happen or be realized at a much slower pace or with less impact;

WHEREAS, the mission of Green Bank was expanded through Connecticut Public Act 21-115 in June 2021 to include “environmental infrastructure” as defined in statute as structures, facilities, systems, services and improvement projects related to (A) water, (B) waste and recycling, (C) climate adaptation and resiliency, (D) agriculture, (E) land conservation, (F) parks and recreation, and (G) environmental markets, including, but not limited to, carbon offsets and ecosystem services;

WHEREAS, the FY22, FY23, and FY24 Comprehensive Plans of the Green Bank outline successive processes to develop its environmental infrastructure business unit and recognizes the needed intermediary role for the Green Bank between capital markets and public policy related to environmental infrastructure;

WHEREAS, the FY24 Comprehensive Plan of the Green Bank set a target to “launch or expand existing products inclusive of key outcomes” to support environmental infrastructure measures;

WHEREAS, in implementing the Operating Procedures of the Green Bank, staff has developed, and the Board has approved, Green Bank Capital Solutions as an Open Request for Proposals (“Open RFP”) to solicit project developers for consideration of financing by the Green Bank;

WHEREAS, the staff of the Green Bank have drafted a Capital Solutions Open RFP as it would expand from “Clean Energy” to also include “Environmental Infrastructure” Investment which it presented to and received a recommendation of approval from the Deployment Committee of the Green Bank; and;

WHEREAS, that the Deployment Committee recommended for approval to the Green Bank Board the Capital Solutions Open RFP for Clean Energy and Environmental Infrastructure on May 22, 2024.

NOW, therefore be it:

RESOLVED, that the Green Bank Board approves of the Capital Solutions Open RFP for Clean Energy and Environmental Infrastructure as described in the June 14, 2024 memorandum to the Green Bank Board.

8. Other Business – 15 minutes

- a. Greenhouse Gas Reduction Fund – National Clean Investment Fund: Coalition for Green Capital Subgrantee

Resolution #11

WHEREAS, on July 6, 2021, Governor Lamont signed the passage of Public Act 21-115 “An Act Concerning Climate Change Adaptation,” which includes the expansion of scope of the Connecticut Green Bank (“Green Bank”) beyond clean energy to include environmental infrastructure, as well as the creation of an Environmental Infrastructure Fund, that may receive federal funds as may become available to the state for environmental infrastructure investments;

WHEREAS, within the Inflation Reduction Act of 2022 (“IRA”) there is a \$27 billion Greenhouse Gas Reduction Fund “GGRF” inclusive of a \$14 billion National Clean Investment Fund (“NCIF”) modelled after the Green Bank;

WHEREAS, the Coalition for Green Capital (“CGC”), a 501(c)3 nonprofit organization, applied for a grant through the GGRF NCIF on October 12, 2023 in the amount of \$10 billion, and inclusive of eighteen (18) Subgrantees, including the Green Bank;

WHEREAS, the Green Bank’s part of the CGC application included resources in support of financing projects in Connecticut, as well as additional resources that would be administered by the Green Bank on behalf of the New Hampshire Community Loan Fund and Puerto Rico Green Energy Trust (“the Participants”) as outlined in the memo to the Board of Directors of the Green Bank (“the Board”) on June 14, 2024;

WHEREAS, the EPA officially notified CGC of its winning application on April 4, 2024 in the amount of \$5 billion – a 50% reduction from its original application – and CGC subsequently submitted to the EPA a revised workplan and budget;

WHEREAS, CGC applied a pro rata reduction of 50% from the original application submitted to the EPA to the Subgrantee allocation in the revised workplan and budget; and,

WHEREAS, some the funds received by Green Bank from CGC under its NCIF award, may be deposited (if permitted under applicable rules and regulations) within the Environmental Infrastructure Fund or otherwise used to fund Environmental Infrastructure project;

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 contract with CGC as a Subgrantee to the winning GGRF NCIF award as outlined in this memo dated June 14, 2024, and as he or she shall deem to be in the interests of the Green Bank;

RESOLVED, that the Board hereby approves of the Green Bank executing a contract with CGC as a Subgrantee to the winning GGRF NCIF award;

RESOLVED, that the Board hereby approves of the Green Bank negotiating contracts with the Participants and are instructed to bring such contracts back to the Board for approval as a Strategic Selection; 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.

9. Adjourn

[Click here to join the meeting](#)

Teams Meeting ID: 295 743 884 888

Passcode: TS5rKw

Dial In: [+1 860-924-7736,,319634266#](#)

Phone Conference ID: 319 634 266#

Next Regular Meeting: Friday, July 26, 2024 from 9:00-11:00 a.m.

***Colonel Albert Pope Room at the
Connecticut Green Bank, 75 Charter Oak Avenue, Hartford***

- **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

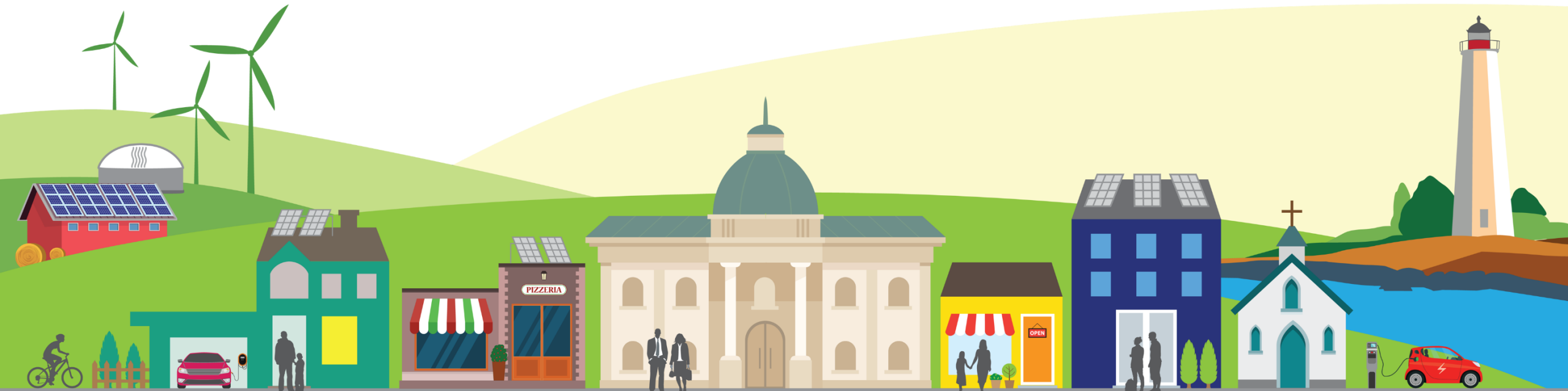
June 21, 2024



Board of Directors



Agenda Item #1 Call to Order



Farewell and Welcome

Office of the Treasurer



Farewell
Bettina Bronisz
Assistant Treasurer for
Debt Management



Welcome
Kimberly Mooers
Assistant Treasurer for
Debt Management

Board of Directors



Agenda Item #2 Public Comments



Board of Directors



Agenda Item #3 Consent Agenda



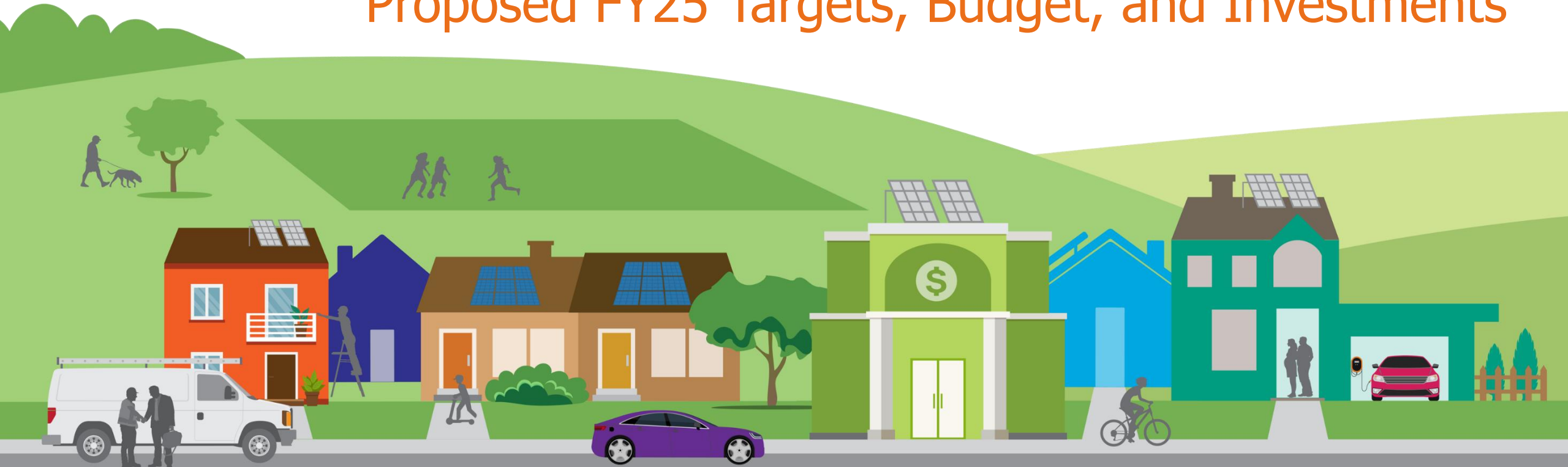
Consent Agenda

Resolutions #1 and #2



1. **Meeting Minutes** – approve meeting minutes of April 26, 2024
2. **Position Descriptions** – Director of Accounting and Reporting, Director of Marketing and Communications, Director of Program Development and Origination, and Director of Transaction Management and C-PACE Administration
 - **Under \$500,000 and No More in Aggregate than \$1,000,000** – staff approved seven (7) Energy Storage Solutions projects (i.e., Bridgeport, Milford, Pomfret, Stamford, Trumbull) totaling approximately \$885,000 in upfront incentives for Incentive Programs
 - **FY24 Q3 Financial Report** – quarterly report, including revenues and expenses from FY18 (i.e., Year of the “Sweeps”) through FY24 (current)
 - **FY24 Q3 IPC Report** – quarterly report for Inclusive Prosperity Capital

Agenda Item #4ai **Budget, Operations, and Compensation Committee** Proposed FY25 Targets, Budget, and Investments



FY2025 Financing Programs Targets



Segment	Product	Channel	Targets						
			Number of Projects	Total Capital Deployed	CGB Capital Committed	CGB Capital Disbursed	NCIF Committed	SFA Committed	Capacity Installed
Financing Programs	CPACE	Total CPACE	23	\$ 32,200,000	\$ 14,700,000	\$ 11,380,000	\$ 2,500,000	\$ -	-
	Marketplace Assistance Program	Municipal MAP PPAs/Loans	1	\$ 1,857,520			\$ 7,500,000		0.870
		State MAP PPAs/Loans	1	\$ 10,700,000	\$ 6,420,000				5.000
		Multifamily MAP PPAs/Leases/Loans	6	\$ 4,800,000	\$ 4,800,000		\$ 5,000,000	\$ 25,000,000	1.600
		Total MAP	8	\$ 17,357,520	\$ 11,220,000	\$ 3,000,000	\$ 12,500,000	\$ 25,000,000	7.470
	PPA	Total PPA	14	\$ 9,242,000	\$ 4,328,000	\$ 2,300,000			-
		Tariff Backed Loan							
		SBEA	518	\$ 12,600,000	\$ 2,520,000	\$ 2,520,000			
		Multi-Family Pre-Dev							-
		Multi-Family Term (LIME)							
		Financing Programs Total	563	71,399,520	32,768,000	19,200,000	15,000,000	25,000,000	7.47

FY2025 Incentive Programs and Environmental Infrastructure Targets



Segment	Program		Targets						
			Number of Projects	Total Capital Deployed	CGB Capital Committed	CGB Capital Disbursed	NCIF Committed	SFA Committed	Capacity Installed/Nameplate Capacity
Incentive Programs	ESS (Residential)	<i>Residential Storage Incentives Total</i>	500	\$ 16,000,000	\$ 3,000,000	\$ 500,000		\$ 5,550,000	4.300
	ESS (C&I)	<i>C&I Storage Incentives Total</i>	5	\$ 12,500,000	\$ 1,500,000	\$ 848,100			10.000
	Smart-E	Total Smart-E	1,325	\$ 26,812,195	\$ -	\$ -	\$ 5,000,000	\$ 2,500,000	2.120
	Incentive Programs Total		1,830	\$ 55,312,195	\$ 4,500,000	\$ 1,348,100	\$ 5,000,000	\$ 8,050,000	16.420

Segment	Program		Targets						
			Number of Projects	Total Capital Deployed	CGB Capital Committed	CGB Capital Disbursed	NCIF Committed	SFA Committed	Capacity Installed/Nameplate Capacity
Environmental Infrastructure	CPACE	<i>Total Resilience Linked CPACE</i>	0	0	0	0			-
	Smart-E	<i>Total EI linked Smart-E</i>	20	100,000	0	0			-
	Capital Solutions	<i>Total Capital Solutions (EI)</i>	1	2,000,000	1,000,000	500,000	5,000,000		-
	Environmental Infrastructure Total		21	\$ 2,100,000	\$ 1,000,000	\$ 500,000	\$ 5,000,000	\$ -	-

FY2025 Investment and Organizational Targets



Segment	Program		Targets						
			Number of Projects	Total Capital Deployed	CGB Capital Committed	CGB Capital Disbursed	NCIF Committed	SFA Committed	Capacity Installed/ Nameplate Capacity
Investments	Strategic Investments	Resilience Hubs		\$ 2,500,000	\$ 2,500,000	\$ 1,000,000	\$ 5,000,000		
		PPA recapitalization (Sale of projects)	8	\$ 15,200,000	\$ 11,000,000	\$ 11,000,000			
		Transportation (EV Busses)		\$ 10,000,000	\$ 10,000,000	\$ 4,000,000	\$ 10,000,000		
		Capital Solutions (Clean Energy)		\$ 16,280,000	\$ 16,280,000	\$ 7,000,000		\$ 10,000,000	
		Capital Solutions (EI)	1	\$ 2,000,000	\$ 1,000,000	\$ 500,000	\$ 5,000,000		
		Total Strategic Investments	9	\$ 45,980,000	\$ 40,780,000	\$ 23,500,000	\$ 20,000,000	\$ 10,000,000	-
	Total Investments		9	\$ 45,980,000	\$ 40,780,000	\$ 23,500,000	\$ 20,000,000	\$ 10,000,000	-

Segment	Business Segment		Targets						
			Number of Projects	Total Capital Deployed	CGB Capital Committed	CGB Capital Disbursed	NCIF Committed	SFA Committed	Capacity Installed
CGB	Financing Programs Total		563	\$ 71,399,520	\$ 32,768,000	\$ 19,200,000	\$ 15,000,000	\$ 25,000,000	7.470
	Incentive Programs Total		1,830	\$ 55,312,195	\$ 4,500,000	\$ 1,348,100	\$ 5,000,000	\$ 8,050,000	16.420
	Environmental Infrastructure Total		21	\$ 2,100,000	\$ 1,000,000	\$ 500,000	\$ 5,000,000	\$ -	-
	Total Investments		9	\$ 45,980,000	\$ 40,780,000	\$ 23,500,000	\$ 20,000,000	\$ 10,000,000	-
	Green Bank Total		2,402	\$172,691,715.15	\$78,048,000.00	\$44,048,100.00	\$40,000,000.00	\$43,050,000.00	23.89

FY2025 Budget - Revenues



Statement of Revenues and General Operations and Program Expenses

	GenOps Fiscal Year 06/30/2025	Financing Programs Fiscal Year 06/30/2025	Incentive Programs Fiscal Year 06/30/2025	Environmental Infrastructure Fiscal Year 06/30/2025	Fiscal Year 06/30/2025	Fiscal Year 06/30/2024	YOY Budget		Fiscal YTD As of 4/30/2024	Budget vs Actual
	Budget	Budget	Budget	Budget	Budget	Budget	\$ Variance	% Variance	Actual	Variance
Revenue										
Operating Income										
Utility Customer Assessments	23,901,700	0	0	0	23,901,700	24,269,579	(367,879)	(2) %	20,940,994	(3,328,586)
RGGI Auction Proceeds -Renewables	5,200,000	0	0	0	5,200,000	5,200,000	0	0 %	5,200,000	0
CPACE Closing Fees	0	120,000	0	0	120,000	120,000	0	0 %	287,846	167,847
REC Sales	0	1,714,750	12,202,372	0	13,917,122	14,232,034	(314,912)	(2) %	12,880,857	(1,351,177)
Sales of Energy Systems	0	0	0	0	0	0	0	0 %	1,590,580	1,590,580
Grant Income-Federal Programs	0	9,540,000	0	500,000	10,040,000	40,000	10,000,000	25,000 %	111	(39,889)
Grant Income-Private Foundations	355,000	120,000	0	0	475,000	150,000	325,000	217 %	48,172	(101,829)
PPA Income	0	500,000	0	0	500,000	500,000	0	0 %	344,357	(155,642)
LREC/ZREC Income	0	424,000	0	0	424,000	450,000	(26,000)	(6) %	391,785	(58,215)
Total Operating Income	29,456,700	12,418,750	12,202,372	500,000	54,577,822	44,961,613	9,616,209	21 %	41,684,702	(3,276,911)
Interest Income	313,200	8,945,315	30,300	0	9,288,815	7,885,255	1,403,560	18 %	7,945,533	60,278
Interest Income, Capitalized	0	90,000	0	0	90,000	60,000	30,000	50 %	266,179	206,179
Other Income	98,000	819,000	2,675,615	0	3,592,615	1,271,612	2,321,003	183 %	1,353,385	81,773
Total Revenue	\$ 29,867,900	\$ 22,273,065	\$ 14,908,287	\$ 500,000	\$ 67,549,252	\$ 54,178,480	13,370,772	25 %	\$ 51,249,799	(2,928,681)

Revenues increasing by 25%

Public Funds are flat, earned revenue (REC Revenue, Interest Income, and grant income increasing) is increasing due to:

Interest income increasing due to new investments

Grant income increasing due to grants from DECD and GGRF

FY2025 Budget - Expenses



	GenOps Fiscal Year 06/30/2025	Financing Programs Fiscal Year 06/30/2025	Incentive Programs Fiscal Year 06/30/2025	Environmental Infrastructure Fiscal Year 06/30/2025	Fiscal Year 06/30/2025	Fiscal Year 06/30/2024	YOY Budget		Fiscal YTD As of 4/30/2024	Budget vs Actual
	Budget	Budget	Budget	Budget	Budget	Budget	\$ Variance	% Variance	Actual	Variance
Operating Expenses										
Compensation and Benefits										
Employee Compensation	2,780,144	4,812,619	1,986,035	873,074	10,451,872	8,579,823	1,872,049	22 %	5,881,115	(2,698,708)
Employee Benefits	2,414,130	4,202,707	1,731,511	752,107	9,100,456	7,746,960	1,353,496	17 %	4,832,090	(2,914,871)
Total Compensation and Benefits	5,194,274	9,015,326	3,717,546	1,625,181	19,552,328	16,326,783	3,225,545	20 %	10,713,205	(5,613,579)
Cost of Sales Energy Systems	0	0	0	0	0	0	0	0 %	1,590,579	1,590,580
Program Development & Administration	50,000	1,107,988	1,935,000	250,000	3,342,988	3,891,852	(548,864)	(14) %	1,606,435	(2,285,417)
Program Administration-IPC Fee	0	230,586	452,524	0	683,110	1,024,665	(341,555)	(33) %	822,169	(202,497)
Lease Origination Services	0	5,000	0	0	5,000	4,000	1,000	25 %	1,755	(2,245)
Marketing Expense	1,110,070	245,000	213,000	0	1,568,070	1,670,425	(102,355)	(6) %	882,931	(787,493)
E M & V	275,000	60,000	250,000	0	585,000	1,030,004	(445,004)	(43) %	280,982	(749,022)
Research and Development	500,000	0	0	60,000	560,000	458,000	102,000	22 %	141,402	(316,598)
Consulting and Professional Fees										
Consulting/Advisory Fees	426,000	962,634	515,000	0	1,903,634	1,756,365	147,269	8 %	1,131,593	(624,772)
Accounting and Auditing Fees	331,600	0	0	0	331,600	321,350	10,250	3 %	294,910	(26,441)
Legal Fees & Related Expenses	50,000	150,000	10,000	15,000	225,000	250,000	(25,000)	(10) %	131,728	(118,271)
Bond Issuance Costs	0	10,000	0	0	10,000	0	10,000	0 %	7,500	7,500
Total Consulting and Professional Fees	807,600	1,122,634	525,000	15,000	2,470,234	2,327,715	142,519	6 %	1,565,731	(761,984)
Rent and Location Related Expenses										
Rent/Utilities/Maintenance	106,446	184,264	76,041	33,428	400,178	362,848	37,329	10 %	261,495	(101,353)
Telephone/Communication	14,332	24,810	10,238	4,501	53,881	58,980	(5,099)	(9) %	38,267	(20,713)
Depreciation & Amortization	53,313	592,948	38,085	16,742	701,089	685,314	15,776	2 %	575,194	(110,120)
Total-Rent and Location Related Expenses	174,091	802,022	124,364	54,671	1,155,148	1,107,142	48,006	4 %	874,956	(232,186)
Office, Computer & Other Expenses	782,590	819,633	513,231	123,298	2,238,751	2,267,056	(28,305)	(1) %	1,506,158	(760,898)
Total Operating Expenses	8,893,625	13,408,189	7,730,665	2,128,150	32,160,629	30,107,642	2,052,987	7 %	19,986,303	(10,121,339)
Program Incentives and Grants										
Financial Incentives-CGB Grants	555,000	240,000	60,000	0	855,000	485,000	370,000	76 %	216,343	(268,657)
Program Expenditures-Federal Grants	0	40,000	0	0	40,000	40,000	0	0 %	0	(40,000)
EPBB/PBI/HOPBI Incentives	0	0	6,900,000	0	6,900,000	5,842,318	1,057,682	18 %	4,283,483	(1,558,835)
Battery Storage Incentives	0	0	1,348,100	0	1,348,100	1,834,093	(485,993)	(26) %	745,330	(1,088,763)
Total Program Incentives and Grants	\$ 555,000	\$ 280,000	\$ 8,308,100	\$ 0	\$ 9,143,100	\$ 8,201,411	941,689	11 %	\$ 5,245,156	(2,956,255)
Operating Income/(Loss)	\$ 20,419,275	\$ 8,584,875	\$ (1,130,477)	\$ (1,628,150)	\$ 26,245,523	\$ 15,869,427	10,376,096	65 %	\$ 26,018,339	10,148,912
Non-Operating Expenses										
Interest Expense	0	140,653	1,646,755	0	1,787,408	1,918,737	(131,329)	(7) %	1,654,909	(263,828)
Realized (Gain) Loss	0	0	0	0	0	0	0	0 %	5,608	5,608
Provision for Loan Loss	0	1,800,300	0	0	1,800,300	1,743,163	57,137	3 %	1,218,503	(524,660)
Interest Rate Buydowns-ARRA	0	0	242,000	0	242,000	250,000	(8,000)	(3) %	13,001	(236,999)
Taxes	0	0	0	0	0	0	0	0 %	4,184	4,184
Total Non-Operating Expenses	\$ 0	\$ 1,940,953	\$ 1,888,755	\$ 0	\$ 3,829,708	\$ 3,911,900	(82,192)	(2) %	\$ 2,896,205	(1,015,695)
Net Revenues Over (Under) Expenses	20,419,275	6,643,922	(3,019,232)	(1,628,150)	22,415,814	11,957,527	10,458,288	87 %	23,122,134	11,164,607

•**Compensation and Benefits** – increase of \$3,225,545 representative of 5 new positions (three new team members in financing programs, an additional member of the incentive programs team, and a new position focused on solar and storage contractor outreach).

•**Program Administration** – is due to decrease by \$545,864 driven by the decreased use of Powerclerk for RSIP, progress made on wireless meter replacements, and prior investments made in standing up energy storage solutions.

•**Program Administration (IPC Fee)** – will decrease by 33% as per our agreements with Inclusive Prosperity Capital.

•**Marketing** – we are forecasting a decrease of \$102,355 as we have decreased advertising and outreach focused on ESS to be more targeted.

•**Evaluation, Measurement & Verification** – The decrease of \$445,004 is primarily due to decreased regulatory requests and support needed for ESS.

FY2025 Budget - Expenses



	GenOps Fiscal Year 06/30/2025	Financing Programs Fiscal Year 06/30/2025	Incentive Programs Fiscal Year 06/30/2025	Environmental Infrastructure Fiscal Year 06/30/2025	Fiscal Year 06/30/2025	Fiscal Year 06/30/2024	YOY Budget		Fiscal YTD As of 4/30/2024	Budget vs Actual
	Budget	Budget	Budget	Budget	Budget	Budget	\$ Variance	% Variance	Actual	Variance
Operating Expenses										
Compensation and Benefits										
Employee Compensation	2,780,144	4,812,619	1,986,035	873,074	10,451,872	8,579,823	1,872,049	22 %	5,881,115	(2,698,708)
Employee Benefits	2,414,130	4,202,707	1,731,511	752,107	9,100,456	7,746,960	1,353,496	17 %	4,832,090	(2,914,871)
Total Compensation and Benefits	5,194,274	9,015,326	3,717,546	1,625,181	19,552,328	16,326,783	3,225,545	20 %	10,713,205	(5,613,579)
Cost of Sales Energy Systems	0	0	0	0	0	0	0	0 %	1,590,579	1,590,580
Program Development & Administration	50,000	1,107,988	1,935,000	250,000	3,342,988	3,891,852	(548,864)	(14) %	1,606,435	(2,285,417)
Program Administration-IPC Fee	0	230,586	452,524	0	683,110	1,024,665	(341,555)	(33) %	822,169	(202,497)
Lease Origination Services	0	5,000	0	0	5,000	4,000	1,000	25 %	1,755	(2,245)
Marketing Expense	1,110,070	245,000	213,000	0	1,568,070	1,670,425	(102,355)	(6) %	882,931	(787,493)
E M & V	275,000	60,000	250,000	0	585,000	1,030,004	(445,004)	(43) %	280,982	(749,022)
Research and Development	500,000	0	0	60,000	560,000	458,000	102,000	22 %	141,402	(316,598)
Consulting and Professional Fees										
Consulting/Advisory Fees	426,000	962,634	515,000	0	1,903,634	1,756,365	147,269	8 %	1,131,593	(624,772)
Accounting and Auditing Fees	331,600	0	0	0	331,600	321,350	10,250	3 %	294,910	(26,441)
Legal Fees & Related Expenses	50,000	150,000	10,000	15,000	225,000	250,000	(25,000)	(10) %	131,728	(118,271)
Bond Issuance Costs	0	10,000	0	0	10,000	0	10,000	0 %	7,500	7,500
Total Consulting and Professional Fees	807,600	1,122,634	525,000	15,000	2,470,234	2,327,715	142,519	6 %	1,565,731	(761,984)
Rent and Location Related Expenses										
Rent/Utilities/Maintenance	106,446	184,264	76,041	33,428	400,178	362,848	37,329	10 %	261,495	(101,353)
Telephone/Communication	14,332	24,810	10,238	4,501	53,881	58,980	(5,099)	(9) %	38,267	(20,713)
Depreciation & Amortization	53,313	592,948	38,085	16,742	701,089	685,314	15,776	2 %	575,194	(110,120)
Total-Rent and Location Related Expenses	174,091	802,022	124,364	54,671	1,155,148	1,107,142	48,006	4 %	874,956	(232,186)
Office, Computer & Other Expenses	782,590	819,633	513,231	123,298	2,238,751	2,267,056	(28,305)	(1) %	1,506,158	(760,898)
Total Operating Expenses	8,893,625	13,408,189	7,730,665	2,128,150	32,160,629	30,107,642	2,052,987	7 %	19,986,303	(10,121,339)
Program Incentives and Grants										
Financial Incentives-CGB Grants	555,000	240,000	60,000	0	855,000	485,000	370,000	76 %	216,343	(268,657)
Program Expenditures-Federal Grants	0	40,000	0	0	40,000	40,000	0	0 %	0	(40,000)
EPBB/PBI/HOPBI Incentives	0	0	6,900,000	0	6,900,000	5,842,318	1,057,682	18 %	4,283,483	(1,558,835)
Battery Storage Incentives	0	0	1,348,100	0	1,348,100	1,834,093	(485,993)	(26) %	745,330	(1,088,763)
Total Program Incentives and Grants	\$ 555,000	\$ 280,000	\$ 8,308,100	\$ 0	\$ 9,143,100	\$ 8,201,411	941,689	11 %	\$ 5,245,156	(2,956,255)
Operating Income/(Loss)	\$ 20,419,275	\$ 8,584,875	\$ (1,130,477)	\$ (1,628,150)	\$ 26,245,523	\$ 15,869,427	10,376,096	65 %	\$ 26,018,339	10,148,912
Non-Operating Expenses										
Interest Expense	0	140,653	1,646,755	0	1,787,408	1,918,737	(131,329)	(7) %	1,654,909	(263,828)
Realized (Gain) Loss	0	0	0	0	0	0	0	0 %	5,608	5,608
Provision for Loan Loss	0	1,800,300	0	0	1,800,300	1,743,163	57,137	3 %	1,218,503	(524,660)
Interest Rate Buydowns-ARRA	0	0	242,000	0	242,000	250,000	(8,000)	(3) %	13,001	(236,999)
Taxes	0	0	0	0	0	0	0	0 %	4,184	4,184
Total Non-Operating Expenses	\$ 0	\$ 1,940,953	\$ 1,888,755	\$ 0	\$ 3,829,708	\$ 3,911,900	(82,192)	(2) %	\$ 2,896,205	(1,015,695)
Net Revenues Over (Under) Expenses	20,419,275	6,643,922	(3,019,232)	(1,628,150)	22,415,814	11,957,527	10,458,288	87 %	23,122,134	11,164,607

•**Research and Development** – will increase by \$102,000 and help spark new efforts in Environmental Infrastructure, issuing Carbon Credits, leveraging Artificial Intelligence, and community engagement.

•**Consulting and Professional Fees** – This is proposed to increase by \$147,269. This is driven primarily by two proposed expenses. The first is the need to do a new compensation study after the recent period of wage inflation to benchmark staff salaries and ensure that we are in-line with the market. It has been our practice to do these every 3-5 years and we are due for a new study in FY25 having completed the last study in 2021. The second is a strategic technology consultant.

•**Bond Issuance Costs** – As we do not intend to issue another SHREC backed municipal bond this year, we are not budgeting for any issuance costs at this time. Based off of where rates are, we will revisit this in January.

•**Grants and Incentives** – are projected to be \$9,143,100 (11% increase YOY) for our existing programs while non-operating expenses (e.g., interest expense, provision for loan losses) are projected to be \$ 3,829,708 or a decrease of 2%.

FY2025 Budget – Staffing Plan and Compensation



Duration on / Departal Ending Name	Staffing Budget Hours			Staffing Budget FTEs			Staffing Budget \$s		
	FY25	FY24	YOY Variance	FY25	FY24	YOY Variance	FY25	FY24	YOY Variance
Employees Employed Year Over Year									
Subtotal	90,272	91,000	(728)	43.40	43.75	(0.35)	\$7,109,981	\$6,359,136	\$ 750,845
Employees Hired for Open Positions									
Subtotal	24,544	18,760	5,784	11.80	9.02	2.78	\$1,403,988	\$1,125,000	\$ 278,988
Open Positions - Vacancies									
FY23 - Open-Sr. Accountant	2,080	2,080		1.00	1.00				
FY23 - Open-Senior Manager - EV Carbon Credits	2,080	2,080		1.00	1.00				
FY23 - Open-Assoc Director - Investments	2,080	2,080		1.00	1.00				
FY24 - Open-Manager - Environmental Infrastructure	2,080	900		1.00	0.43				
FY24 - Open-Associate - Environmental Infrastructure	2,080	900		1.00	0.43				
FY24 - Open-Associate - Smart-E	2,080	900		1.00	0.43				
FY24 - Open-Associate Director - GGRF	2,080	520		1.00	0.25				
FY24 - Open-Senior Manager - GGRF	2,080	520		1.00	0.25				
FY24 - Open-Senior Manager - GGRF	2,080	520		1.00	0.25				
FY25 - Open - Manager - Financing Programs	2,080	-		1.00	-				
FY25 - Open - Associate - Financing Programs	2,080	-		1.00	-				
FY25 - Open - Associate - Financing Programs	1,440	-		0.69	-				
FY25 - Open - Associate - Energy Storage Solutions	1,600	-		0.77	-				
FY25 - Open - Senior Associate - Contractor Outreach	2,080	-		1.00	-				
Subtotal	28,000	10,500	17,500	13.46	5.05	8.41	\$1,671,438	\$ 640,885	\$1,030,554
Departing									
Subtotal	-	6,240	(6,240)	-	3.00	(3.00)	\$ -	\$ 260,942	\$ (260,942)
Total Employees	142,816	126,500	16,316	68.66	60.82	7.84	10,185,407	8,385,962	\$1,799,445
Interns									
Total Interns	3,360	2,240	1,120	1.62	1.08	0.54	\$ 120,960	\$ 72,800	\$ 48,160
Total Employees and Interns	146,176	128,740	17,436	70.28	61.89	8.38			
							Compensation Dollars		
Employees							\$9,462,955	\$7,765,987	\$1,696,969
Merit Pool - 5.0%							463,085	315,242	147,843
COLA - 3.5%							259,367	304,734	(45,367)
Promotion Pool - 1.5%							145,506	121,061	24,445
Subtotal Compensation Employees:							10,330,913	8,507,023	1,823,890
Intern Pool							120,960	72,800	48,160
Total Compensation Employees and Interns:							10,451,873	8,579,823	1,872,050

- 5 new positions and 9 currently open positions are the large driver for YOY differences
- 1.5% promotion pool, 3.5% COLA and 5% Merit proposed
 - Wage inflation per BLS is 3.5% YOY
 - With a compensation philosophy of “internally equitable, externally competitive, where do we want to be?”

FY2025 Budget – Strategic Partners



Connecticut Green Bank FY 2025 General Operations Budget - DRAFT Strategic Partners

Partner	Department	RFP	Year of RFP	Work Performed	FY25 Budget	FY24 Budget
New Charter Technologies, LLC	General Operations	Y	2024	IT Outsourcing	\$ 525,000	\$ 525,000
Alter Domus (formerly Cortland)	Financing Programs	Y	2024	CPACE - Loan Servicing	173,650	155,000
Inclusive Prosperity Capital	Multiple	N ⁽¹⁾		Program Execution and Investment Management	683,110	1,024,665
DNV	Multiple	Y	2022	CPACE Technical Administrator; SHREC Due Diligence	225,000	150,000
Guidehouse (formerly Navigant) ⁽²⁾	Incentive Programs	Y	2022	Battery storage EM&V and Technical Support	600,000	600,000
PKF O'Connor Davies	General Operations	Y	2021	Auditing Services - CGB Annual Audit, CGB Green Liberty Notes Annual Audit	100,200	106,000
CliftonLarsonAllen	General Operations		various	Auditing Services/Consulting - SOC2 Audit, CT Solar Lease 2 Audit, Tax Incentive CPA Consulting	150,000	-
C-TEC Solar, LLC	Multiple	Y	2024, 2023	Servicing PPA systems from a technical perspective (operations & maintenance)	3,698,000	1,055,000
GO, LLC	Marketing	Y	2023	Marketing, Paid Media	600,000	625,000
Craftsman Technologies	General Operations	Y	2023	Salesforce Development	200,000	280,000
Strategic Environmental Associates	Financing Programs	Y	2023	Consulting on Carbon Markets and Facilitation of EVCCC	400,000	255,000
Carahsoft	Multiple	N ⁽³⁾		Salesforce and Pardot licensing	175,000	150,000
AEC Solar	Multiple	Y	2024	Servicing PPA systems (operations & maintenance)	700,000	
DCS	Multiple	Y	2024	Servicing PPA systems (operations & maintenance)	700,000	
AlsoEnergy	Multiple	Y	2023	Monitoring for PPA and RSIP systems	1,300,000	1,300,000
Sourceone	Financing Programs	N ⁽⁴⁾		Construction oversight for Department of Correction fuel cell	150,000	
					\$ 10,379,960	\$ 6,225,665

⁽¹⁾ The Board of Directors of the Green Bank, per the Sustainability Strategy Pathway which was approved on December 15, 2017, reviewed and approved a series of agreements between the Green Bank and Inclusive Prosperity Capital on July 27, 2018, July 18, 2019, and June 26, 2020. Per the Comprehensive Plan of the Green Bank, IPC is a strategic partner of the organization.

⁽²⁾ The Green Bank Board of Directors authorized a multi year PSA with Guidehouse for \$1 million in March of 2022. The above request is inclusive of the portion of that PSA that is expected to be spent in FY2024.

⁽³⁾ We are licensing Salesforce and Pardot from Carahsoft under a State of Connecticut agreement that expires on 9/15/2026

⁽⁴⁾ Sourceone was selected by the CT Department of Correction to do the original feasibility assessment for a fuel cell installation and they have been the technical provider for the entire technical development process

Resolution #3



NOW, therefore be it:

WHEREAS, the Board of Directors authorizes Green Bank staff to enter into new or extend existing professional services agreements (PSAs) with the following, contingent upon a competitive bid process having occurred in the last three years (except Inclusive Prosperity Capital and Carahsoft):

- | | |
|---------------------------------------|--|
| I. New Charter Technologies, LLC | IX. GO, LLC |
| II. Alter Domus (formerly Cortland) | X. Craftsman Technologies |
| III. Inclusive Prosperity Capital | XI. Strategic Environmental Associates |
| IV. DNV | XII. Carahsoft |
| V. Guidehouse (formerly Navigant) (2) | XIII. AEC Solar |
| VI. PKF O'Connor Davies | XIV. DCS |
| VII. CliftonLarsonAllen | XV. AlsoEnergy |
| VIII. C-TEC Solar, LLC | XVI. Sourceone |

For fiscal year 2025 with the amounts of each PSA not to exceed the applicable approved budget line item.

RESOLVED, that the Green Bank Board hereby approves: (1) the FY2025 Targets and Budget.

Agenda Item #4bi **Audit, Compliance, and Governance Committee** Legislative Session – 2024 in Review



2024 Legislative Session - "Sine Die"



2024 Legislative Summary

6/14/2024

1 | Page

2024 Legislative Summary

- Highlights legislation that passed and either directly affects the mission of the Green Bank or the Green Bank itself.
- Executive Summary, Clean Energy, Infrastructure, Quasi, General [4b-2024 Connecticut Green Bank - Legislative Session Summary.docx](#)

The Session by the Numbers:

- 174 Public Acts/Special Acts
- 172 Public Acts were signed by Governor Lamont into Law
- 2 Public Acts were vetoed by Governor Lamont

Where we started:

- 742 proposed bills that received a public hearing
- 328 proposed bills that received a JF out of Committee



Clean Energy Legislation



Public Act No. 24-31

House Bill No. 5232: AN ACT CONCERNING SOLAR PROJECTS THROUGHOUT THE STATE.

- *House Omnibus Legislation* - 7 Sections total
- UCT Study, PURA Study on Tariffs (1/1/26) , simplified process for municipal solar canopy deployment, DEEP to include solar siting in next IRP & NRES SCEF expansion (aggregate \$)
- **Green Bank**: C-PACE SIR exemption for renewable energy system expansions, REEEFA - Reporting repealed.

Public Act No. 24-38

Substitute Senate Bill No. 385: AN ACT CONCERNING ENERGY PROCUREMENTS, CERTAIN ENERGY SOURCES AND PROGRAMS OF THE PUBLIC UTILITIES REGULATORY AUTHORITY.

- *Senate Omnibus Legislation* - 8 Sections total
- Authorizes DEEP to solicit 20MW of run-of-the-river hydropower – **Mariana Trief / Green Bank**
- Creates a Solar Consumer Protection Task Force – **Stephanie Attruia / Green Bank**
- Allows PURA to select Green Bank, DEEP, EDC's or Third Parties to administer PURA Programs.

Public Act No. 24-151 - *Bond Bill - (Governor's Bill - HB 5052 incorporated into Sections 173-176)*

House Bill No. 5524: AN ACT AUTHORIZING AND ADJUSTING BONDS OF THE STATE AND CONCERNING PROVISIONS RELATED TO STATE AND MUNICIPAL TAX ADMINISTRATION, GENERAL GOVERNMENT AND SCHOOL BUILDING PROJECTS.

- PURA to open docket to establish a separate tariff for school projects by 1/1/25. 25MW Expansion
- Solar Feasibility Study required before project is eligible, beginning 7/1/25

Public Act No. 24-144

Substitute House Bill No. 5507: AN ACT CONCERNING CERTAIN PROCEEDINGS RELATING TO ELECTRIC TRANSMISSION LINES AND THE MEMBERSHIP AND PROCESSES OF THE CONNECTICUT SITING COUNCIL.

- Council shall evaluate potential noise levels in order to grant a certificate. No inverter/transformer within 200 feet of property line.
- Any material change to site configuration after initial application must notify CSC & each person on record as an owner of property that abuts the proposed facility.

Public Act No. 24-151 (*Bond Bill*)

House Bill No. 5524: AN ACT AUTHORIZING AND ADJUSTING BONDS OF THE STATE AND CONCERNING PROVISIONS RELATED TO STATE AND MUNICIPAL TAX ADMINISTRATION, GENERAL GOVERNMENT AND SCHOOL BUILDING PROJECTS.

- Deep Bonding wish list: \$10 million Solid Waste Reduction (Municipal Food Scrap Diversion), Existing Bonding of \$125 million for loans/grants to retrofit multi-family housing, \$25 million Heat Pump Rebates at point of sale, \$10 million for NEW Climate Resiliency Revolving Loan Fund for municipalities and private entities.

Public Act No. 24-59

Substitute Senate Bill No. 292: AN ACT CONCERNING THE USE OF PFAS IN CERTAIN PRODUCTS.

- Regulates the sale and use of certain products containing PFAS
- By October 1, 2024 bans any biosolid (domestic Sewage) as a soil amendment
- Beginning July 1, 2026 - permits PFAS in certain products if labeled and notice given to DEEP.
- Beginning January 1, 2028 - bans the sale of certain products with intentionally added PFAS

Legislative Process - Next Steps



2024 Legislative Session Report Out:

- June 21, 2024 - Legislative Process Report Out to Green Bank BOD
- June 27, 2024 - Legislative Lunch & Learn for CGB Staff

Special Session - June 26th & 27th / Possible "Lame Duck Session" – November 2024

2025 Legislative Session - Pre-Session:

- July to September - Meetings with Senior Staff/Staff to identify and draft 2025 legislative priorities
- October/November - ACG Committee guidance and direction on proposed legislative agenda
- November – Green Bank BOD review and approval of legislative agenda
- November/December - Outreach to OPM, GOV, State Agencies - Legislators

Outstanding Issues from 2024 to 2025:

- BASA Solar Tax Issue (HB 5232), Hydropower Task Force Recommendations (SB 385)
- SB 11 – Resilience / HB 5004 – Climate Change
- Heat Pump Deployment Plan

Agenda Item #5a **Financing Programs Updates and Recommendations** C-PACE Resilience Guidelines Update



C-PACE Guidelines Update

Roof Improvements



In order to improve the guidelines regarding resilience improvements, we proposed a new requirement that roof replacements/improvements meet a minimum resiliency standard of designing to FORTIFIED Roof standards.

When using the **Standard SIR Technical** approach:

- Roof improvements can still be considered an energy improvement OR a “related cost” to an energy improvement and included in the SIR calculation

When using the **Resilience Technical Standard** approach:

- Roof replacements/improvements must be designed according to the FORTIFIED Roof Standards in order to demonstrate a minimum level of resilience

Resolution #4



NOW, therefore be it:

RESOLVED, the Green Bank Board of Directors (the “Board”) approves the proposed changes to Program Guidelines, substantially in the form of attached to the Memorandum; 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 Program Guidelines.

Board of Directors

Agenda Item #6a **Incentive Programs Updates and Recommendations** Batch #1 – C-Power



Projects Summary

6 Projects

2 Developers

2 Customers

All Eversource

1 on a Grid-Edge Circuit

11.56 MW / 23.12 MWh

\$2.4 M in Upfront Incentives

\$18.2 M in Total Investment

Installation Estimated by 2027

Must be Approved by June 24



Tesla Megapack

Projects Overview – CPower



Customer: Town of Guilford

Operations: Guilford High School is a public 4-year high school with 1,000+ students. The proposed project will improve on-site resiliency and provide utility bill savings to the customer.

System Size: 1,927 kW / 3,584 kWh

Equipment: (1) Tesla Megapack 2 XL

Location: 605 New England Road, Guilford, CT



Image: Guilford High School

CPower – Project Summary



Project Name	City	Customer Class	Priority Customer Adder	Total Battery Cost	Calculated Upfront Incentive	Est. Performance Incentive	Install Year
ESS-00991	Guilford	Large C&I	Grid-Edge	\$1,637,952.00	\$481,750.00	\$1,366,885.00	2027

Upfront Incentive = BESS energy capacity in kWh * applicable incentive rate

Resolution #5



NOW, therefore be it:

RESOLVED, that the Green Bank Board hereby approves the estimated upfront incentives sought by CPower for one non-residential project individually under \$500,000, totaling \$481,750 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.

Board of Directors

Agenda Item #6b

Incentive Programs Updates and Recommendations Batch #2 – Scale Microgrid Solutions



Projects Overview – Scale Microgrids



Customer: Winstanley Enterprises

Operations: Winstanley Enterprises is a commercial real estate investor and developer. The proposed projects are located at an Amazon fulfillment center

System Size: 7,708 kW / 15,416 kWh (total)

Equipment: (4) Tesla Megapack 2 XL

Location: 200 Old Iron Ore Rd., Windsor CT



Image: Amazon fulfillment center, Windsor, CT

Projects Overview – Scale Microgrids



Customer: Winstanley Enterprises

Operations: The proposed project is located at a C&S Wholesale Grocers warehouse. C&S is a national wholesale grocery supplier servicing independent and chain supermarkets.

System Size: 1,927 kW / 3,854 kWh

Equipment: (1) Tesla Megapack 2 XL

Location: 500 North Street, Windsor Locks, CT



Image: C&S Wholesale Grocers Warehouse, Windsor Locks, CT

Scale Microgrids – Project Summary



Project Name	City	Customer Class	Priority Customer Adder	Total Battery Cost	Calculated Upfront Incentive	Est. Performance Incentive	Install Year
ESS-01031	Windsor Locks	Large C&I	None	\$3,954,016.00	\$385,400.00	\$1,366,885.00	2027
ESS-01043	Windsor	Large C&I	None	\$3,159,783.00	\$385,400.00	\$1,366,885.00	2027
ESS-01044	Windsor	Large C&I	None	\$3,159,783.00	\$385,400.00	\$1,366,885.00	2027
ESS-01045	Windsor	Medium C&I	None	\$3,159,783.00	\$460,400.00	\$1,366,885.00	2027
ESS-01046	Windsor	Large C&I	None	\$3,159,783.00	\$385,400.00	\$1,366,885.00	2027

Upfront Incentive = BESS energy capacity in kWh * applicable incentive rate

Resolution #6



NOW, therefore be it:

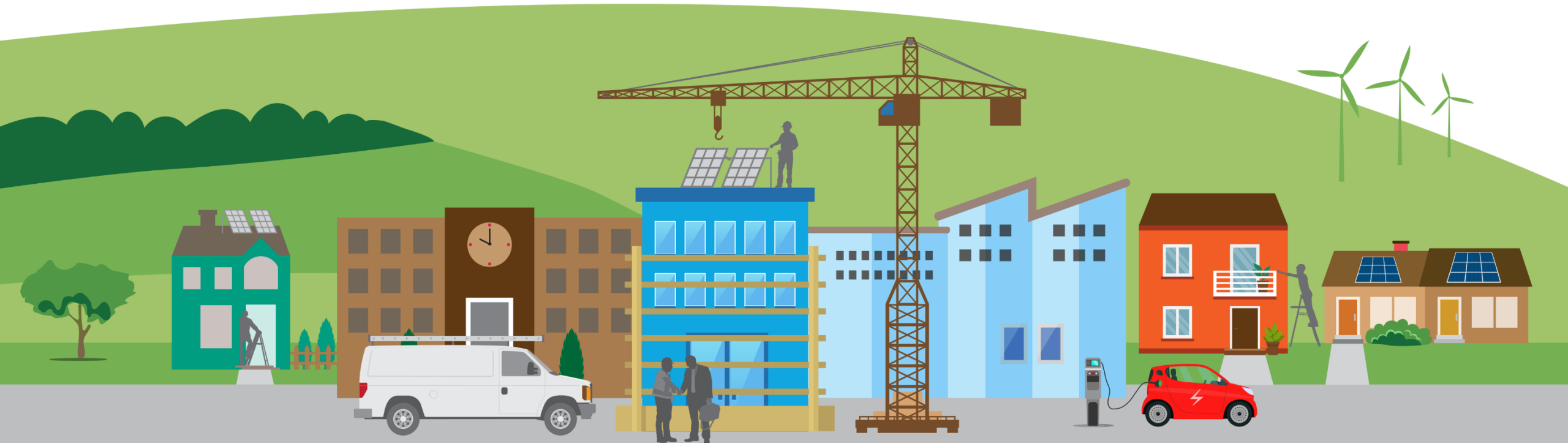
RESOLVED, that the Green Bank Board hereby approves the estimated upfront incentives sought by Scale Microgrid Solutions for five non-residential projects individually under \$500,000, totaling \$2,002,000 consistent with the approved Procedures; and,

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.

Agenda Item #7a

Investment Updates and Recommendations

Smart-E Loan: Linked Deposit Pilot



Smart-E Loan

Single Family Unsecured Loan



smart-e loan

energize CTSM
CONNECTICUT

Market Segment	Residential Single Family (Credit Enhancement – IRB, LLR)
Product Summary	Partnership with thirteen (13) local community banks and credit union to provide easy access to affordable financing for comprehensive clean energy measures, including H&S. 5-20-year terms at rates ranging from 5.99-7.49% for \$500-\$75,000 of borrowing.
Support Needed	<ul style="list-style-type: none"> Provide 2nd Loan Loss Reserve (LLR) up to 7.5% of losses Class A and 15.0% of losses Class B
CT Results	6,316 projects for \$116.3 MM investment, 10.7 MW solar PV, over 85% projects have EE



REFERENCES

Annual Comprehensive Financial Report FY 2022

Context for Linked Deposits Pilot (2023)

- FRB raises interest rates from 0% to a target range of 5.25-5.50% over 14 months – the highest level since Sept 2007 (started March 2022)
- Smart-E “not-to-exceed” rates at the time (May 2023) had been held steady since inception (we did increase rates a bit in September 2023 – see next slide)
- Bank & Credit Union cost of funds were increasing rapidly – with increasing concern with “net interest margin” (one lender advised “program suspension”)
- Deployment approved a “**linked deposits**” approach – placing deposits with certain lenders at a “concessional rate” for a defined period (to June 2024)
- Program achieving goal
 - Retained the lender – loan volume as anticipated (~\$2M as of May)
 - Program cost somewhat higher due to the “higher for longer” interest rates



Program Cost	43,115.86	
May 2023 Memo Estimated Cost	22,361.10	
Additional Program Cost	20,754.76	
Additional Program Cost due to higher STIF	16,418.90	79%
Additional Program Cost due to higher balance	4,335.86	21%

Smart-E Program "Not To Exceed" Rates



Term	Original Smart-E Rate	Current Smart-E Rate
5 Years	4.49%	5.99% (+1.50%)
7 Years	4.99%	5.99% (+1.00%)
10 Years	5.99%	6.99% (+1.00%)
12 Years	6.99%	7.49% (+0.50%)
15 Years	6.99%	7.49% (+0.50%)
20 Years	6.99%	7.49% (+0.50%)

Linked Deposits Pilot Request



- Deployment Committee raised limit from \$2.0M to \$2.5M in May
 - ❑ Limit was close to being breached
 - ❑ Plan was to revisit with Board in June
 - ❑ Current expiration of pilot is June 30 (one lender in program)
- Lender and Green Bank Staff want to continue pilot
 - ❑ Interest rates higher for longer - expect rates to head lower by EOY
 - ❑ Smart-E program still under pressure due to C4C "pause"
- Staff proposal:
 - ❑ Raise limit to \$3.5 from \$2.5M
 - ❑ Extend pilot to end June 30, 2025
 - ❑ Additional participants would require Board consideration
 - ❑ Program cost for FY25 expected to be approx \$66,000 (FY24 ~\$47,000)
 - ❑ (calculated as "opportunity cost" vs deposits in the STIF account)
- Staff highly recommends to avoid any additional market disruptions

Resolution #7



NOW, therefore be it:

RESOLVED, that the Board approves of the extension of the Linked Deposit Pilot to June 30, 2025 and an increase in the “not to exceed” amount from \$2,500,000 to \$3,500,000, to be implemented as described in the Linked Deposit Pilot Memorandum dated June 18, 2024;

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 Linked Deposit Pilot on such terms and conditions as are materially consistent with the Linked Deposit Pilot Memorandum; 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 instruments.

Agenda Item #7B

Investment Updates and Recommendations

Smart-E Loan: Capital for Change



Capital for Change

Smart-E & EE Loan Funding Facility (overview)



- Staff assisting C4C to recapitalize / refinance 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 \$30M in linked facility (3 yr)

		Original	Dec 2022	Oct 2023		Proposed
Subordinate	Green Bank	\$ 4.5M / P +0.5%	\$10M / 4%	\$15M / 4%	Green Bank	\$25M / 4%
Senior	Amalgamated	\$22.5M / Prime Flat	\$15M / 6%	\$15M / 6%	Webster/M&T	\$30M / 6.3%
	TOTAL	\$27M @ 8.6%	\$25M @ 5.2%	\$30M @ 5.0%	TOTAL	\$55M @ 5.25%

- 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 (ongoing)
- 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 (Heat Loan is sunseting 12/31/24)
- 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

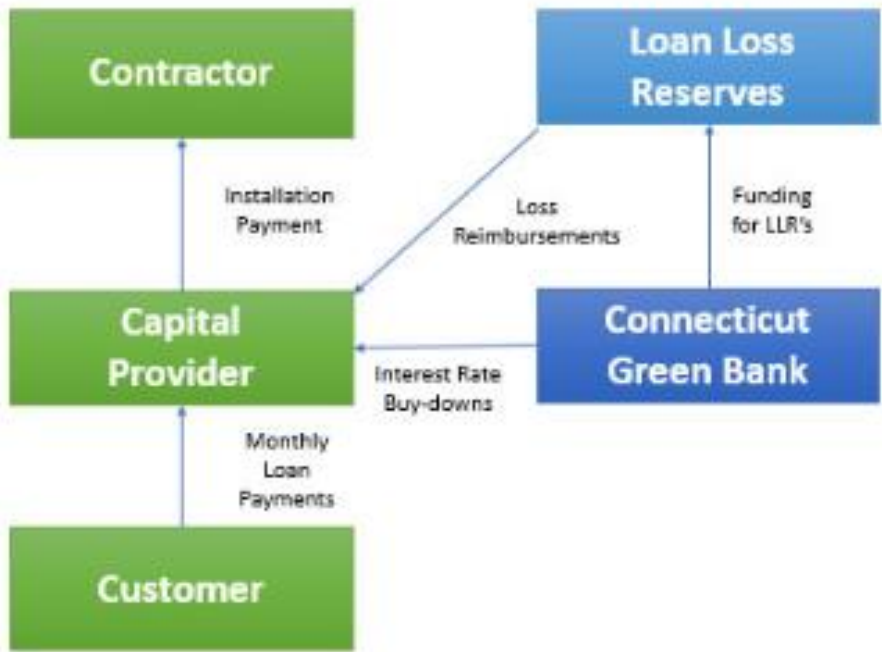
Capital for Change

Smart-E & EE Loan Funding Facility

(program structure / terms)



LEGAL STRUCTURE AND FLOWS OF CAPITAL FOR THE SMART-E LOAN









Smart-E Program "Not To Exceed" Rates







Term	Current Smart-E Rate
5 Years	5.99% (+1.50%)
7 Years	5.99% (+1.00%)
10 Years	6.99% (+1.00%)
12 Years	7.49% (+0.50%)
15 Years	7.49% (+0.50%)
20 Years	7.49% (+0.50%)

Capital for Change

Smart-E & EE Loan Funding Facility (our lenders)



Lender	Rates/Terms	Service Area*	Contact Information
	Loans up to \$50,000 Terms up to 12 years		(203) 729-4442 ionbank.com
	Loans up to \$50,000 Terms up to 20 years		(860) 513-5000 nutmegstatefcu.org
	Loans up to \$50,000 Terms up to 12 years		(860) 889-7381 bankeasternct.com

Lender	Rates/Terms	Service Area*	Contact Information
	Loans up to \$40,000 Terms up to 10 years		(800) 761-2400 mscu.net
	Loans up to \$50,000 Terms up to 10 years		(866) 872-1866 unionsavings.com
	Loans up to \$50,000 Terms up to 15 years		(860) 886-0576 coreplus.org

Capital for Change

Smart-E & EE Loan Funding Facility (summary)



		Original	Dec 2022	Oct 2023		Proposed
Subordinate	Green Bank	\$ 4.5M /P +0.5%	\$10M / 4%	\$15M / 4%	Green Bank	\$25M / 4%
Senior	Amalgamated	\$22.5M /Prime Flat	\$15M / 6%	\$15M / 6%	Webster/M&T	\$30M / 6.3%
	TOTAL	\$27M @ 8.6%	\$25M @ 5.2%	\$30M @ 5.0%	TOTAL	\$55M @ 5.25%

Resolution #8



NOW, therefore be it:

RESOLVED, that the Board approves the CEEFCo Revolving Loan in an amount of up to \$25 million in capital from the Green Bank balance sheet in support of energy efficiency and Smart-E Loans in partnership with Webster Bank and M&T Bank generally consistent with the Revolving Facility 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 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.

Agenda Item #7c **Investment Updates and Recommendations** Green Liberty Notes



Green Liberty Note Extension

Original Approval and Expansion



- Response to an open RFP for Capital Solutions established June 27, 2020:
 - Up to **\$2 million** of “mini-bond” instrument with bond offering prices below \$1,000 (min \$100)
 - Up to **\$250,000** quarterly for up to 2 years
- Expansion in June 2023:
 - Up to **\$2.71M** of “mini-bond” instruments with bond offering prices below \$1,000 (min \$100)
 - Up to **\$350,000** quarterly for **1** year

Green Liberty Note Extension

Ten Successful Issuances (8 in a row – sold out!)



Issuance	Date of Launch	Amount Raised	GLNs Interest Rate	SBEA Tranche Interest Rate
1	December 14 th , 2021	\$190,400	1%	3.26% (average 12/20/18 – 11/17/21)
2	April 13 th , 2022	\$114,335	1.5%	2.36% (3/17/22)
3	July 7 th , 2022	\$250,000	2.5%	4.88% (6/14/22)
4	September 29 th , 2022	\$250,000	3.5%	4.88% (6/14/22)
5	January 9 th , 2023	\$250,000	4.75%	6.39% (10/29/22 and 12/22/22)
6	April 17 th , 2023	\$250,000	4.5%	5.83% (3/20/23)
7	June 26 th , 2023	\$350,000	5.00%	6.39% (6/30/23)
8	September 27 th , 2023	\$350,000	5.25%	6.91% (10/6/23)
9	January 8 th , 2024	\$350,000	5.25%	6.19% (12/21/23)
10	April 15 th , 2024	\$350,000	5.25%	6.46% (3/28/24)

Green Liberty Note Extension

2024 State Leadership in Clean Energy ("SLICE") Award



- Awarded by the **Clean Energy States Alliance (CESA)**
- Judges from: Clean Energy Venture Group, U.S. Department of Energy, International City/County Management Association (ICMA), North Carolina Clean Energy Technology Center, and the Solar Energy Industries Association.

*"The Connecticut Green Bank's Green Liberty Notes Program is innovative and opens the rewards of the clean energy economy to a new community, extending the benefits so everyone can participate. The threshold to entry is low and the return on investment is good. **Other states could adopt this highly replicable and cost-effective program.**"*



Green Liberty Note Extension

Total Investments



Total Investment \$2,704,735

Total Investors >390

Total Investments >750

CT Investments >450

Investments ≤\$1,000 >450

Eight consecutive SOLD OUT issuances

- Continued to sell out issuances after expanding to \$350,000/quarter.

Repayment/Reinvestment

- Repayment process has improved for investors.\
- 1099s were issued this spring
- A second round of reinvestments have provided compounded interest to investors.

Green Liberty Note Extension

Request: Four Additional Issuances



- **Proposed Extension:**
 - Up to a total **\$4.105M** of “mini-bond” instrument with bond offering prices below \$1,000 (min \$100)
 - **\$350,000** quarterly for **1** additional year
 - Backed by Green Bank’s Small Business Energy Advantage (“SBEA”) loan revenues
 - Issued through taxable subsidiary
- **Strategic benefits:**
 - Build upon established success of the program
 - Improve access to green investment opportunities for new investors
 - Enhance Green Bank brand by being one of the few issuers of short-term, green-certified bonds (and the only Green Bank issuer)
 - Improve the investor experience alongside Raise Green a Connecticut based impact investment platform leader

Resolution #9



NOW, therefore be it:

RESOLVED, that the Green Bank is authorized to modify its existing agreement (the "Issuer Agreement") with Raise Green, Inc. an entity registered with and approved by the SEC as a crowdfunding funding portal, to issue bonds in an amount not to exceed \$4,105,000, in quarterly issuances not to exceed \$250,000 for the first six issuances and \$350,000 for the subsequent eight issuances (the "Bonds") under the SEC's Regulation Crowdfunding regulations. The Bonds shall be issued by a subsidiary of CEFIA Holdings and shall be issued by and for the sole purposes of the subsidiary, and shall not be issued by or on behalf of the Green Bank. The proceeds of the Bonds shall be used by the subsidiary to acquire certain loans under the Small Business Energy Advantage program (the "Loans"), and to pay the costs of issuance on the Bonds;

RESOLVED, that the payment of debt service on the Bonds shall be made solely from the revenues from the Loans and other revenues available to the subsidiary. CEFIA Holdings and/the Green Bank are authorized to assign and transfer all or any portion of their rights in the Loans to the subsidiary as security for the payment of the Bonds and the interest thereon. The Green Bank shall not guarantee or pledge any other revenues for the payment of debt service on the Bonds;

RESOLVED, that in connection with the Bonds, the President and any Officer of Green Bank (each, an "Authorized Representative") be, and each of them acting individually hereby is, authorized and directed in the name and on behalf of the Green Bank, to prepare and deliver, or cause to be prepared and delivered, the Issuer Agreement with Raise Green and any other documents required under the SEC's Regulation Crowdfunding, including a Form C, a Subscription Agreement, a Note and any other documents or instruments necessary to complete the Bond issuance, in such form and with such changes, insertions and omissions as may be approved by an Authorized Representative, as he or she deems advisable for the purpose of issuing the Bonds (collectively, the "Financing Documents") and the execution and delivery of said Financing Documents shall be conclusive evidence of any approval required by this Resolution; and,

RESOLVED, that to the extent that any act, action, filing, undertaking, execution or delivery authorized or contemplated by this Resolution has been previously accomplished, all of the same are hereby ratified, confirmed, accepted, approved and adopted by the Board as if such actions had been presented to the Board for its approval before any such action's being taken, agreement being executed and delivered, or filing being effected.

Agenda Item #7d **Investment Updates and Recommendations** Green Bank Capital Solutions



Capital Solutions Open Rolling RFP

Revision to Include Environmental Infrastructure



AN ACT CONCERNING CLIMATE CHANGE ADAPTATION.

"Environmental infrastructure" means structures, facilities, systems, services and improvement projects related to (A) water, (B) waste and recycling, (C) climate adaptation and resiliency, (D) agriculture, (E) land conservation, (F) parks and recreation, and (G) environmental markets, including, but not limited to, carbon offsets and ecosystem services.



Substitute House Bill No. 6441

Public Act No. 21-115

Capital Solutions Open Rolling RFP

Revision to Include Environmental Infrastructure



Environmental Infrastructure Strategy

Expand Program Offerings

Smart-E Resilience
CPACE Resilience

Pursue Bespoke Opportunities

Green Bank Capital
Solutions

Develop Strategic Programs

e.g. Resilience
Improvement Districts

e.g. Bridge lending to
reimbursement grants

Capital Solutions Open Rolling RFP

Revision to Include Environmental Infrastructure



- **Capital Solutions**

- Open RFP to receive requests from the market to finance projects within the scope of our Comprehensive Plan.

- **Prior Investments:** Budderfly, PosiGen

- **Expanded Authority as per 21-115**

- RFP revision includes environmental infrastructure projects to fit our expanded authority

- **Strategic Plan**

- Operates in support of FY24 Comprehensive Plan: *Launch or expand existing financing products for clean energy to support environmental infrastructure*

Resolution #10



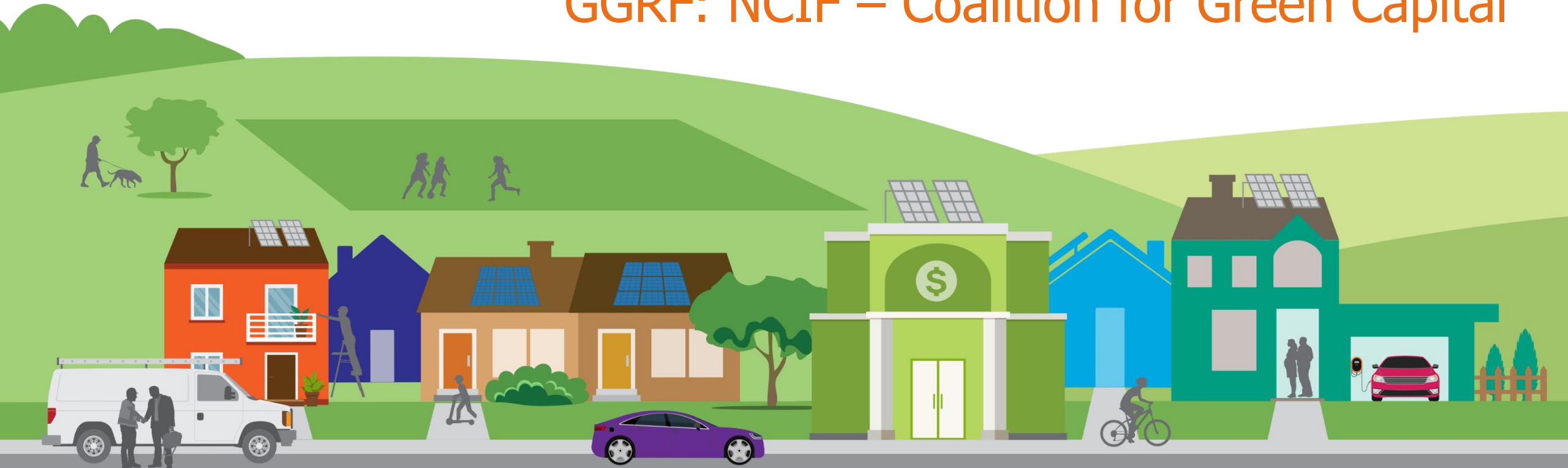
NOW, therefore be it:

RESOLVED, that the Green Bank Board approves of the Capital Solutions Open RFP for Clean Energy and Environmental Infrastructure as described in the June 14, 2024 memorandum to the Green Bank Board.

Board of Directors

Agenda Item #8a **Other Business**

GGRF: NCIF – Coalition for Green Capital



Welcome GGRF Team Growing



Stefanie Keohane
Associate Director of
Greenhouse Gas Reduction Fund

NCIF Awardees

~\$14 Billion



~\$7 billion award



\$5 billion award



\$2 billion award

Coalition for Green Capital (Awardee or Recipient)

CGC is a national 501 (c) 3 nonprofit that has championed a national green bank and the associated network of state and local green finance institutions dedicated to accelerating with public-private investment the move from carbon to clean power, with a focus on low income and disadvantaged communities.

CGC will invest \$5B over two years, to mobilize \$42B-\$63B in private investment (i.e., 10-15x mobilization over 7 years) in ≥55% LIDACs to avoid 95-104 MTCO₂e by 2030.

\$5B final proposal includes pro-rata proportional reduction of 50% (i.e., \$1.8B) to sub-awardees:

- ❑ CT - \$40.8MM (**Subawardee, Subrecipient, or Subgrantee**)
 - ✓ Puerto Rico Green Energy Trust - \$37.8MM (**Participant**)
 - ✓ New Hampshire Community Loan Fund - \$14.9MM (**Participant**)
- ❑ NCIF and CCIA Dispute – EPA holding back 50% of awards until dispute is resolved

NCIF Funding Areas

Updated Based on CGB Allocation



Program	EPA's Priority Funding Areas			Other	Year 1 Targets (\$MM)	Justice 40 Funding Allocation (min%)	Target Mobilization Ratio
	Distributed Energy Generation & Storage	Net-Zero Emissions Buildings	Zero Emissions Transportation				
Environmental Infrastructure				X	\$5	40%	2.0x
Green School Buses			X		\$10	100%	8.5x
Green Resilience Hubs	X	X			\$5	40%	2.5x
Green School Buildings	X	X			\$3.75	60%	8.5x
Green Municipal & Commercial Buildings	X	X			\$6.25	40%	6.5x
Green Homes	X	X			\$10	100%	5.0x
Total					\$40	80%	5.75x

June-July

EPA Terms & Conditions Released
(7/1)

**CGC Sub-Awardee Agreements
finalized (~7/1)**

EPA Implementation Workshops
(June-July)

EPA to implement financial agent
arrangement
(~July)

**EPA planning to obligate 50% of funds
with remainder obligated once dispute
with applicant is resolved**
(early/mid July)

CGB to finalize term sheet
with PR and NH
(July)

August - December

EPA to complete federal recommendation to make awards based on
revised workplan & budget

Federal deadline to obligate funds (Sept. 30th)

EPA to amend Terms & Conditions, as required

EPA to standardize reporting requirements and payments

EPA to update FAQs & other guidance

Resolution #11



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 contract with CGC as a Subgrantee to the winning GGRF NCIF award as outlined in this memo dated June 14, 2024, and as he or she shall deem to be in the interests of the Green Bank;

RESOLVED, that the Board hereby approves of the Green Bank executing a contract with CGC as a Subgrantee to the winning GGRF NCIF award;

RESOLVED, that the Board hereby approves of the Green Bank negotiating contracts with the Participants and are instructed to bring such contracts back to the Board for approval as a Strategic Selection; 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 #9 Adjourn





**BOARD OF DIRECTORS OF THE
CONNECTICUT GREEN BANK**

Regular Meeting Minutes

Friday, April 26, 2024
9:00 a.m. – 12:00 p.m.

A regular meeting of the Board of Directors of the **Connecticut Green Bank** (the “Green Bank”) was held on April 26, 2024.

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

Board Members Absent: Thomas Flynn, Dominick Grant

Staff Attending: Stephanie Attruia, Emily Basham, Priyank Bhakta, Larry Campana, Carrillo, James Desantos, Catherine Duncan, Mackey Dykes, Emma Ellis, Brian Farnen, Bryan Garcia, Sara Harari, Bert Hunter, Alex Kovtunen, Cheryl Lumpkin, Jane Murphy, Ariel Schneider, Eric Shrager, Dan Smith, Mariana Trief, Leigh Whelpton

Others present: David Jaben, Ben Healy, Tom N, and Prad M from PosiGen

1. Call to Order

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

2. Public Comments

- No public comments.

3. Consent Agenda

a. Meeting Minutes of March 15, 2024

Resolution #1

Motion to approve the meeting minutes of the Board of Directors for March 15, 2024.

Upon a motion made by John Harrity and seconded by Brenda Watson, the Board of Directors voted to approve Resolution 1. None opposed and Joanna Wozniak-Brown abstained. Motion approved.

- Bryan Garcia summarized how the changes to the Staff transaction approval process for

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Financing Programs and Energy Storage Solutions has affected the process and gave a brief report-out.

- Bert Hunter added the context that CT Solar Lease 2 was started in 2013 and summarized the history of it. Stephanie Attruia gave an update as to the rewrite-off and restructurings for systems owned by CT Solar Lease 2. There were 30 write-offs and restructurings, 7 of which were terminations and 23 were lease payment restructurings. The terminations were unique cases and were due to extensive critter damage or installer workmanship issues.
 - Bettina Bronisz asked for more information about the 7 terminations for poor workmanship. Stephanie Attruia responded that there were some done by the same installer and explained the issues regarding those installation problems.
 - Lonnie Reed asked how widespread those types of issues are. Stephanie Attruia responded that it is a small percentage of workmanship issues, and they are being addressed as promptly as possible. Bert Hunter noted the Holdback Account which has been helpful for offsetting these types of issues financially, as well an insurance product was put in place to limit risk.
 - Brenda Watson asked customer satisfaction, and if it has waned at all. Stephanie Attruia answered that she does not believe it's gone down overall, and the majority of customers are pleased with the installation and savings it provides. Brian Farnen added though some delays did cause frustrations by those impacted and the team handled it as best as they could.
 - Matthew Ranelli asked for clarification regarding the value calculation in the memo. Stephanie Attruia responded with the specifics of how the calculations were made for the restructurings and write-offs. Bert Hunter added more specifics of how the assets are recorded and depreciated as part of the decision-making process of how to proceed and the calculated write-off value.
 - John Harry asked were there any losses generated out of this or other unresolved disputes. Bert Hunter responded that there were only a handful of more strenuous cases, in which outside counsel was sought for resolution, but for the most part the issues were resolved appropriately. Brian Farnen added that no customer is taking legal action against the CT Green Bank. Bert Hunter also praised Stephanie Attruia for her customer service skills and how she has kept customers up to date as best she can when issues arise.

4. Legislative Process

- James Desantos summarized the updates to the recent legislative session, which had a slow start, though changes are coming along as only 9 days remain for the current session as of the date of this meeting. He then reviewed several of the bills currently being worked on.
- Joanna Wozniak-Brown summarized HB 5052 AA Supporting Solar Energy in Schools, also known as the Governor's Solar Bill. It is going to be incorporated into HB 5347 School Construction Bill going forward though. She then explained what SB 11, known as the Governor's Resiliency Bill, is and what it covers.
 - Matthew Ranelli asked for clarification about the tax increment financing (TIF) part of SB 11, and whether it drills down to special districts that have taxing authority. Joanna Wozniak-Brown responded that she believes it is written based on the municipality but it may be an option, and can look into it further.
 - John Harry commented his frustration at the lack of haste from the legislature in regard to climate change and asked for perspective about legislators' views on climate change. James Desantos responded that although this session seems to be focused

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more on data collection, but he expects the next session will be more active. Joanna Wozniak-Brown added that she believes the budget is tight due to rising healthcare costs which may also be affecting the ability to implement programmatic changes.

5. Financing Programs Updates and Recommendations

a. Progress to Target Update

- Mackey Dykes summarized the progress to targets for the Financing Programs including Commercial Lease projects, C-PACE, Multi-Family Term projects, and SBEA. Overall, the Green Bank is in good shape to meet its goals. He also summarized the progress to vulnerable community deployment, which at this point is over 50% going to those communities.

b. Solar PPA Authorities

- Marianna Trief summarized the proposal for expanded authority in the Solar PPA program which includes to allow for battery storage components, to own and place in service commercial solar and storage projects, apply and monetize state and/or federal incentives, and utilize existing subsidiaries or to create new subsidiaries to own and operate projects.

- Matthew Ranelli asked what the limitations for project and portfolio scale are and criteria for picking projects. Marianna Trief responded that under the Commercial Solar program, projects can be categorized that the Green Bank owns, and under that authority is a \$50 million limit. This proposal is not requesting to expand that at all, however. As for selecting projects, the guiding principle is to intend to sell as many projects as possible to third party owners unless there is a reason not to. She explained further about the nature of the Green Bank's flexibility and position in relation to these types of projects.

- Bettina Bronisz asked for further clarification about the expansion to create new subsidiaries if needed. Marianna Trief answered that the Green Bank is currently in discussion with outside counsel to determine if it is best that the Green Bank owns the projects directly or if an existing or new subsidiary would be the best arrangement to utilize incentives and tax credits in relation to the projects. Bettina Bronisz asked if this would be similar to when the Green Bank created IPC and Marianna Trief said no, they would be disregarded entities owned by the Green Bank, managed by Green Bank staff, and the projects would be managed through the Green Bank's asset management program. Bert Hunter added that the entities are the provided under the Green Bank's enabling statute to better access the capital markets.

- Hank Webster asked if the proposal information has been shared with other agencies and/or the industry to receive feedback on it. Bert Hunter responded that for this specific proposal, no they haven't, but it should be viewed in the context of Solar For All. Mackey Dykes added more context in relation to other industry members. The group discussed the relationship between the Green Bank and this proposal and other groups further.

- John Harrity asked about the cost of a whole house battery, and if a customer were to do solar and a battery, would the costs still be below the grid. Marianna Trief answered that they do not have a big enough sample size to answer definitively but there have been explorations into solar plus storage. However current data suggests that the incentives can partially cover the cost of the battery and then solar would subsidize some of the storage costs. Bryan Garcia added that Marianna's response is for Affordable Housing, but for single family homes it is absolutely cheaper than grid power.

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Matthew Ranelli left the meeting at 10:02 am.

Resolution #2

WHEREAS, the Connecticut Green Bank (“Green Bank”) Board of Directors (the “Board”) has previously approved In the current form of the Program, the Board has previously approved an allocation of \$50 million in funding (subject to the terms in the December 15, 2023 Board approval) for the Commercial Solar Program (the “Program), which allocation may be used for, among other things, development capital expenditures.

WHEREAS, there is a continuing demonstrated need for Green Bank’s long-term ownership of commercial solar assets and newly available ability to monetize associated tax credits as explained in a memorandum submitted to the Green Bank Board of Directors (the “Board”) dated April 19, 2024(the “Board Memo”); and

WHEREAS, the Green Bank is implementing a Sustainability Plan that invests in various clean energy projects and products to generate a return to support its sustainability in the coming years.

NOW, therefore be it:

RESOLVED, that the Board of Directors approves Green Bank’s long-term ownership and operation of commercial solar and storage projects in the state, subject to Program allocation constraints and use cases, as explained in the Board Memo;

RESOLVED, that the President of Green Bank; and any other duly authorized officer of Green Bank, is authorized to execute and deliver, any contract, document or other legal instrument as they shall deem necessary and desirable to develop, construct and own commercial solar and storage projects under the Program 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 instruments.

Upon a motion made by John Harrity and seconded by Adrienne Houël, the Board of Directors voted to approve Resolution 2. None opposed or abstained. Motion approved unanimously.

6. Investment Programs Updates and Recommendations

a. Progress to Target Update

- Eric Shrago summarized the Investment Program targets, which includes over \$12 million committed programmatically and \$26.6 million in non-programmatic investments, leading to a good year so far.

b. PosiGen – US DOE / LPO SEFI (Update)

- Bert Hunter introduced the members of PosiGen present. Ben Healy gave a brief history

Subject to Changes and Deletions

of PosiGen, its DOE-LPO SEFI Syndication, and the current structure and status of negotiations. Bert Hunter added additional information regarding the structure and current progress.

7. Environmental Infrastructure Programs

a. Progress to Target Update

- Leigh Whelpton summarized the progress to the targets for Environmental Infrastructure which continued to be built up.

b. Waste and Recycling – Solar PV and Storage (Update)

- Sara Harari summarized the update with the Waste and Recycling strategies including collective responsibility, scale-up solutions, and supporting the State. She focused on the collective responsibility section including the working group that was assembled to study the issue of solar panel and battery waste and to report the findings back to PURA.

Brenda Watson left the meeting at 10:44 am.

8. Incentive Programs Updates and Recommendations

a. Progress to Target Update

- Sergio Carrillo gave an update to the targets for Incentive Programs, which are overall in good places, either met or exceeded the goals. He also summarized a change to the Energy Storage Solutions program which PURA has requested to be paused to assess the incentive rates. As well, Sunnova and Tesla will be joining the program.
 - Robert Hotaling asked about the evaluation of other ESS providers which are competitors to Sunnova and Tesla and the time to onboard a vendor to the program. Sergio Carrillo stated it takes a couple months to do the full evaluation but the only other vendor the Green Bank is engaged with to onboard at this time is Sunrun.
 - Robert Hotaling asked what the risk of pausing the program is. Sergio Carrillo answered that the expectation is that a new set of incentives will be submitted in June which will be part of the review process and a final decision is expected by the end of November 2024 with a resumption in January 2025.
- Sergio Carrillo reviewed some of the location information for residential and non-residential projects and highlighted that more data is available on the Green Bank website.

9. Other Business

- None

10. Executive Session – Trade Secrets and Commercial and Financial Information

Upon a motion made by John Harrity and seconded by Robert Hotaling, the Board of Directors voted to move into Executive Session at 11:02 am.

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Upon a motion made by John Harrity and seconded by Adrienne Houël, the Board of Directors returned from Executive Session at 11:46 am.

11. Adjourn

Upon a motion made by John Harrity and seconded by Robert Hotaling, the Board of Directors meeting adjourned at 11:47 am.

Respectfully submitted,

Lonnie Reed, Chairperson

CONNECTICUT GREEN BANK

DIRECTOR OF ACCOUNTING AND REPORTING

Position Grade: 18
Direct Reports: As assigned
Salary Range: \$128,723 to \$205,957
Career Series: Corporate

Reports to: EVP, Finance and Administration
Wage Hour Class: Exempt
Hours Worked: 40
Effective Date: June 28, 2024

SUMMARY:

The Connecticut Green Bank (hereafter “Green Bank”) Director of Accounting and Reporting supports the Executive Vice President of Finance and Administration and Green Bank leadership team in managing the financial operations of the organization. This position is accountable for managing the financial accounting, reporting (both internal and external), financial planning and analysis, as well as the day-to-day management of assigned staff.

The Green Bank, a quasi-public authority, is the nation’s first state “Green Bank,” leveraging public and private funds to drive investment and scale up clean energy deployment in Connecticut. Working at the Green Bank means being part of a dynamic team of talented people who are passionate about implementing the new green bank model, stimulating the growth of clean energy in Connecticut, strengthening our economy, and protecting our environment.

EXAMPLES OF DUTIES:

- Recommends, develops, and implements improvements to internal controls, accounting procedures, and other business practices;
- Analyzes and interprets accounting standards, records, and reports;
- Supervises financial reporting (both preparing and reviewing internal and external) and analysis;
- Supervises Accounting staff as assigned;
- Assists with cash management oversight;
- Leads the preparation of budgets and financial forecasts;
- Oversees the annual financial reporting process and the external audits;
- Acts as the primary liaison to state auditors and public auditors; and,
- Performs other related duties as required.

MINIMUM QUALIFICATIONS REQUIRED:

The following minimum qualifications in knowledge, skill, and ability are required:

- Ability to address managerial matters with attention to detail while keeping in mind the larger team and organizational framework;
- Ability to analyze and interpret financial statements;
- Ability to analyze and implement accounting standards;
- Considerable knowledge of business operations and general management and the ability to apply relevant State and federal laws, statutes, and regulations;

- Considerable ability to function effectively as a leader of or a participant in one or more teams;
- Ability to respond flexibly and adapt to changing circumstances;
- Considerable knowledge of the principles, procedures, and applications of accounting information systems;
- Considerable interpersonal skills, including oral and written communications skills, and negotiating skills; and,
- Fluency with the Microsoft Office suite and general accounting software.

EXPERIENCE AND TRAINING:

General Experience:

A Bachelor's degree in accounting and seven (7) to ten (10) years of employment experience in a combination of fiscal and administrative functions (e.g. accounting, budget management, personnel, payroll, purchasing, or other relevant business or management disciplines) with a demonstrated progression of increased responsibilities.

Substitutions Allowed:

1. A master's degree in accounting may be substituted for one (1) additional year of general experience.
2. A certification as a Certified Public Accountant may be substituted for one (1) additional year of general experience.

EMPLOYMENT DETAILS:

- The position reports directly to the Executive Vice President of Finance and Administration.
- This position is based in the Green Bank's Hartford office, with opportunities for some remote work.
- Travel to offsite meetings is required.
- State of CT benefits package, including generous time-off, health insurance covering medical, dental and vision, retirement, tuition reimbursement for continuing education, and paid leave.

PHYSICAL REQUIREMENTS:

- Frequent communications, verbal and written, both qualitative and quantitative
- Visually or otherwise identify, observe, and assess
- Repetitive use of hands and fingers typing and/or writing

PHYSICAL DEMANDS:

The physical demands described here are representative of those that must be met by an employee to successfully perform the essential functions of this job. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions. While performing the duties of this job, the employee is frequently required to sit; use hands to finger, handle, or feel; reach with hands and arms and talk or hear. The employee is

occasionally required to stand and walk. The employee must occasionally lift and/or move up to 20 pounds. Specific vision abilities required by this job include close vision.

WORK ENVIRONMENT:

The work environment characteristics described here are representative of those an employee encounters while performing the essential functions of this job. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions. The noise level in the work environment is usually moderate.

CONNECTICUT GREEN BANK

DIRECTOR OF MARKETING AND COMMUNICATIONS

Position Grade: 18
Direct Reports: As assigned
Salary Range: \$128,723 - \$205,957
Career Series: Corporate

Reports to: Vice President of Operations
Wage Hour Class: Exempt
Hours Worked: 40
Effective Date: June 28, 2024

SUMMARY:

The Connecticut Green Bank's (hereafter "Green Bank") Director of Marketing and Communications is responsible for designing and overseeing the Green Bank's marketing and public relations strategies and initiatives. The Director of Marketing and Communications will support the Green Bank's aggressive customer acquisition goals. Responsible for planning, developing and implementing all of the Green Bank's marketing, communications, and public relations strategies and activities, the Director also provides marketing consultation and assistance to agency leaders. The Director will communicate key messages internally and to the business community and other key stakeholders to raise awareness and visibility of the organization and its products and programs.

The Green Bank, a quasi-public authority, is the nation's first state "Green Bank," leveraging public and private funds to drive investment and scale up clean energy deployment in Connecticut. Working at the Green Bank means being part of a dynamic team of talented people who are passionate about implementing the new green bank model, stimulating the growth of clean energy in Connecticut, strengthening our economy, and protecting our environment.

EXAMPLES OF DUTIES:

- Direct marketing, outreach, and communications staff and operations, as assigned.
- In conjunction with the Associate Director of Marketing and Outreach, co-manage the Green Bank's brand to attract private investment in clean energy and environmental infrastructure in Connecticut.
- Collaborate with program management teams to develop a complex product marketing mix to maximize the marketing budget through the implementation of channel marketing and other strategies.
- Formulate marketing and communications strategies that are in line with the Green Bank's customer acquisition goals. Key audiences and stakeholders include, but are not limited to, the general public, lending partners, contractors, building owners, government, university and business partners, Connecticut agencies, communities and other entities involved with the growth, development and commercialization of clean energy in Connecticut.
- Function as the Green Bank's primary media contact and provide expertise to Green Bank staff in handling media responses.
- Speak/present to key audiences and stakeholders to promote the Green Bank and its programs.
- Oversee content development and content maintenance for various web properties including the Green Bank's website, other product websites and other electronic communications vehicles, including social media.

- Leads the management and organization of external events including exhibits, seminars, networking events and other programs.
- Leads the development of the Green Bank's annual report (and/or other periodic financial performance publication important to stakeholders), program fact sheets, and other marketing collateral materials needed by the organization and its directors and ensure the timeliness of the information.
- Develop robust testing strategies and analytics to support marketing plans and deploy appropriate measurement tools to measure ROI and customer acquisition effectiveness.
- Develop short and long-term plans (including an annual marketing plan) and budgets for marketing of programs, monitor progress, assure adherence, and evaluate performance.
- Supervises and mentors marketing staff, increasing proficiency in strategic marketing, promotional and communication skillsets.
- Perform related duties as required.

MINIMUM QUALIFICATIONS REQUIRED:

The following minimum qualifications in knowledge, skill and ability are required:

- Excellent oral and written communication skills, including the ability to communicate effectively, tactfully, and courteously.
- Strategic thinker with strong planning and execution abilities.
- Strong project management skills and vendor and stakeholder management skills.
- Results-oriented with a track record of driving growth in a competitive environment.
- Proven ability to influence key decision-makers and operate effectively in a matrix organization.
- Some experience in product development.
- Strong relationship management, presentation and communications skills that establish trust, credibility and respect.
- Ability to lead and manage a team.
- Must possess a good balance between strategic skills, relationship management and tactical accountability.
- Must have a demonstrated ability to plan and implement broad-based marketing and communications programs.
- Must have the ability to plan marketing events on time and within budget.
- Knowledge of tactical business development and marketing principles.

EXPERIENCE AND TRAINING:

General Experience:

A bachelor's degree in marketing, communications, or a related field and seven (7) years of experience in marketing and/or business development-related positions, preferably in the financial services sector.

Substitutions Allowed:

A master's degree in marketing, business administration or a related field may be substituted for one (1) additional year of general experience.

EMPLOYMENT DETAILS:

- The position reports directly to the Vice President of Operations.
- This position is based in the Green Bank's Hartford office, with opportunities for some remote work.
- Travel to offsite meetings is required.
- State of CT benefits package, including generous time-off, health insurance covering medical, dental and vision, retirement, tuition reimbursement for continuing education, and paid leave.

PHYSICAL REQUIREMENTS:

- Frequent communications, verbal and written, both qualitative and quantitative
- Visually or otherwise identify, observe, and assess
- Repetitive use of hands and fingers typing and/or writing

PHYSICAL DEMANDS:

The physical demands described here are representative of those that must be met by an employee to successfully perform the essential functions of this job. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions. While performing the duties of this job, the employee is frequently required to sit; use hands to finger, handle, or feel; reach with hands and arms and talk or hear. The employee is occasionally required to stand and walk. The employee must occasionally lift and/or move up to 20 pounds. Specific vision abilities required by this job include close vision.

WORK ENVIRONMENT:

The work environment characteristics described here are representative of those an employee encounters while performing the essential functions of this job. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions. The noise level in the work environment is usually moderate.

CONNECTICUT GREEN BANK

DIRECTOR OF PROGRAM DEVELOPMENT AND ORIGATION, FINANCING PROGRAMS

Position Grade: 18	Reports To: Vice President, Financing Programs
Direct Reports: As assigned	
Salary Range: \$128,723 - \$205,957	Wage Hour Class: Exempt
Career Series: Program	Hours Worked: 40
	Effective Date: June 28, 2024

SUMMARY:

The Connecticut Green Bank (hereafter “Green Bank”) Director of Program Development and Origination, Financing Programs oversees all efforts to (1) identify and develop markets for new and existing Green Bank programs and products and (2) identify and develop project opportunities for existing programs and products.

The Director will be responsible for developing the market for clean energy deployment and Green Bank’s financing products, such as C-PACE, Solar Loan, and the Green Bank Solar Lease, through activities such as contractor training, project development assistance and program design.

The Director will work with property owners, contractors, developers, utilities, municipalities and other partners to identify project opportunities and develop those until the point of submission of an application for Green Bank financing.

Green Bank, a quasi-public authority, is the nation’s first state-level “Green Bank,” leveraging public funds to increase and accelerate private investment in the green economy of Connecticut. Working at the Green Bank means being part of a dynamic team of talented people who are passionate about implementing the green bank model, stimulating the growth and development of clean energy and environmental infrastructure investment in Connecticut, and growing our economy, strengthening our communities, and protecting our environment.

EXAMPLES OF DUTIES:

- Works with property owners, contractors, developers, utilities, municipalities and other partners to identify financing opportunities;
- Recruits contractors for Green Bank financing programs and provides trainings on those programs through comprehensive training programs;
- Works with contractors, developers and property owners to determine appropriate Green Bank programs and provide pricing if appropriate;
- Manages policies and processes for approving contractors for Green Bank products and programs and oversees ongoing compliance with policies;
- Creates development pathways and finds assistance opportunities to facilitate projects reaching the financing application stage;
- Educates stakeholders on Green Bank products and programs;
- Serves as expert on Connecticut clean energy and resiliency markets and works with Financing Programs, marketing, investments, accounting and other internal and external

stakeholders to update existing Green Bank products and develop new products to accelerate clean energy deployment;

- Builds a pipeline of property owners interested in Green Bank products and programs;
- Manages incoming customer inquiries;
- Liaises with utilities to coordinate programs;
- Develops and implements campaigns and initiatives to increase Green Bank product deployment;
- Ensures all operational (i.e. staff and policies) and organizational (i.e. contracting and reporting) requirements are being implemented and carried out;
- Develops and manages the budget and targets and responsible for performance to those targets;
- Supports the development and implementation of consulting services offered to commercial, industrial and institutional end-users in understanding the availability and benefits of clean energy;
- Works with the Department of Energy and Environmental Protection, the Energy Efficiency Board, the Connecticut gas and electric utilities, the Department of Economic and Community Development, as well as other key stakeholders, to align programs where possible and assure Connecticut's energy finance programs take advantage of shared resources and programmatic synergies;
- Regularly updates the Board of Directors, with support from the President and CEO and Executive Vice President and Chief investment Officer on the development of the C-PACE program and new program development to support commercial and industrial facilities;
- Represents Green Bank on appropriate task forces, committees, and boards relevant to clean energy finance;
- Manages the selection of consultants, where necessary, to support the program in areas where Green Bank does not have specific in-house expertise;
- Represents Green Bank to the public in speaking engagements;
- Supervises Green Bank Financing Programs staff as assigned;
- Identifies market gaps as opportunities for new program creation and implementation; and
- Uses historical programmatic and market data to improve existing programs.

MINIMUM QUALIFICATIONS REQUIRED:

The following minimum qualifications in knowledge, skill and ability are required:

- Strong knowledge and experience in clean energy finance and/or policy;
- Familiarity with the finance and energy industries;
- Considerable experience in program/project management;
- Ability to work in a team environment as a lead contributor, manager, and facilitator;
- Strong knowledge of business operations and general management including supervisory experience, including the management of outside contractors;
- Considerable ability to develop programs, manage stakeholder processes toward results, and interpret energy policy;
- Understanding of the interaction in clean energy markets between finance and demand;
- Understanding of the financial decision-making considerations of commercial property owners and managers.

- Demonstrated ability to understand various scientific and energy-related technological principles and applications, and integrate those concepts into the overall project, program, or Green Bank;
- Expertise in scalable models for financing building upgrades through a variety of financial products (ie ESAs, ESCOs, PPAs);
- Ability to work with external stakeholders including strong facilitation, negotiation, and coordination skills;
- Considerable interpersonal skills, as well as oral and written communications skills;
- Ability to market the benefits of C-PACE and other financing programs to potential customers;
- Knowledge of State and Federal energy policies and regulations that support clean energy finance; and
- Familiarity with energy efficiency and clean energy issues and contracts.

EXPERIENCE AND TRAINING:

General Experience:

A Bachelor's Degree (but a Master's degree is preferred) in environmental science, engineering, economics, political science, business administration, real estate, or related field.

Minimum of seven (7) years of experience in energy policy and clean energy finance. Experience supervising staff and working across departments is preferred. Experience working with and facilitating collaborative outcomes with various stakeholder groups in energy policy design and project development.

Special Experience:

Two years of general experience must have been supervising staff involved in project development.

Substitutions Allowed:

1. A master's degree in environmental science, engineering, economics, business administration, real estate, or other related field may be substituted for one additional year of general experience
2. A professional certification in a relevant field may substitute for one additional year of general experience.

EMPLOYMENT DETAILS:

- The position reports directly to the Vice President of Financing Programs.
- This position is based in the Green Bank's Hartford office, with opportunities for some remote work.
- Travel to offsite meetings is required.
- State of CT benefits package, including generous time-off, health insurance covering medical, dental and vision, retirement, tuition reimbursement for continuing education, and paid leave.

PHYSICAL REQUIREMENTS:

- Frequent communications, verbal and written, both qualitative and quantitative
- Visually or otherwise identify, observe, and assess
- Repetitive use of hands and fingers typing and/or writing

PHYSICAL DEMANDS:

The physical demands described here are representative of those that must be met by an employee to successfully perform the essential functions of this job. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions. While performing the duties of this job, the employee is frequently required to sit; use hands to finger, handle, or feel; reach with hands and arms and talk or hear. The employee is occasionally required to stand and walk. The employee must occasionally lift and/or move up to 20 pounds. Specific vision abilities required by this job include close vision.

WORK ENVIRONMENT:

The work environment characteristics described here are representative of those an employee encounters while performing the essential functions of this job. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions. The noise level in the work environment is usually moderate.

CONNECTICUT GREEN BANK

DIRECTOR OF TRANSACTION MANAGEMENT AND C-PACE ADMINISTRATION, FINANCING PROGRAMS

Position Grade: 18

Direct Reports: As assigned

Salary Range: \$128,723 - \$205,957

Hours Worked: 40

Reports To: Vice President, Financing Programs

Wage Hour Class: Exempt

Hours Worked: Exempt

Effective Date: June 28, 2024

SUMMARY:

The Connecticut Green Bank (hereafter "Green Bank"), Director of Transaction Management and C-PACE Administration, Financing Programs, oversees all Financing Programs transactions and the Green Bank's administration of the statewide Commercial Property Assessed Clean Energy ("C-PACE") Program.

The Director will be responsible for managing the closing and disbursement of all Financing Program transactions, including C-PACE, Solar Loan, Green Bank Solar Lease, from application until construction is complete.

As the manager of the Green Bank's administration of the C-PACE Program, the Director will qualify capital providers, review and approve third party capital provider transactions, administer C-PACE billing and collection, and oversee other administrator responsibilities.

The Green Bank, a quasi-public authority, is the nation's first state "Green Bank," leveraging public and private funds to drive investment and scale up clean energy deployment in Connecticut. Working at the Green Bank means being part of a dynamic team of talented people who are passionate about implementing the new green bank model, stimulating the growth of clean energy in Connecticut, strengthening our economy, and protecting our environment.

EXAMPLES OF DUTIES:

- Manages applications for Financing Programs products to closing;
- Develops product disbursement policies and disburses funds for closed projects;
- Works with the Director of Program Development and Origination and other internal and external stakeholders to adapt products and program policies, including the C-PACE guidelines, and develop new products to accelerate the deployment of clean energy and resiliency;
- Works with municipalities to create a C-PACE program that attracts their interest and secures their participation;
- Works with mortgage holders and lenders to secure consent for C-PACE transactions and builds market awareness and willingness to consent;
- Reviews and approves requests from third party capital providers to participate in the C-PACE program, as well as subsequent transactions;
- Manages the C-PACE portfolio, including billing and collection for all transactions and delinquencies for C-PACE transactions;

- In coordination with the leadership of the Financing Programs team, develops and manages the budget and targets and is responsible for performance to those targets;
- Presents projects to the Board of Directors for approval;
- Represents the Green Bank on appropriate task forces, committees, and boards relevant to clean energy finance;
- Manages the selection of consultants, where necessary, to support the program in areas where the Green Bank does not have specific in-house expertise;
- Ensures all operational (i.e. staff and policies) and organizational (i.e. contracting and reporting) requirements are being implemented and carried out;
- Represents The Green Bank to the public in speaking engagements; and
- Supervises the Green Bank Financing Programs staff including assistant directors, senior managers, managers, associates, and assistants.

MINIMUM QUALIFICATIONS REQUIRED:

The following minimum qualifications in knowledge, skill and ability are required:

- Strong knowledge and experience in clean energy finance and/or policy;
- Familiarity with the finance and energy industries;
- Considerable experience in program/project management;
- Ability to work in a team environment as a lead contributor, manager, and facilitator;
- Strong knowledge of business operations and general management including supervisory experience, including the management of outside contractors;
- Considerable ability to develop programs, manage stakeholder processes toward results, and interpret energy policy;
- Understanding of the interaction in clean energy markets between finance and demand;
- Understanding of the financial decision making considerations of commercial property owners and managers.
- Demonstrated ability to understand various scientific and energy-related technological principles and applications, and integrate those concepts into the overall project, program, or the Green Bank;
- Expertise in scalable models for financing building upgrades through a variety of financial products (i.e., ESAs, ESCOs, PPAs);
- Ability to work with external stakeholders including strong facilitation, negotiation, and coordination skills;
- Considerable interpersonal skills, as well as oral and written communications skills;
- Ability to market the benefits of C-PACE and other Green Bank financing programs to potential customers;
- Knowledge of State and Federal energy policies and regulations that support clean energy finance; and
- Familiarity with energy efficiency and clean energy issues and contracts.

EXPERIENCE AND TRAINING:

General Experience:

A Bachelor's Degree (but a Master's degree is preferred) in environmental science, engineering, economics, political science, business administration, real estate, or related field.

Minimum of seven (7) years of experience in energy policy and clean energy finance. Experience supervising staff and working across departments is preferred. Experience working with and facilitating collaborative outcomes with various stakeholder groups in energy policy design and project development.

Special Experience:

Two years of general experience must have been supervising staff or stakeholders involved in project development.

Substitutions Allowed:

1. A master's degree in environmental science, engineering, economics, business administration, real estate, or other related field may be substituted for one additional year of the general experience
2. A professional certification in a relevant field may substitute for one additional year of experience

EMPLOYMENT DETAILS:

- The position reports directly to the Vice President of Financing Programs.
- This position is based in the Green Bank's Hartford office, with opportunities for some remote work.
- Travel to offsite meetings is required.
- State of CT benefits package, including generous time-off, health insurance covering medical, dental and vision, retirement, tuition reimbursement for continuing education, and paid leave.

PHYSICAL REQUIREMENTS:

- Frequent communications, verbal and written, both qualitative and quantitative;
- Visually or otherwise identify, observe, and assess;
- Repetitive use of hands and fingers typing and/or writing.

PHYSICAL DEMANDS:

The physical demands described here are representative of those that must be met by an employee to successfully perform the essential functions of this job. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions. While performing the duties of this job, the employee is frequently required to sit; use hands to finger, handle, or feel; reach with hands and arms and talk or hear. The employee is occasionally required to stand and walk. The employee must occasionally lift and/or move up to 20 pounds. Specific vision abilities required by this job include close vision.

WORK ENVIRONMENT:

The work environment characteristics described here are representative of those an employee encounters while performing the essential functions of this job. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions. The noise level in the work environment is usually moderate.

Memo

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

From: Sergio Carrillo (Managing Director of Incentive Programs), Mackey Dykes (VP of Incentive Programs and Officer), Bryan Garcia (President and CEO), and Bert Hunter (EVP and CIO)

CC: Brian Farnen (General Counsel and CLO), Jane Murphy (EVP of Finance and Administration), and Eric Shrago (VP of Operations)

Date: June 18, 2024

Re: Approval of Financing Programs and Energy Storage Solutions Projects Funding Requests below \$500,000 and No More in Aggregate than \$1,000,000 – Update

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.

The Green Bank BOD further revised the approval process to create separate aggregate amounts for the Financing and Energy Storage Solutions (“ESS”) programs as described in the memorandum to the Board dated January 19, 2024.

This memo provides an update on Financing Programs and ESS project funding requests below \$500,000 that were evaluated and approved. During this period, for Financing Programs, no projects were evaluated and approved for funding. And, during this period, for ESS, 7 projects were evaluated and approved for funding in an aggregate amount of approximately \$885,100.

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.

Project Number	Contractor Account	Utility Company	City	Annual Peak Demand (kW)	Total System Power (kW)	Total System Capacity (kWh)	Total Battery Cost	Estimated Upfront Incentive	Install Year
ESS-00990	CPower	Eversource	Stamford	1,644	1,927.0	3,854.0	\$1,637,952	\$385,400	2027
ESS-01014	Daisy Solutions, LLC	UI	Trumbull	322	15.8	35.0	\$67,500	\$6,125	2025
ESS-01028	Daisy Solutions, LLC	UI	Trumbull	322	90.0	200.0	\$295,500	\$35,000	2025
ESS-01029	Daisy Solutions, LLC	UI	Bridgeport	210	49.1	109.0	\$154,500	\$19,075	2025
ESS-01036	Earthlight Technologies, LLC	Eversource	Pomfret	669	500.0	1,760.0	\$1,850,000	\$220,000	2025
ESS-01038	Earthlight Technologies, LLC	UI	Milford	180	250.0	880.0	\$935,000	\$214,500	2025
ESS-01070	City of Bridgeport	UI	Bridgeport	95	6.8	20.0	\$18,400	\$5,000	2024
					2,838.6	6,858.0		\$885,100	

Energy Storage Solution Program

Upfront Incentive Application

Project Description	Installation of a 90 kW / 200 kWh battery storage system to reduce electric bills and provide backup power to the facility during power outages.
----------------------------	--

Customer / Site information

Customer Name	Cooperative Educational Services
Address	25 Oakview Dr, Trumbull
Business Purpose	Special Education
Incentive Application No.	ESS-01028
Incentive Application Date	5/29/2024
Customer Peak Demand (kW)	322
Customer Class (S / M / L)	Medium C&I
Project Developer / Installer	Daisy Solutions, LLC

Program Eligibility

Critical Facility	No
Small Business	No
Onsite Fossil Fuel Generator	No
Grid Edge Customer	No
Participation in FCM Allowed	No
Participation in FCM Declared	No
Resiliency Plan on File (N/A if Grid Edge Customer)	N/A

Battery Energy Storage System (BESS) Characteristics

System Configuration	Paired with new on-site generation
Expected Program Participation	Active and Passive
BESS Make / Model	Yotta SL-1000
BESS Power Rating (kW)	90
BESS Energy Capacity (kWh)	200
BESS Technology Approval Status	Pre-Approved
Power Rating to Peak Demand Ratio	0.28
Interconnection Application Filed	Yes
Interconnection Study Required	TBD
Estimated Project Cost	\$295,500.00

Benefit / Cost Ratios

RIM – Ratepayer Impact Measure	2.11
PCT – Participant Cost Test	0.7
PACT – Program Administrator Cost Test	2.86
SCT – Societal Cost Test	1.09
TRC – Total Resource Cost Test	1.09
CTET – CT Efficiency Test	2.86

Upfront Incentive Information

Incentive Application Status	<ul style="list-style-type: none"> ▪ Application Submitted ▪ Approved Reservation of Funds Letter (ROF) ▪ Approved Confirmation of Funds Letter (COF)
Incentive Calculation Method	Tiered Incentive
Estimated Upfront Incentive	\$35,000.00

Energy Storage Solution Program

Upfront Incentive Application

Project Description	Installation of a 49.05 kW / 109 kWh battery storage system to reduce electric bills and provide backup power to the facility during power outages.
----------------------------	---

Customer / Site information

Customer Name	Cooperative Educational Services
Address	700 Palisade Ave, Bridgeport
Business Purpose	Education (in development)
Incentive Application No.	ESS-01029
Incentive Application Date	5/28/2024
Customer Peak Demand (kW)	210
Customer Class (S / M / L)	Medium C&I
Project Developer / Installer	Daisy Solutions, LLC

Program Eligibility

Critical Facility	No
Small Business	No
Onsite Fossil Fuel Generator	No
Grid Edge Customer	No
Participation in FCM Allowed	No
Participation in FCM Declared	No
Resiliency Plan on File (N/A if Grid Edge Customer)	N/A

Battery Energy Storage System (BESS) Characteristics

System Configuration	Paired with new on-site generation
Expected Program Participation	Active and Passive
BESS Make / Model	Yotta SL-1000
BESS Power Rating (kW)	49.05
BESS Energy Capacity (kWh)	109
BESS Technology Approval Status	Pre-Approved
Power Rating to Peak Demand Ratio	0.23
Interconnection Application Filed	Yes
Interconnection Study Required	TBD
Estimated Project Cost	\$154,500.00

Benefit / Cost Ratios

RIM – Ratepayer Impact Measure	2.11
PCT – Participant Cost Test	0.72
PACT – Program Administrator Cost Test	2.86
SCT – Societal Cost Test	1.14
TRC – Total Resource Cost Test	1.14
CTET – CT Efficiency Test	2.86

Upfront Incentive Information

Incentive Application Status	<ul style="list-style-type: none"> ▪ Application Submitted ▪ Approved Reservation of Funds Letter (ROF) ▪ Approved Confirmation of Funds Letter (COF)
Incentive Calculation Method	Tiered Incentive
Estimated Upfront Incentive	\$19,075.00

Energy Storage Solution Program Upfront Incentive Application

Project Description	Installation of a 500 kW / 1760 kWh battery storage system to reduce electric bills and provide backup power to the facility during power outages.
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Customer / Site information

Customer Name	Hull Forest Products, Inc.
Address	101 Hampton Rd, Pomfret
Business Purpose	Lumber Mill / Wood Products
Incentive Application No.	ESS-01036
Incentive Application Date	5/28/2024
Customer Peak Demand (kW)	668.9
Customer Class (S / M / L)	Large C&I
Project Developer / Installer	Earthlight Technologies, LLC

Program Eligibility

Critical Facility	No
Small Business	No
Onsite Fossil Fuel Generator	No
Grid Edge Customer	Yes
Participation in FCM Allowed	No
Participation in FCM Declared	No
Resiliency Plan on File (N/A if Grid Edge Customer)	Yes

Battery Energy Storage System (BESS) Characteristics

System Configuration	Standalone (not paired with any generating source)
Expected Program Participation	Active and Passive
BESS Make / Model	ELM Fieldsight Battery + Dynapower Inverter
BESS Power Rating (kW)	500
BESS Energy Capacity (kWh)	1760
BESS Technology Approval Status	Pre-Approved
Power Rating to Peak Demand Ratio	0.75
Interconnection Application Filed	Yes
Interconnection Study Required	TBD
Estimated Project Cost	\$1,850,000.00

Benefit / Cost Ratios

RIM – Ratepayer Impact Measure	3.1
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PCT – Participant Cost Test	0.61
PACT – Program Administrator Cost Test	3.96
SCT – Societal Cost Test	1.34
TRC – Total Resource Cost Test	1.34
CTET – CT Efficiency Test	3.95

Upfront Incentive Information

Incentive Application Status	<ul style="list-style-type: none"> ▪ Application Submitted ▪ Approved Reservation of Funds Letter (ROF) ▪ Approved Confirmation of Funds Letter (COF)
Incentive Calculation Method	Tiered Incentive
Estimated Upfront Incentive	\$220,000.00

Energy Storage Solution Program

Upfront Incentive Application

Project Description	Installation of a 250 kW / 880 kWh battery storage system to reduce electric bills and provide backup power to the facility during power outages.
----------------------------	---

Customer / Site information

Customer Name	A S Realty LLC
Address	354 North Street, Milford
Business Purpose	Warehouse (in development)
Incentive Application No.	ESS-01038
Incentive Application Date	5/29/2024
Customer Peak Demand (kW)	180
Customer Class (S / M / L)	Small C&I
Project Developer / Installer	Earthlight Technologies, LLC

Program Eligibility

Critical Facility	No
Small Business	Yes
Onsite Fossil Fuel Generator	No
Grid Edge Customer	No
Participation in FCM Allowed	No
Participation in FCM Declared	No
Resiliency Plan on File (N/A if Grid Edge Customer)	N/A

Battery Energy Storage System (BESS) Characteristics

System Configuration	Paired with existing on-site generation
Expected Program Participation	Active and Passive
BESS Make / Model	ELM Fieldsight Battery + Dynapower Inverter
BESS Power Rating (kW)	250
BESS Energy Capacity (kWh)	880
BESS Technology Approval Status	Pre-Approved
Power Rating to Peak Demand Ratio	1.39
Interconnection Application Filed	Yes
Interconnection Study Required	TBD
Estimated Project Cost	\$935,000.00

Benefit / Cost Ratios

RIM – Ratepayer Impact Measure	2.04
PCT – Participant Cost Test	0.84
PACT – Program Administrator Cost Test	2.8
SCT – Societal Cost Test	1.54
TRC – Total Resource Cost Test	1.54
CTET – CT Efficiency Test	2.8

Upfront Incentive Information

Incentive Application Status	<ul style="list-style-type: none"> ▪ Application Submitted ▪ Approved Reservation of Funds Letter (ROF) ▪ Approved Confirmation of Funds Letter (COF)
Incentive Calculation Method	Tiered Incentive
Estimated Upfront Incentive	\$214,500.00

Energy Storage Solution Program Upfront Incentive Application

Project Description	Installation of a 6.8 kW / 20 kWh battery storage system to reduce electric bills and provide backup power to the facility during power outages.
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Customer / Site information

Customer Name	City of Bridgeport
Address	30 Congress St, Bridgeport
Business Purpose	Bridgeport Fire Station
Incentive Application No.	ESS-01070
Incentive Application Date	5/22/2024
Customer Peak Demand (kW)	94.5
Customer Class (S / M / L)	Small C&I
Project Developer / Installer	City of Bridgeport

Program Eligibility

Critical Facility	Yes
Small Business	Yes
Onsite Fossil Fuel Generator	No
Grid Edge Customer	No
Participation in FCM Allowed	No
Participation in FCM Declared	No
Resiliency Plan on File (N/A if Grid Edge Customer)	In Progress

Battery Energy Storage System (BESS) Characteristics

System Configuration	Standalone (not paired with any generating source)
Expected Program Participation	Active and Passive
BESS Make / Model	Cadenza CI-48400 + Schneider Electric Inverter
BESS Power Rating (kW)	6.8
BESS Energy Capacity (kWh)	20
BESS Technology Approval Status	Pre-Approved
Power Rating to Peak Demand Ratio	0.07
Interconnection Application Filed	Yes
Interconnection Study Required	TBD
Estimated Project Cost	\$18,400.00

Benefit / Cost Ratios

RIM – Ratepayer Impact Measure	1.98
PCT – Participant Cost Test	0.79
PACT – Program Administrator Cost Test	2.7
SCT – Societal Cost Test	1.41
TRC – Total Resource Cost Test	1.41
CTET – CT Efficiency Test	2.7

Upfront Incentive Information

Incentive Application Status	<ul style="list-style-type: none"> ▪ Application Submitted ▪ Approved Reservation of Funds Letter (ROF) ▪ Approved Confirmation of Funds Letter (COF)
Incentive Calculation Method	Tiered Incentive
Estimated Upfront Incentive	\$5,000.00

Energy Storage Solution Program Upfront Incentive Application

Project Description	Installation of a 15.75 kW / 35 kWh battery storage system to reduce electric bills and provide backup power to the facility during power outages.
----------------------------	--

Customer / Site information

Customer Name	Cooperative Educational Services
Address	23 Oakview Dr, Trumbull
Business Purpose	Regional Center for the Arts
Incentive Application No.	ESS-01014
Incentive Application Date	5/28/2024
Customer Peak Demand (kW)	322
Customer Class (S / M / L)	Medium C&I
Project Developer / Installer	Daisy Solutions, LLC

Program Eligibility

Critical Facility	No
Small Business	No
Onsite Fossil Fuel Generator	No
Grid Edge Customer	No
Participation in FCM Allowed	No
Participation in FCM Declared	No
Resiliency Plan on File (N/A if Grid Edge Customer)	N/A

Battery Energy Storage System (BESS) Characteristics

System Configuration	Paired with new on-site generation
Expected Program Participation	Active and Passive
BESS Make / Model	Yotta SL-1000
BESS Power Rating (kW)	15.75
BESS Energy Capacity (kWh)	35
BESS Technology Approval Status	Pre-Approved
Power Rating to Peak Demand Ratio	0.05
Interconnection Application Filed	Yes
Interconnection Study Required	TBD
Estimated Project Cost	\$67,500.00

Benefit / Cost Ratios

RIM – Ratepayer Impact Measure	2.11
PCT – Participant Cost Test	0.61
PACT – Program Administrator Cost Test	2.86
SCT – Societal Cost Test	0.86
TRC – Total Resource Cost Test	0.86
CTET – CT Efficiency Test	2.86

Upfront Incentive Information

Incentive Application Status	<ul style="list-style-type: none"> ▪ Application Submitted ▪ Approved Reservation of Funds Letter (ROF) ▪ Approved Confirmation of Funds Letter (COF)
Incentive Calculation Method	Tiered Incentive
Estimated Upfront Incentive	\$6,125.00

Energy Storage Solution Program Upfront Incentive Application

Project Description	Installation of a 1927 kW / 3854 kWh battery storage system to reduce electric bills and provide backup power to the facility during power outages.
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Customer / Site information

Customer Name	Stamford Town Center, LLC
Address	110 Greyrock Pl, Stamford
Business Purpose	Shopping Mall
Incentive Application No.	ESS-00990
Incentive Application Date	5/31/2024
Customer Peak Demand (kW)	1644
Customer Class (S / M / L)	Large C&I
Project Developer / Installer	CPower

Program Eligibility

Critical Facility	No
Small Business	No
Onsite Fossil Fuel Generator	No
Grid Edge Customer	No
Participation in FCM Allowed	No
Participation in FCM Declared	No
Resiliency Plan on File (N/A if Grid Edge Customer)	N/A

Battery Energy Storage System (BESS) Characteristics

System Configuration	Standalone (not paired with any generating source)
Expected Program Participation	Active and Passive
BESS Make / Model	Tesla Megapack 2-XL
BESS Power Rating (kW)	1927
BESS Energy Capacity (kWh)	3854
BESS Technology Approval Status	Pre-Approved
Power Rating to Peak Demand Ratio	1.17
Interconnection Application Filed	Yes
Interconnection Study Required	Yes
Estimated Project Cost	\$1,637,952.00

Benefit / Cost Ratios

RIM – Ratepayer Impact Measure	3.5
PCT – Participant Cost Test	1.23
PACT – Program Administrator Cost Test	4.27
SCT – Societal Cost Test	3.08
TRC – Total Resource Cost Test	3.09
CTET – CT Efficiency Test	4.26

Upfront Incentive Information

Incentive Application Status	<ul style="list-style-type: none"> ▪ Application Submitted ▪ Approved Reservation of Funds Letter (ROF) ▪ Approved Confirmation of Funds Letter (COF)
Incentive Calculation Method	Tiered Incentive
Estimated Upfront Incentive	\$385,400.00



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), Tyler Rubega (Senior Accountant), and Dan Smith (Associate Director of Financial Reporting)

Date: June 14, 2024

Re: Q3 of FY24 Financial Package (Abridged)

Overview

Following on the recommendation of the Chair¹ of and discussions with the Audit, Compliance, and Governance Committee ("ACG Committee")² and Board of Directors,³ we are continuing to provide an 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,⁴ (2) mobilizing private investment,⁵ (3) achieving sustainability,⁶ 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.

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, with Dominick Grant's home town, we have provided a link to the impact metrics the Green Bank has made for Middlefield:

"The Green Bank has enabled \$4,509,973 of investment in clean energy in Middlefield helping 129 families and businesses reduce the burden of energy costs while creating 6 job years in our communities and avoiding 18,243 tons of CO2 emissions causing global climate change."⁷

¹ Tom Flynn

² May 17, 2022 ACG Committee meeting – [click here](#)

³ June 24, 2022 BOD meeting – [click here](#)

⁴ 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.

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

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

⁷ May 10, 2024

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.

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 capital investment partners.

There is an increase in total assets in Q3 from \$263.9 million to \$270.7 million (i.e., increase of \$6.8 million from Q2), with specific growth in investments in program loans of \$21.5 million during the quarter. The total liabilities slightly increased in Q3 from \$113.2 million to \$113.8 million (i.e., increase of \$0.6 million from Q2). In Q3 of FY24, public revenues were invested in 265 loans closed totaling \$14.2 million.

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 Q3 of FY24 is that earned revenues (i.e., \$21.1 million⁸) are not only ahead of budget, but continue to exceed personnel related operating expenses (i.e., \$9.6 million), as well as total operating expenses (i.e., \$17.1 million). These are continuing trends as the Green Bank makes steady progress towards organizational sustainability as planned in FY18.⁹

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., 59.6%) 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 Q3 of FY24 is that the Green Bank paid the State of Connecticut nearly \$1.9 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.

Conclusion

For those interested in further details beyond the “Abridged” version of the Q3 of FY24 financial package, see the “Comprehensive” version attached.

⁸ Less the \$0.6 MM in Energy System Sales noted in the statement footnotes

⁹ December 15, 2017 BOD meeting – [click here](#)



Connecticut Green Bank

March 2024 Quarterly Financial Package
(Abridged)

Connecticut Green Bank
March 2024 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.


HOME SOLUTIONS




BUILDING SOLUTIONS



INVESTMENT SOLUTIONS



CONTRACTOR SOLUTIONS



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.

CGB-Primary Government Mobilizing Private Investment Balance Sheet

		CGB-Primary Government As of 3/31/2024	CGB-Primary Government As of 06/30/2023	CGB-Primary Government YTD \$ Change
Assets				
Current Assets				
Cash and Cash Equivalents (1)	{a}	35,037,679	37,225,614	(2,187,935)
Due From Component Units (SL2/SL3/CSS)	{b}	50,134,542	59,088,724	(8,954,182)
Other Current Assets	{c}	8,841,127	9,614,984	(773,857)
Total Current Assets		94,013,348	105,929,322	(11,915,974)
Noncurrent Assets				
Program Loans/Notes Receivable and Other Investments	{d}	137,974,094	116,497,356	21,476,738
Capital Assets, net	{e}	14,704,693	15,164,675	(459,982)
Restricted Assets (1)	{f}	24,050,833	19,243,259	4,807,574
Total Noncurrent Assets		176,729,620	150,905,290	25,824,330
Total Assets		270,742,968	256,834,612	13,908,356
Liabilities				
Current Liabilities	{g}	14,770,398	14,068,418	701,980
Noncurrent Liabilities				
Bonds Payable-SHREC ABS 1	{h}	18,344,368	19,899,482	(1,555,114)
Bonds Payable-Green Liberty Bonds	{i}	34,353,000	37,163,000	(2,810,000)
Total RSIP Bonds Payable		52,697,368	57,062,482	(4,365,114)
Bonds Payable-CREBs	{j}	8,566,963	9,272,525	(705,562)
Notes Payable-CGB (GLN)		0	2,742,250	(2,742,250)
Lease Liability	{k}	2,088,417	2,088,417	0
Pension & OPEB Liabilities	{l}	35,674,586	35,674,586	0
Total Noncurrent Liabilities		99,027,334	106,840,260	(7,812,926)
Total Liabilities		113,797,732	120,908,678	(7,110,946)
Deferred Inflows of Resources	{m}	3,981,219	3,981,219	0
Total Net Position		152,964,017	131,944,715	21,019,302

(1) The \$35.0M unrestricted balance at 3/31/2024 was 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 3/31/24, unfunded and committed Solar PV incentives related to the RSIP program totaled approximately \$15.8M, to be paid to third parties over the next five fiscal years using the proceeds from these two bond issuances. Additionally, \$6.8M of RGGI funds are committed to Class 1 Renewable projects under the Regional Greenhouse Gas Initiative and not yet spent as of 3/31/24.

	Actual	Adj for RSIP/RGGI Commitments	Total
Cash - Unrestricted	\$ 35,037,679	\$ (22,600,000)	\$ 12,437,679
Cash - Restricted	24,050,833	22,600,000	46,650,833
Total Cash	\$ 59,088,512	\$ -	\$ 59,088,512

* 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 7/1/2023 Through 3/31/2024			
		Actual	Budget	Variance	Prior Year Actual Variance
Total Revenues					
Public Revenues	{a}	24,257,216	24,118,579	138,637	25,488,633 (1,231,417)
Earned Revenues (**)	{b}	21,133,980	18,555,420	2,578,560	21,565,727 (431,747)
Total Revenues		45,391,196	42,673,999	2,717,197	47,054,360 (1,663,164)
Total Operating Expenses					
Personnel Related Operating Expenses	{c}	9,625,864	11,631,014	(2,005,150)	8,196,127 1,429,737
Non-Personnel Related Operating Expenses (**)	{d}	7,462,624	10,260,639	(2,798,015)	11,196,897 (3,734,273)
Total Operating Expenses		17,088,488	21,891,653	(4,803,165)	19,393,024 (2,304,536)
Margin (\$) - All Revenues		28,302,708	20,782,346		27,661,336
Margin (%) - All Revenues		62.4%	48.7%		58.8%
 Margin (\$) - Pre Public Revenues		 4,045,492	 (3,336,233)		 2,172,703
Margin (%) - Pre Public Revenues		8.9%	-7.8%		4.6%
 Total Non-Operating Expenses					
Program Incentives and Grants	{e}	4,568,486	5,864,411	(1,295,925)	4,875,831 (307,345)
Non-Operating Expenses	{f}	2,714,920	2,900,440	(185,520)	3,471,892 (756,972)
Total Non-Operating Expenses		7,283,406	8,764,851	(1,481,445)	8,347,723 (1,064,317)
Total Expenses		24,371,894	30,656,504	(6,284,610)	27,740,747 (3,368,853)
Net Margin (\$) - All Revenues (*)		21,019,302	12,017,495	9,001,807	19,313,613 1,705,689
Net Margin (%) - All Revenues		46.3%	28.2%		41.0%

* 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 \$0.6M 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 \$0.3M in similar items in the same period of the fiscal year. 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 & Battery Storage 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
March 31, 2024

	FYTD 3/31/24 Actual	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
<u>Compensation:</u>	\$ 5,290,406	\$ 5,902,859	\$ 4,813,293	\$ 4,476,214	\$ 3,931,596	\$ 4,204,855
<u>Employee Benefits:</u>						
State Retirement Plan Contributions	\$ 3,251,434	\$ 3,995,132	\$ 3,317,054	\$ 2,903,780	\$ 2,411,864	\$ 2,869,823
Medical Dental Rx Premiums	690,149	791,620	610,627	625,480	553,908	545,779
Total Employee Benefits	3,941,583	4,786,752	3,927,681	3,529,260	2,965,772	3,415,602
Total Compensation and Benefits	\$ 9,231,989	\$ 10,689,611	\$ 8,740,974	\$ 8,005,474	\$ 6,897,368	\$ 7,620,457
* Retirement Plan Contributions as a % of Salary	61.46%	67.68%	68.91%	64.87%	61.35%	68.25%
Medical Dental Rx Premiums as a % of Salary	13.05%	13.41%	12.69%	13.97%	14.09%	12.98%
Total Benefits and Taxes as a % of Salary	74.50%	81.09%	81.60%	78.84%	75.43%	81.23%
** State of CT Comptroller Employer SERS Rate	59.57%	67.40%	65.90%	64.14%	59.99%	64.30%
* Retirement Plan Contributions include Pension & OPEB, included Employer contributions to the Tier IV Defined Contribution for associated employees in that plan.						
** 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.						
Total Benefits Cost @ Hypothetical Benefits Rate	35% 1,851,642	2,066,001	1,684,653	1,566,675	1,376,059	1,471,699
Actual Total Compensation and Benefits	9,231,989	10,689,611	8,740,974	8,005,474	6,897,368	7,620,457
Less Total Compensation and Benefits @ Hypothetical Rate	(7,142,048)	(7,968,860)	(6,497,946)	(6,042,889)	(5,307,655)	(5,676,554)
Incremental HR cost due to State Benefits Charge	2,089,941	2,720,751	2,243,028	1,962,585	1,589,713	1,943,903



Connecticut Green Bank

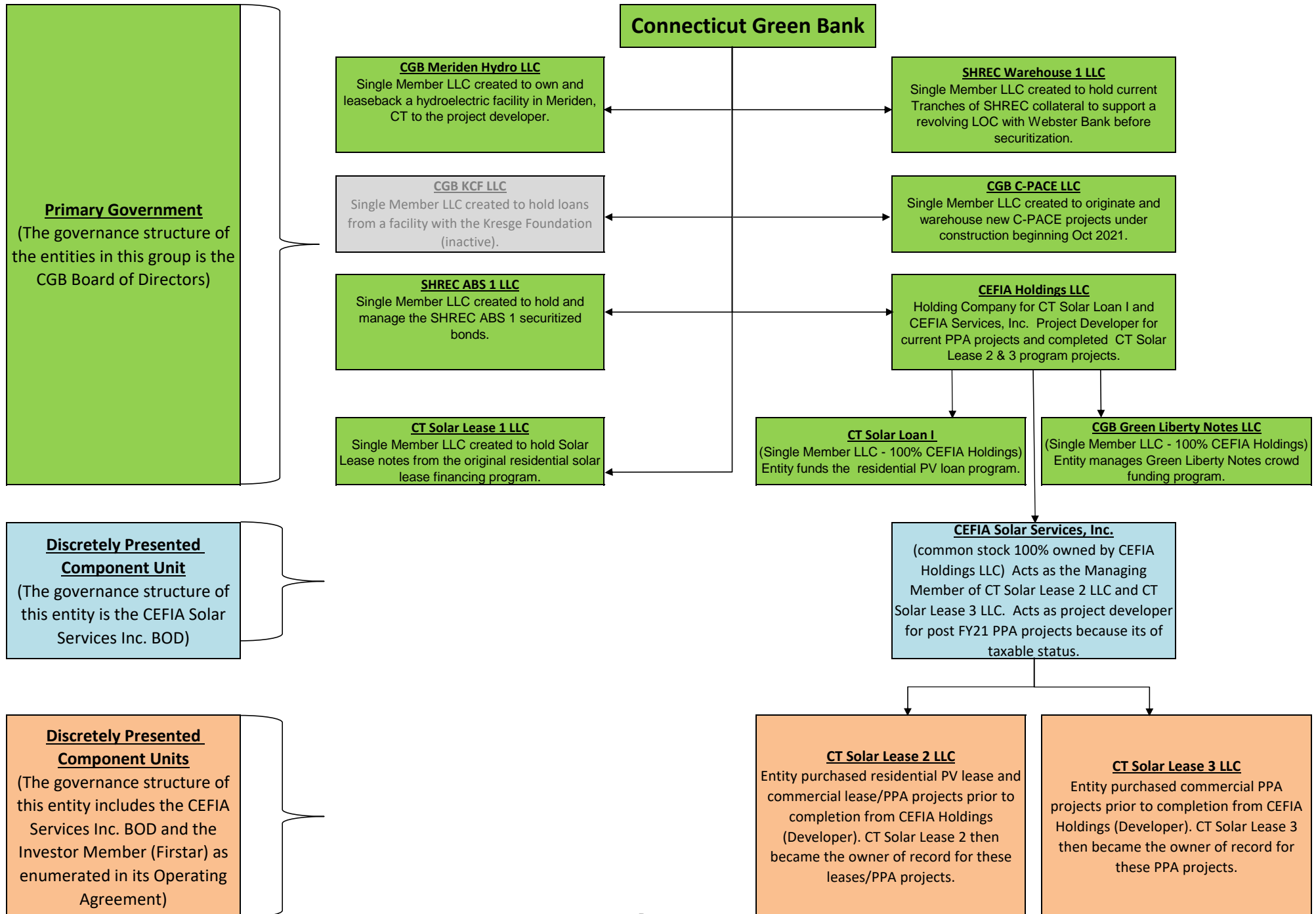
March 2024 Quarterly Financial Package
(Comprehensive)

Connecticut Green Bank
March 2024 Financial Package
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The Connecticut Green Bank and its Component Units (as of 3/31/2024)

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



Connecticut Green Bank
Executive Summary
March 2024

Overview

This financial package contains financial information for the Connecticut Green Bank (CGB) for Fiscal Year ending June 30, 2024 through March 31, 2024 with comparisons to June 30, 2023 for balance sheet, comparisons to the same period ended March 31, 2023 for the statement of revenue and expenditures, and versus Budget for the Statement of Revenue and Expenditures. Schedules of compensation 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 \$12.7M compared to June 2023, which is mostly a function of timing of reporting current portions of loans/notes receivable (done for ACFR purposes annually at fiscal year end). Taking out the \$9.7M decrease in current assets related to this, the remaining current assets decreased \$3.0M in the first three quarters of FY24. The largest contributing factor to the decrease is due to accounts receivable decreasing by \$2.5M. The decrease in accounts receivable is largely due to there being a \$2.8M receivable outstanding from DEEP for RGGI as of June 30, 2023, with no similar items in the March balance. Additionally there was a \$2.2M decrease in cash and cash equivalents. The cash decrease is mostly due to approx. \$36.8M in investment disbursements year to date outpacing the cash received from operating income and repayments of program loans receivable in the period.
- ✓ Noncurrent assets increased \$26.6M compared to June 30, 2023, due in part to the aforementioned reclassification of \$9.7M done for fiscal year end, as well as the approx. \$36.8M of program loan investment disbursements in the first three quarters outpacing the approx. \$15.1M received on program loans outstanding previously discussed.
- ✓ As of December 31, 2023, 77.2% of accounts receivable is aged 30 days or lower, and 0% of accounts receivable aged 60+ days - showing no significant collectability issues on accounts receivable as the primary driver of receivables being aged 30+ days were receivables amounting to \$0.4M from Posigen which are collected on a quarterly basis. 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 \$7.1M compared to June 30, 2023, mostly attributable to approx. \$5.2M in payments made on debt and \$2.7M decrease in due to component units at March 31, 2024 compared to June 30, 2023, which was an ACFR reclassification for reporting purposes at fiscal year end.
- ✓ Net Position for the Primary Government has increased \$21.0M due to the period'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 FY24 was approximately \$21.0M of Income.

- ✓ Operating Revenues decreased \$1.7M from the same period of the prior year and Operating expenses decreased \$3.2M from the same period of the prior year, resulting in Operating income increasing \$1.5M from the same period of the prior year. The revenue decrease is mostly due to the \$2.5M decrease in the energy system sales revenues and a \$1.1M decrease in RGGI revenues due to a \$5.2M cap going into effect in FY24 (with excess proceeds being redirected to CHEAPR program for electric vehicles). These decreases are offset slightly by a \$1.4M increase in interest income on promissory notes.
- ✓ Operating Expenses had decreases of \$2.5M in Cost of Goods Sold-Energy Systems and \$0.5M in grants and incentives compared to the same period of the prior year, respectively.
- ✓ Nonoperating Revenues (expenses) showed a decrease in expenses of \$0.2M to expenses of \$0.6M compared to the same period of the prior year. This decrease is mostly due to a decrease in interest expense on debt of \$0.2M for the same period year over year.

Statement of Revenues and Expenditures vs. Budget - Primary Government

Fiscal Year to Date Net Revenues Over Expenses of \$21.0M was \$9.0M better than budget for the first three quarters of FY24.

- ✓ Revenues were \$2.7M higher than budget mostly due to \$1.3M higher interest income than budget, \$0.7M in sales of energy systems that were not budgeted for, and \$0.4M higher REC sales than budget.
- ✓ Operating Expenses were \$4.8M under budget; however if we exclude the Costs of Sales of Energy Systems and its \$0.7M variance over a budget of zero, the remaining Operating expenses were \$4.1M below budget. The biggest factors to this were \$2.0M lower compensation and benefits, \$1.5M lower program development and administration expenses, and \$0.5M and \$0.6M lower for each of marketing and EM&V expenses, respectively. See breakout of budget to actual for financing programs, incentive programs and environmental infrastructure programs for more details.
- ✓ Program incentives and grants were approx. \$1.3M lower than the recast budget for the fiscal year due ESS incentives falling \$0.9M below budget for the period.
- ✓ Non-operating expenses were approximately \$0.2M under budget, driven by \$0.2M lower ARRA interest rate buydowns than budget in the period.

Unfunded Commitments

CGB has a total of \$73.5M in unfunded commitments at March 31, 2024, a decrease of \$17.4M from \$90.9M of unfunded commitments as of June 30, 2023. The decrease is mostly due to the significant amount of investment made in the first nine months of the fiscal year (\$36.8M in investments - see CGB program loans, notes and loan loss reserve analysis page for more details). Offsetting this investment level is the approval of new projects throughout the year.

CGB-Primary Government Balance Sheet

	CGB-Primary Government 3/31/2024	CGB-Primary Government 6/30/2023	CGB-Primary Government \$ Change
Assets			
Current Assets			
Cash and Cash Equivalents	35,037,679	37,225,614	(2,187,935)
Accounts Receivable	1,653,723	4,135,781	(2,482,058)
Utility Remittance Receivable	1,983,329	1,852,329	131,000
Interest Receivable	1,615,673	1,621,350	(5,677)
Other Receivables	2,722,441	1,245,627	1,476,814
Prepaid Expenses and Other Assets	865,962	759,895	106,067
Current Portion of Solar Lease Notes	0	1,019,733	(1,019,733)
Current Portion of SBEA Promissory Notes	0	1,448,595	(1,448,595)
Current Portion of Program Loans, Net of Reserves	0	7,236,384	(7,236,384)
Total Current Assets	43,878,807	56,545,308	(12,666,501)
Noncurrent Assets			
Restricted Assets	24,050,832	19,243,259	4,807,573
Investments	996,150	852,427	143,723
Program Loans, net of reserves	131,422,755	102,369,925	29,052,830
Solar Lease I Promissory Notes, net of reserves	1,328,032	1,078,443	249,589
Renewable Energy Certificates	174,306	174,306	0
SBEA Promissory Notes, net of reserves	4,052,751	2,317,443	1,735,308
Due From Component Units	50,134,542	59,088,724	(8,954,182)
Investment in Component Units	100	100	0
Capital Assets, net	14,704,693	15,164,675	(459,982)
Total Noncurrent Assets	226,864,161	200,289,302	26,574,859
Total Assets	270,742,968	256,834,610	13,908,358
Deferred Outflows of Resources			
Deferred Amount for Pensions	7,301,972	7,301,972	0
Deferred Amount for OPEB	6,353,565	6,353,565	0
Total Deferred Outflows of Resources	\$ 13,655,537	\$ 13,655,537	\$ 0
Liabilities			
Current Liabilities			
Accounts Payable	1,103,048	879,346	223,702
Accrued Payroll and Related Liabilities	1,175,855	1,175,855	0
Accrued Expenses	10,099,404	9,646,769	452,635
Notes Payable- Green Liberty Notes	1,300,000	1,000,000	300,000
Current Maturities of Long-Term Debt	224,825	5,426,387	(5,201,562)
Custodial Liability	727,689	1,074,803	(347,114)
Deferred Revenue	136,072	66,818	69,254
Total Current Liabilities	14,766,893	19,269,978	(4,503,085)
Noncurrent Liabilities			
Due to Component Units	3,505	2,742,250	(2,738,745)
Bonds Payable-SHREC ABS 1	18,344,368	18,213,482	130,886
Bonds Payable-CREBs	8,566,963	8,566,963	0
Bonds Payable-Green Liberty Bonds	34,353,000	34,353,000	0
Lease Liability, less current maturities	2,088,417	2,088,417	0
Pension Liability	17,632,888	17,632,888	0
OPEB Liability	18,041,698	18,041,698	0
Total Noncurrent Liabilities	99,030,839	101,638,698	(2,607,859)
Total Liabilities	113,797,732	120,908,676	(7,110,944)
Deferred Inflows of Resources			
Deferred Pension Inflow Liability	6,176,916	6,176,916	0
Deferred OPEB Inflow Liability	11,459,840	11,459,840	0
Total Deferred Inflows of Resources	17,636,756	17,636,756	0
Net Position			
Net Investment in Capital Assets	14,704,693	15,164,675	(459,982)
Restricted-Energy Programs	24,050,832	19,243,260	4,807,573
Unrestricted Net Position	114,208,492	97,536,780	16,671,712
Total Net Position	152,964,017	131,944,715	21,019,303

CGB-Primary Government Statement of Revenues and Expenditures

	CGB-Primary Government Fiscal YTD 3/31/2024	CGB-Primary Government Fiscal YTD 3/31/2023	CGB-Primary Government \$ Change
Change in Net Position			
Operating Income (Loss)			
Operating Revenues			
Utility Remittances	19,057,216	19,175,880	(118,664)
Interest Income-Promissory Notes	6,328,813	4,919,952	1,408,861
RGGI Auction Proceeds	5,200,000	6,312,752	(1,112,752)
Energy System Sales	665,419	3,154,487	(2,489,068)
REC Sales	11,304,814	11,477,277	(172,463)
Other Income	1,825,441	1,064,538	760,903
Total Operating Revenues	44,381,703	46,104,886	(1,723,183)
Operating Expenses			
Cost of Goods Sold-Energy Systems	665,419	3,154,486	(2,489,067)
Provision for Loan Losses	1,194,252	1,515,396	(321,144)
Grants and Incentive Payments	4,581,487	5,075,174	(493,687)
Program Administration Expenses	12,258,686	12,305,494	(46,808)
General and Administrative Expenses	4,254,535	4,126,890	127,645
Total Operating Expenses	22,954,379	26,177,440	(3,223,061)
Operating Income (Loss)	21,427,324	19,927,446	1,499,878
Nonoperating Revenue (Expenses)			
Interest Income-Short Term Cash Deposits	1,010,736	981,970	28,766
Interest Income-Component Units	54,967	53,440	1,527
Interest Expense-ST Debt	(41,380)	(11,575)	(29,805)
Interest Expense-LT Debt	(1,419,236)	(1,618,297)	199,061
Debt Issuance Costs	(7,500)	(7,500)	-
Net change in fair value of investments	(5,608)	(3,568)	(2,040)
Total Nonoperating Revenue (Expenses)	(408,021)	(605,530)	197,509
Change in Net Position	21,019,303	19,321,916	1,697,387

**CT Green Bank Primary Government
Budget to Actual Financial Analysis
March 2024**

	CGB Primary Government 07/01/2023 Through 3/31/2024			Incentive Programs 07/01/2023 Through 3/31/2024			Financing Programs 07/01/2023 Through 3/31/2024			Environmental Infrastructure 07/01/2023 Through 3/31/2024		
	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance
Revenue												
Operating Income												
Utility Customer Assessments	19,057,216	18,918,579	138,637	0	0	0	19,057,216	18,918,579	138,637	0	0	0
RGGI Auction Proceeds-Renewables	5,200,000	5,200,000	0	0	0	0	5,200,000	5,200,000	0	0	0	0
CPACE Closing Fees	285,785	90,000	195,785	16,708	0	16,708	269,077	90,000	179,077	0	0	0
REC Sales	10,913,029	10,517,808	395,221	10,913,029	10,517,808	395,221	0	0	0	0	0	0
Sales of Energy Systems	665,419	0	665,419	0	0	0	665,419	0	665,419	0	0	0
Grant Income-Federal Programs	111	30,000	(29,889)	0	0	0	111	30,000	(29,889)	0	0	0
Grant Income-Private Foundations	42,528	112,500	(69,972)	0	0	0	42,529	112,500	(69,972)	0	0	0
PPA Income	307,656	375,000	(67,344)	0	0	0	307,656	375,000	(67,344)	0	0	0
LREC/ZREC Income	391,786	382,500	9,286	0	0	0	391,785	382,500	9,286	0	0	0
Total Operating Income	36,863,530	35,626,387	1,237,143	10,929,737	10,517,808	411,929	25,933,793	25,108,579	825,214	0	0	0
Interest Income	7,114,695	5,947,059	1,167,636	385,133	30,600	354,533	6,729,562	5,916,459	813,103	0	0	0
Interest Income, Capitalized	223,610	45,000	178,610	0	0	0	223,610	45,000	178,610	0	0	0
Other Income	1,189,361	1,055,552	133,809	574,953	574,552	400	614,409	481,000	133,409	0	0	0
Total Revenue	\$ 45,391,196	\$ 42,673,999	\$ 2,717,198	\$ 11,889,823	\$ 11,122,960	\$ 766,862	\$ 33,501,374	\$ 31,551,038	\$ 1,950,336	\$ 0	\$ 0	\$ 0
Operating Expenses												
Compensation and Benefits	9,625,864	11,631,014	(2,005,150)	2,131,000	2,776,040	(645,040)	6,825,745	8,184,417	(1,358,672)	669,120	670,557	(1,437)
Program Development & Administration	2,185,533	3,677,901	(1,492,368)	1,108,626	1,906,138	(797,512)	1,074,837	1,561,764	(486,927)	2,070	210,000	(207,930)
Cost of Sales Energy Systems	665,419	0	665,419	0	0	0	665,419	0	665,419	0	0	0
Lease Origination Services	1,593	3,000	(1,407)	0	0	0	1,593	3,000	(1,407)	0	0	0
Marketing Expense	795,758	1,269,800	(474,042)	128,172	354,500	(226,328)	667,586	915,300	(247,714)	0	0	0
E M & V	189,507	772,503	(582,996)	118,104	618,753	(500,648)	71,403	153,750	(82,347)	0	0	0
Research and Development	43,965	318,500	(274,535)	0	25,000	(25,000)	21,564	190,000	(168,436)	22,400	103,500	(81,100)
Consulting and Professional Fees	1,457,427	1,688,286	(230,859)	124,831	483,250	(358,420)	1,327,597	1,167,536	160,061	5,000	37,500	(32,500)
Rent and Location Related Expenses	786,312	830,357	(44,045)	88,804	108,488	(19,683)	669,676	697,904	(28,228)	27,832	23,965	3,867
Office, Computer & Other Expenses	1,337,109	1,700,292	(363,183)	336,505	452,178	(115,674)	957,938	1,204,392	(246,454)	42,665	43,721	(1,056)
Total Operating Expenses	17,088,488	21,891,653	(4,803,166)	4,036,042	6,724,347	(2,688,305)	12,283,358	14,078,063	(1,794,705)	769,087	1,089,243	(320,156)
Program Incentives and Grants	\$ 4,568,486	\$ 5,864,411	\$ (1,295,925)	\$ 4,363,429	\$ 5,509,411	\$ (1,145,982)	\$ 205,057	\$ 355,000	\$ (149,943)	\$ 0	\$ 0	\$ 0
Operating Income/(Loss)	\$ 23,734,223	\$ 14,917,934	\$ 8,816,288	\$ 3,490,351	\$ (1,110,798)	\$ 4,601,149	\$ 21,012,959	\$ 17,117,975	\$ 3,894,984	\$ (769,087)	\$ (1,089,243)	\$ 320,156
Non-Operating Expenses	\$ 2,714,919	\$ 2,900,440	\$ (185,521)	\$ 1,358,092	\$ 1,588,069	\$ (229,976)	\$ 1,356,827	\$ 1,312,372	\$ 44,455	\$ 0	\$ 0	\$ 0
Net Revenues Over (Under) Expenses	\$ 21,019,303	\$ 12,017,494	\$ 9,001,809	\$ 2,132,259	\$ (2,698,866)	\$ 4,831,125	\$ 19,656,131	\$ 15,805,603	\$ 3,850,528	\$ (769,087)	\$ (1,089,243)	\$ 320,156

**Connecticut Green Bank
March 2024 Financial Package
Analysis of Compensation and Benefits**

	FY 2024 YTD		Budget	Budget	Budget	FY 2023 YTD	Prior Year
	Actual		Budget		Variance	Actual	Variance
<u>Compensation:</u>							
Full Time Employees	\$ 5,223,735	\$	6,048,505	\$	(824,770)	\$ 4,239,383	\$ 984,352
Interns	46,289		72,800	\$	(26,511)	61,382	(15,093)
Temporary Employees	-		-	\$	-	-	-
Overtime	20,382		-	\$	20,382	16,918	3,464
Total Compensation	\$ 5,290,406	\$	6,121,305	\$	(830,899)	\$ 4,317,683	\$ 972,723
<u>Employee Benefits:</u>							
State Retirement Plan Contributions	\$ 3,251,434			\$		\$ 2,978,603	\$ 272,831
Medical Dental Rx Premiums	690,149					564,612	125,536
Payroll and Unemployment Taxes	365,656					309,297	56,359
Life, Disability & WC Premiums	28,219					25,931	2,287
Total Employee Benefits	4,335,458		5,509,709		(1,174,251)	3,878,444	457,014
Total Compensation and Benefits	\$ 9,625,864	\$	11,631,014	\$	(2,005,150)	\$ 8,196,127	\$ 1,429,737
Benefits and Taxes as a % of Salary	81.95%		90.01%			89.83%	

Actual vs. Budget

Total Employee compensation and benefit costs were \$2.0M under budget. Full time employee costs are \$825k under budget mostly due to \$684k of budgeted open positions and \$60k due to differences in part time employees salary being less than budgeted amounts calculated at the beginning of the year. Benefits and Taxes are approx. \$1.2M less than budget due mostly to the favorable employee compensation variances previously noted as well as an approx 8.0% rate variance compared to budget. This is due to the SERS recovery rate determined by the state of CT decreasing from 67.40% in FY23 to 59.57% in FY24 (note: CGB does not help to determine this actual rate). Additionally, this led to actual benefits and taxes being significantly lower than budget (81.95% actual vs a budgeted 90.01% of total compensation for the period to date).

Actual vs. Prior Year

Compensation costs increased \$973k and benefit costs increased \$457k, respectively over the same period of the prior year. Two items are offsetting to lead to these variances year over year. First, July 2022 included 3 pay periods and July 2023 only including 2 pay periods, so there is one more pay period in the FY23 total than in FY24. Offsetting the volume decrease is an increase in total employees (55 in March 2024 compared to 47 in March 2023). Actual benefit percentages decreased from 89.83% in the prior period, to 81.95% in the current period mostly due to the aforementioned decrease in SERS recovery rate from the prior year. Additionally, actual contributions to the State employee retirement plan decreased from 70.3% to 62.2% of full time employee compensation, year over year.

**Connecticut Green Bank
March 2024 Financial Package
Historical Analysis of Compensation and Benefits**

	FYTD 3/31/24 YTD Actual	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
Compensation:						
Full Time Employees	\$ 5,290,406	\$ 5,902,859	\$ 4,813,293	\$ 4,476,214	\$ 3,929,354	\$ 4,195,593
Temporary Employees	-	-	-	-	2,242	9,262
Total Compensation	\$ 5,290,406	\$ 5,902,859	\$ 4,813,293	\$ 4,476,214	\$ 3,931,596	\$ 4,204,855
Employee Benefits:						
State Retirement Plan Contributions	\$ 3,251,434	\$ 3,995,132	\$ 3,317,054	\$ 2,903,780	\$ 2,411,864	\$ 2,869,823
Medical Dental Rx Premiums	690,149	791,620	610,627	625,480	553,908	545,779
Payroll and Unemployment Taxes	365,656	417,828	353,405	305,032	269,295	306,091
Life, Disability & WC Premiums	28,219	35,115	28,223	23,840	27,567	46,944
Total Employee Benefits	4,335,458	5,239,695	4,309,308	3,858,132	3,262,634	3,768,636
Total Compensation and Benefits	\$ 9,625,864	\$ 11,142,554	\$ 9,122,602	\$ 8,334,346	\$ 7,194,230	\$ 7,973,491
Medical Dental Rx Premiums as a % of Salary	13.05%	13.41%	12.69%	13.97%	14.09%	12.98%
* Retirement Plan Contributions as a % of Salary	61.46%	67.68%	68.91%	64.87%	61.35%	68.25%
Total Benefits and Taxes as a % of Salary	81.95%	88.77%	89.53%	86.19%	82.98%	89.63%
** State of CT Comptroller Employer SERS Rate	59.57%	67.40%	65.90%	64.14%	59.99%	64.30%
<p>* Retirement Plan Contributions include Pension & OPEB, included Employer contributions to the Tier IV Defined Contribution for employees in that plan.</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	35% 1,851,642	2,066,001	1,684,653	1,566,675	1,376,059	1,471,699
Actual Total Compensation and Benefits	9,625,864	11,142,554	9,122,602	8,334,346	7,194,230	7,973,491
Less Total Compensation and Benefits @ Hypothetical Rate	(7,142,048)	(7,968,860)	(6,497,946)	(6,042,889)	(5,307,655)	(5,676,554)
Incremental HR cost due to State Benefits Charge	2,483,816	3,173,694	2,624,656	2,291,457	1,886,575	2,296,937

Analysis:

As noted above, the cost of benefits per employee has been in excess of 81% of salary for every year since FYE 6/30/19, with retirement plan contributions making up 61-69% of the total cost of salary 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 30 Tier IV employees of the total 55 full-time employees of the Green Bank at 3/31/24 (where Tier III and Tier IV are lower cost pension arrangements than Tier IIa 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 - 3M per year**.

Connecticut Green Bank
Summary of Unfunded Commitments
As of March 31, 2024
(In thousands)

	EPBB	PBI	CPACE	Non CPACE	All Projects		
	Balance	Balance	Loans	Loans	Balance	Balance	Increase /
	3/31/2024	3/31/2024	Balance	Balance	3/31/2024	6/30/2023	(Decrease)
	3/31/2024	3/31/2024	3/31/2024	3/31/2024	3/31/2024	6/30/2023	(Decrease)
Solar - SHREC Eligible	1,317	14,260	0	0	15,577	19,975	(4,398)
Solar - Not SHREC Eligible	5	175	0	0	180	234	(54)
CPACE	0	0	12,677	0	12,677	22,911	(10,234)
Multifamily/LMI Solar PV & EE	0	0	0	10,830	10,830	15,053	(4,223)
SBEA	0	0	0	15,445	15,445	15,857	(412)
Solar PPAs/IPC	0	0	0	18,496	18,496	9,537	8,959
Fuel Cells	0	0	0	0	0	7,000	(7,000)
Hydropower	0	0	0	330	330	330	0
Total Unfunded Commitments	<u>\$ 1,322</u>	<u>\$ 14,435</u>	<u>\$ 12,677</u>	<u>\$ 45,101</u>	<u>\$ 73,535</u>	<u>\$ 90,897</u>	<u>\$ (17,362)</u>

**Connecticut Green Bank
Summary of Loan Guarantees
As of March 31, 2024**

Guarantor	Issuer	Beneficiary	Relationship of guarantor to Issuer	Type of obligation guaranteed	Maximum amount of guaranty	Obligations guaranteed as of 3/31/2024	Obligations guaranteed as of 6/30/2023
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	\$ 2,944,497	\$ 3,004,188
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
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	1,200,677	1,271,769
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.	500,000	500,000	500,000
					\$ 7,695,807	\$ 4,645,174	\$ 5,075,957

Connecticut Green Bank
Program Loans, Notes and Loan Loss Reserve Analysis
As of March 31, 2024

Legal Entity	Loan Program	Project	Loan Portfolio Balance 7/1/2023	FY24 YTD Investments	FY24 YTD Repayments	Loan Portfolio Balance As of March 31, 2024	Loan Loss Reserve Balance 7/1/2023	FY24 YTD Increase / Decrease to Reserve	Loan Loss Reserve Balance As of March 31, 2024	Reserve as a % of Portfolio Balance	Loan Portfolio Carrying Value As of March 31, 2024
CGB	CPACE Program	Various	\$ 48,326,723	\$ -	\$ (2,839,679)	\$ 45,487,045	(4,832,672)	\$ (484,500)	\$ (5,317,172)	11.7%	\$ 40,169,872
CGB	Fuel Cell Projects	FCE Corp-Master Refinance Facility	9,851,763	-	(672,760)	9,179,003	(985,176)	-	(985,176)	10.7%	8,193,827
		FCE Corp-Bridge Loan	3,000,000	-	(3,000,000)	-	(300,000)	-	(300,000)	0.0%	(300,000)
		FCE Corp-Promissory Note	-	8,000,000	-	8,000,000	-	-	-	0.0%	8,000,000
CGB	CHP Pilot	Bridgeport MicroGrid	381,500	-	(17,082)	364,417	(19,075)	-	(19,075)	5.2%	345,342
CGB	Anaerobic Digester	Quantum Biopower	1,120,765	-	(99,870)	1,020,895	(56,038)	-	(56,038)	5.5%	964,857
		Fort Hill Ag-Grid LLC	607,193	-	(43,237)	563,956	(30,360)	-	(30,360)	5.4%	533,596
CGB	Other Loans	Nu Power Thermal	427,000	-	-	427,000	(427,000)	-	(427,000)	100.0%	-
		Terrace Heights Condos	43,216	-	(27,429)	15,786	(4,322)	-	(4,322)	27.4%	11,465
CGB	Multifamily / Affordable Housing / Credit Challenged / LMI	Capital for Change	3,470,544	-	(155,718)	3,314,827	(347,055)	-	(347,055)	10.5%	2,967,772
		CEEFCo	8,520,000	6,480,000	-	15,000,000	(852,000)	-	(852,000)	5.7%	14,148,000
		Pre-Dev Loans	11,306	-	(11,306)	(0)	(2,261)	-	(2,261)	0.0%	(2,261)
		Posigen	20,965,655	9,482,500	(3,625,077)	26,823,078	(2,096,566)	-	(2,096,566)	7.8%	24,726,512
CGB	Energy Efficiency Financing	RENEW Energy Efficiency Bridgeport	78,182	-	(24,519)	53,664	(7,818)	-	(7,818)	14.6%	45,846
CGB	Alpha Program	Anchor Science	150,000	-	(150,000)	-	(149,999)	149,999	-	0.0%	-
CGB	Op Demo Program	New England Hydropower Co.	500,000	-	(500,000)	-	(499,999)	499,999	-	0.0%	-
CGB	Wind Financing	Wind Colebrook	1,358,487	-	(94,283)	1,264,204	(135,849)	-	(135,849)	10.7%	1,128,355
CGB	Hydro Projects	Canton Hydro	704,457	-	(18,139)	686,318	(35,223)	-	(35,223)	5.1%	651,095
CGB	Sunwealth Note	Sunwealth	794,813	-	(40,919)	753,894	(39,741)	-	(39,741)	5.3%	714,153
CGB	IPC Note Receivable	IPC	850,000	150,000	-	1,000,000	-	-	-	0.0%	1,000,000
CGB	Budgeted LLR Adj (to be adjusted at fiscal year end)	Various	-	-	-	-	-	(709,750)	(709,750)	0.0%	(709,750)
CGB	Budderfly	Budderfly	5,111,306	-	(638,693)	4,472,612	(511,132)	-	(511,132)	11.4%	3,961,481
CEFIA Holdings	Sunwealth Note	Sunwealth	696,293	-	(50,210)	646,084	(34,815)	-	(34,815)	5.4%	611,269
CEFIA Holdings	Skyview Notes	Skyview	7,106,804	419,395	(374,005)	7,152,195	(355,340)	-	(355,340)	5.0%	6,796,854
CEFIA Holdings	SBEA Loans	SBEA	(4,523)	-	5,000	477	-	-	-	0.0%	477
CEFIA Holdings	Inclusive Solar Manager	IPC	3,085,998	1,707,461	(98,542)	4,694,916	(61,720)	-	(61,720)	1.3%	4,633,196
CT Solar Loan 1	Solar Loans	CT Solar Loan 1	603,135	-	(130,336)	472,800	(30,157)	-	(30,157)	6.4%	442,643
CT Solar Lease 1	Solar Lease Notes	CT Solar Lease 1	2,331,307	-	(770,144)	1,561,163	(233,131)	-	(233,131)	14.9%	1,328,032
CGB CPACE LLC	CPACE Program	Various	3,655,485	8,828,023	(298,534)	12,184,975	-	-	-	0.0%	12,184,975
CGB Green Liberty Notes LLC	SBEA Loans	SBEA	4,147,523	1,789,576	(1,382,290)	4,554,808	-	-	-	0.0%	4,554,808
Total:			\$ 127,894,932	\$ 36,856,955	\$ (15,057,772)	\$ 149,694,116	\$ (12,047,447)	\$ (544,252)	\$ (12,591,699)	8.4%	\$ 137,102,417
CGB:											
	CPACE Loans		\$ 48,326,723	\$ -	\$ (2,839,679)	\$ 45,487,045	\$ (4,832,672)	\$ (484,500)	\$ (5,317,172)	11.7%	\$ 40,169,872
	Posigen		\$ 20,965,655	\$ 9,482,500	\$ (3,625,077)	\$ 26,823,078	\$ (2,096,566)	\$ -	\$ (2,096,566)	7.8%	\$ 24,726,512
	Sunwealth		\$ 794,813	\$ -	\$ (40,919)	\$ 753,894	\$ (39,741)	\$ -	\$ (39,741)	5.3%	\$ 714,153
	Program Loans		\$ 36,185,719	\$ 14,630,000	\$ (5,453,037)	\$ 45,362,682	\$ (4,363,306)	\$ (59,752)	\$ (4,423,058)	9.8%	\$ 40,939,624
	Total CGB:		\$ 106,272,910	\$ 24,112,500	\$ (11,958,712)	\$ 118,426,698	\$ (11,332,284)	\$ (544,252)	\$ (11,876,536)	10.0%	\$ 106,550,162
	CEFIA Holdings		\$ 10,884,573	\$ 2,126,856	\$ (517,756)	\$ 12,493,672	\$ (451,875)	\$ -	\$ (451,875)	3.6%	\$ 12,041,797
	CT Solar Loan 1		\$ 603,135	\$ -	\$ (130,336)	\$ 472,800	\$ (30,157)	\$ -	\$ (30,157)	6.4%	\$ 442,643
	CT Solar Lease 1		\$ 2,331,307	\$ -	\$ (770,144)	\$ 1,561,163	\$ (233,131)	\$ -	\$ (233,131)	14.9%	\$ 1,328,032
	CGB CPACE LLC		\$ 3,655,485	\$ 8,828,023	\$ (298,534)	\$ 12,184,975	\$ -	\$ -	\$ -	0.0%	\$ 12,184,975
	CGB Green Liberty Notes LLC		\$ 4,147,523	\$ 1,789,576	\$ (1,382,290)	\$ 4,554,808	\$ -	\$ -	\$ -	0.0%	\$ 4,554,808
											\$ 137,102,417

Connecticut Green Bank - Primary Government
Consolidated Balance Sheet
As of March 31, 2024

	Connecticut Green Bank As of 3/31/2024	CGB Meriden Hydro LLC As of 3/31/2024	CGB KCF LLC As of 3/31/2024	SHREC ABS 1 LLC As of 3/31/2024	SHREC Warehouse 1 LLC As of 3/31/2024	CT Solar Lease 1 LLC As of 3/31/2024	CGB C-PACE LLC As of 3/31/2024	CT Solar Loan 1 LLC As of 3/31/2024	CEFIA Holdings LLC As of 3/31/2024	CGB Green Liberty Notes LLC As of 3/31/2024	Eliminations As of 3/31/2024	CGB-Primary Government As of 3/31/2024
Assets												
Current Assets												
Cash and Cash Equivalents	27,988,486	96,131	-	923,562	62,784	-	1,374,683	339,085	622,176	3,630,772	-	35,037,679
Accounts Receivable	1,605,022	-	-	-	-	-	48,701	-	-	-	-	1,653,723
Utility Remittance Receivable	1,983,328	-	-	-	-	-	-	-	-	-	-	1,983,328
Interest Receivable	1,467,213	-	-	-	-	-	46,004	2,784	99,672	-	-	1,615,674
Other Receivables	86,483	-	-	-	-	82,267	-	-	2,531,181	22,510	-	2,722,441
Prepaid Expenses and Other Assets	223,516	3,997	-	4,333	-	-	-	-	634,116	-	-	865,962
Total Current Assets	33,354,049	100,128	-	927,895	62,784	82,267	1,469,388	341,870	3,887,145	3,653,282	-	43,878,807
Noncurrent Assets												
Restricted Assets												
Cash and Cash Equivalents	17,337,674	-	-	742,848	5,856,019	-	-	86,158	28,133	-	-	24,050,832
Investments	996,150	-	-	-	-	-	-	-	-	-	-	996,150
Program Loans, net of reserves	106,550,161	-	-	-	-	-	12,388,631	442,643	12,041,319	-	-	131,422,755
Solar Lease 1 Promissory Notes, net of reserves	-	-	-	-	-	1,328,032	-	-	-	-	-	1,328,032
Renewable Energy Certificates	174,306	-	-	-	-	-	-	-	-	-	-	174,306
SBEA Promissory Notes, net of reserves	-	-	-	-	-	-	-	-	405	4,052,346	-	4,052,751
Due From Component Units	79,759,716	-	-	30,515,204	5,784,455	-	-	-	10,636,414	-	(76,561,247)	50,134,541
Investment in Component Units	100,100	-	-	-	-	-	-	-	100	-	(100,100)	100
Capital Assets, net	11,157,104	3,547,588	-	-	-	-	-	-	-	-	-	14,704,693
Total Noncurrent Assets	216,075,212	3,547,588	-	31,258,052	11,640,474	1,328,032	12,388,631	528,801	22,706,372	4,052,346	(76,661,347)	226,864,161
Total Assets	249,429,261	3,647,717	-	32,185,947	11,703,258	1,410,300	13,858,019	870,671	26,593,516	7,705,628	(76,661,347)	270,742,968
Deferred Outflows of Resources												
Deferred Amount for Pensions	7,301,972	-	-	-	-	-	-	-	-	-	-	7,301,972
Deferred Amount for OPEB	6,353,565	-	-	-	-	-	-	-	-	-	-	6,353,565
Total Deferred Outflows of Resources	13,655,537	-	-	-	-	-	-	-	-	-	-	13,655,537
Liabilities												
Current Liabilities												
Accounts Payable	1,080,185	16,660	-	-	2,153	-	-	1,075	0	2,975	-	1,103,048
Accrued payroll and related liabilities	1,175,855	-	-	-	-	-	-	-	-	-	-	1,175,855
Accrued Expenses	9,905,189	-	-	42,352	-	-	-	-	120,944	30,919	-	10,099,405
Notes Payable-Green Liberty Notes	-	-	-	-	-	-	-	-	-	1,300,000	-	1,300,000
Current Maturities of Long-Term Debt	224,825	-	-	-	-	-	-	-	-	-	-	224,825
Custodial Liability	40,000	-	-	-	-	-	-	-	687,688	-	-	727,688
Deferred Revenue	136,072	-	-	-	-	-	-	-	-	-	-	136,072
Total Current Liabilities	12,562,127	16,660	-	42,352	2,153	-	-	1,075	808,633	1,333,894	-	14,766,893
Noncurrent Liabilities												
Due to Component Units	36,299,659	6,059,180	-	-	-	1,348,817	12,885,000	500,000	13,209,418	6,262,678	(76,561,247)	3,505
Long-term debt	45,008,379	-	-	18,344,368	-	-	-	-	-	-	-	63,352,748
Pension Liability	17,632,888	-	-	-	-	-	-	-	-	-	-	17,632,888
OPEB Liability	18,041,698	-	-	-	-	-	-	-	-	-	-	18,041,698
Total Noncurrent Liabilities	116,982,624	6,059,180	-	18,344,368	-	1,348,817	12,885,000	500,000	13,209,418	6,262,678	(76,561,247)	99,030,838
Total Liabilities	129,544,751	6,075,840	-	18,386,720	2,153	1,348,817	12,885,000	501,075	14,018,050	7,596,573	(76,561,247)	113,797,732
Deferred Inflows of Resources												
Deferred Pension Inflow Liability	6,176,916	-	-	-	-	-	-	-	-	-	-	6,176,916
Deferred OPEB Inflow Liability	11,459,840	-	-	-	-	-	-	-	-	-	-	11,459,840
Total Deferred Inflows of Resources	17,636,756	-	-	-	-	-	-	-	-	-	-	17,636,756
Net Position												
Net Investment in Capital Assets	11,157,104	3,547,588	-	-	-	-	-	-	-	-	-	14,704,693
Restricted-Energy Programs	17,337,674	-	-	742,848	5,856,019	-	-	86,158	28,133	-	-	24,050,832
Unrestricted Net Position	87,408,512	(5,975,712)	-	13,056,379	5,845,086	61,482	973,019	283,438	12,547,333	109,055	(100,100)	114,208,492
Total Net Position	115,903,291	(2,428,123)	-	13,799,227	11,701,105	61,482	973,019	369,596	12,575,466	109,055	(100,100)	152,964,018

**Connecticut Green Bank
Consolidated Balance Sheet
As of March 31, 2024**

	CGB-Primary Government As of 3/31/2024	CT Solar Lease 2 LLC As of 3/31/2024	CT Solar Lease 3 LLC As of 3/31/2024	CEFIA Solar Services Inc. As of 3/31/2024	Eliminations As of 3/31/2024	Consolidated As of 3/31/2024	Consolidated As of 6/30/2023	Consolidated YOY Change
Assets								
Current Assets								
Cash and Cash Equivalents	35,037,679	838,430	655,371	574,170	-	37,105,649	41,785,219	(4,679,570)
Accounts Receivable	1,653,723	64,285	21,504	38,974	-	1,778,486	4,252,424	(2,473,938)
Current Portion of Program Loans, Net of Reserves	-	-	-	-	-	-	7,236,385	(7,236,385)
Utility Remittance Receivable	1,983,328	-	-	-	-	1,983,328	1,852,328	131,000
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	-	1,019,815	-	2,628	-	1,022,443	1,022,443	-
Interest Receivable	1,615,674	-	-	-	-	1,615,674	1,627,117	(11,443)
Other Receivables	2,722,441	579,185	194,889	4,448,120	-	7,944,636	1,709,204	6,235,432
Prepaid Expenses and Other Assets	865,962	367,854	46,772	721,490	-	2,002,078	1,686,574	315,504
Current Portion of Prepaid Warranty Management	-	-	-	-	-	-	260,389	(260,389)
Total Current Assets	43,878,807	2,869,568	918,536	5,785,382	-	53,452,294	63,906,987	(10,454,693)
Noncurrent Assets								
Restricted Assets								
Cash and Cash Equivalents	24,050,832	1,502,159	-	384,774	-	25,937,765	22,364,466	3,573,299
Investments	996,150	-	-	-	-	996,150	852,427	143,724
Program Loans, net of reserves	131,422,755	-	-	-	-	131,422,755	102,369,925	29,052,830
Solar Lease I Promissory Notes, net of reserves	1,328,032	-	-	-	-	1,328,032	1,078,443	249,589
Renewable Energy Certificates	174,306	-	-	-	-	174,306	174,306	-
SBEA Promissory Notes, net of reserves	4,052,751	-	-	-	-	4,052,751	2,317,443	1,735,308
Lease Receivable, less current portion	-	15,218,710	-	63,640	-	15,282,350	15,282,350	-
Other	-	-	-	-	-	-	7,400,518	(7,400,518)
Due From Component Units	50,134,541	3,505	-	7,669,135	(57,807,181)	-	-	-
Investment in Component Units	100	-	-	28,528,253	(28,528,353)	-	-	-
Prepaid Warranty Management, less current portion	-	3,003,370	-	-	-	3,003,370	2,951,923	51,447
Fair Value - Interest Rate Swap	-	211,533	-	-	-	211,533	345,708	(134,175)
Capital Assets, net	14,704,693	45,375,606	9,077,906	376,967	252,308	69,787,480	72,589,044	(2,801,564)
Total Noncurrent Assets	226,864,161	65,314,883	9,077,906	37,022,769	(86,083,225)	252,196,493	227,726,553	24,469,940
Total Assets	270,742,968	68,184,451	9,996,442	42,808,151	(86,083,225)	305,648,787	291,633,540	14,015,247
Deferred Outflows of Resources								
Deferred Amount for Pensions	7,301,972	-	-	-	-	7,301,972	7,301,972	-
Deferred Amount for OPEB	6,353,565	-	-	-	-	6,353,565	6,353,565	-
Deferred Amount for Asset Retirement Obligations	-	1,577,892	369,126	-	-	1,947,018	2,027,042	(80,024)
Total Deferred Outflows of Resources	13,655,537	1,577,892	369,126	-	-	15,602,555	15,682,579	(80,024)
Liabilities								
Current Liabilities								
Accounts Payable	1,103,048	-	-	172,532	-	1,275,580	987,666	287,913
Accrued payroll and related liabilities	1,175,855	-	-	-	-	1,175,855	1,175,855	-
Accrued Expenses	10,099,405	11,354	-	32,928	-	10,143,686	10,239,031	(95,345)
Notes Payable-Green Liberty Notes	1,300,000	-	-	-	-	1,300,000	1,000,000	300,000
Current Maturities of Long-Term Debt	224,825	-	-	-	-	224,825	6,624,849	(6,400,023)
Custodial Liability	727,688	-	-	6,383	-	734,071	859,484	(125,413)
Deferred Revenue	136,072	(36,538)	-	-	-	99,535	68,798	30,736
Total Current Liabilities	14,766,893	(25,184)	-	211,842	-	14,953,551	20,955,683	(6,002,131)
Noncurrent Liabilities								
Due to Component Units	3,505	17,167,124	1,224	40,635,328	(57,807,181)	-	-	-
Asset Retirement Obligation	-	3,629,045	648,160	-	-	4,277,205	4,208,724	68,481
Long-term debt	63,352,748	7,337,563	-	1,200,677	-	71,890,987	71,736,406	154,581
Pension Liability	17,632,888	-	-	-	-	17,632,888	17,632,888	-
OPEB Liability	18,041,698	-	-	-	-	18,041,698	18,041,698	-
Total Noncurrent Liabilities	99,030,838	28,133,731	649,384	41,836,005	(57,807,181)	111,842,778	111,619,716	223,061
Total Liabilities	113,797,732	28,108,547	649,384	42,047,847	(57,807,181)	126,796,329	132,575,399	(5,779,070)
Deferred Inflows of Resources								
Deferred Pension Inflow Liability	6,176,916	-	-	-	-	6,176,916	6,176,916	-
Deferred OPEB Inflow Liability	11,459,840	-	-	-	-	11,459,840	11,459,840	-
Deferred Lease Inflow Liability	-	15,635,019	-	65,378	-	15,700,397	15,700,397	-
Total Deferred Inflows of Resources	17,636,756	15,635,019	-	65,378	-	33,337,153	33,337,153	-
Net Position								
Net Investment in Capital Assets	14,704,693	45,375,606	9,077,906	376,967	252,308	69,787,480	72,589,044	(2,801,564)
Restricted-Energy Programs	24,050,832	1,502,159	-	384,774	-	25,937,765	21,504,981	4,432,785
Unrestricted Net Position	114,208,492	(20,858,988)	638,278	(66,815)	(28,528,353)	65,392,614	47,309,542	18,083,072
Total Net Position	152,964,018	26,018,777	9,716,184	694,926	(28,276,044)	161,117,860	141,403,567	19,714,293

Connecticut Green Bank - Primary Government
Consolidated Statement of Revenues and Expenditures
For the Period July 1, 2023 to March 31, 2024

	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 3/31/2023	Fiscal YTD 3/31/2023	Fiscal YTD 3/31/2023	Fiscal YTD 3/31/2023	Fiscal YTD 3/31/2023	Fiscal YTD 3/31/2023	Fiscal YTD 3/31/2023	Fiscal YTD 3/31/2023	Fiscal YTD 3/31/2023	Fiscal YTD 3/31/2023	Fiscal YTD 3/31/2023
Operating Income (Loss)											
Operating Revenues											
Utility Remittances	19,057,216	-	-	-	-	-	-	-	-	-	19,057,216
Interest Income-Promissory Notes	5,320,515	-	-	-	85,459	336,337	26,590	429,289	130,623	-	6,328,813
RGGI Auction Proceeds	5,200,000	-	-	-	-	-	-	-	-	-	5,200,000
Energy System Sales	-	-	-	-	-	-	-	665,419	-	-	665,419
REC Sales	4,209,531	-	4,345,893	2,749,390	-	-	-	-	-	-	11,304,814
Other Income	1,517,900	-	-	-	-	267,413	260	39,868	-	-	1,825,442
Total Operating Revenues	35,305,163	-	4,345,893	2,749,390	85,459	603,750	26,850	1,134,576	130,623	-	44,381,704
Operating Expenses											
Cost of Goods Sold-Energy Systems	-	-	-	-	-	-	-	665,419	-	-	665,419
Provision for Loan Losses	1,194,252	-	-	-	-	-	-	-	-	-	1,194,252
Grants and Incentive Payments	4,581,487	-	-	-	-	-	-	-	-	-	4,581,487
Program Administration Expenses	11,670,869	291,391	40,000	93,958	59,347	-	10,205	74,503	18,412	-	12,258,686
General and Administrative Expenses	4,223,071	5,500	2,625	1,566	-	616	2,136	4,532	14,489	-	4,254,536
Total Operating Expenses	21,669,680	296,891	42,625	95,524	59,347	616	12,341	744,454	32,902	-	22,954,379
Operating Income (Loss)	13,635,483	(296,891)	4,303,268	2,653,866	26,113	603,134	14,509	390,122	97,721	-	21,427,324
Nonoperating Revenue (Expenses)											
Interest Income-Short Term Cash Deposits	961,102	-	21,020	150	-	-	1,017	408	27,039	-	1,010,736
Interest Income-Component Units	54,967	-	-	-	-	-	-	-	-	-	54,967
Interest Expense-ST Debt	-	-	-	-	-	-	-	-	(41,380)	-	(41,380)
Interest Expense-LT Debt	(655,803)	-	(763,433)	-	-	-	-	-	-	-	(1,419,236)
Debt Issuance Costs	-	-	-	-	-	-	-	-	(7,500)	-	(7,500)
Unrealized Gain (Loss) on Investments	(27,526)	-	-	-	-	-	-	-	-	-	(5,608)
Total Nonoperating Revenue (Expenses)	332,740	-	(742,413)	150	-	-	1,017	408	(21,841)	-	(408,021)
Change in Net Position	13,968,224	(296,891)	3,560,855	2,654,016	26,113	603,134	15,526	390,529	75,880	-	21,019,303

Connecticut Green Bank
Consolidated Statement of Revenues and Expenditures
For the Period July 1, 2023 to March 30, 2024

	CGB-Primary Government Fiscal YTD 3/31/2024	CT Solar Lease 2 LLC Fiscal YTD 3/31/2024	CT Solar Lease 3 LLC Fiscal YTD 3/31/2024	CEFIA Solar Services Inc. Fiscal YTD 3/31/2024	Eliminations Fiscal YTD 3/31/2024	Consolidated Fiscal YTD 3/31/2024	Consolidated Fiscal YTD 3/31/2023	Consolidated YOY Variance
Operating Income (Loss)								
Operating Revenues								
Utility Remittances	19,057,216	-	-	-	-	19,057,216	13,039,756	6,017,460
Interest Income-Promissory Notes	6,328,813	29	-	-	-	6,328,842	3,266,935	3,061,907
RGGI Auction Proceeds	5,200,000	-	-	-	-	5,200,000	3,710,288	1,489,712
Energy System Sales	665,419	-	-	1,293,621	-	1,959,040	1,328,079	630,961
REC Sales	11,304,814	485,290	287,444	12,051	-	12,089,600	7,291,717	4,797,883
Lease Income	-	1,080,730	-	3,438	-	1,084,168	751,590	332,579
Other Income	1,825,442	616,409	255,851	588,333	(115,208)	3,170,827	1,248,704	1,922,124
Total Operating Revenues	44,381,704	2,182,459	543,296	1,897,443	(115,208)	48,889,693	30,637,069	18,252,624
Operating Expenses								
Cost of Goods Sold-Energy Systems	665,419	-	-	1,293,621	-	1,959,040	1,328,079	630,961
Provision for Loan Losses	1,194,252	-	-	-	-	1,194,252	854,441	339,811
Grants and Incentive Payments	4,581,487	-	-	-	-	4,581,487	3,982,427	599,060
Program Administration Expenses	12,258,686	2,505,946	395,000	556,442	(252,308)	15,463,765	9,202,399	6,261,366
General and Administrative Expenses	4,254,536	178,484	43,920	17,640	(115,208)	4,379,372	2,759,673	1,619,699
Total Operating Expenses	22,954,379	2,684,430	438,920	1,867,703	(367,516)	27,577,916	18,127,019	9,450,897
Operating Income (Loss)	21,427,324	(501,971)	104,376	29,740	252,308	21,311,777	12,510,050	8,801,727
Nonoperating Revenue (Expenses)								
Interest Income-Short Term Cash Deposits	1,010,736	771	2,841	909	-	1,015,256	593,649	421,607
Interest Income-Component Units	54,967	-	-	40,862	(95,829)	-	-	-
Interest Expense-Component Units	-	(95,829)	-	-	95,829	-	-	-
Interest Expense-ST Debt	(41,380)	-	-	-	-	(41,380)	(5,834)	(35,546)
Interest Expense-LT Debt	(1,419,236)	(299,931)	-	(23,105)	-	(1,742,272)	(1,396,777)	(345,495)
Debt Issuance Costs	(7,500)	-	-	-	-	(7,500)	(5,000)	(2,500)
Distributions to Member	-	-	(22,801)	-	-	(22,801)	(302,770)	279,969
Unrealized Gain on Interest Rate Swap	-	(134,175)	-	-	-	(134,175)	252,598	(386,773)
Net change in fair value of investments	(5,608)	(296,095)	(98,955)	-	-	(400,659)	(53,799)	(346,859)
Total Nonoperating Revenue (Expenses)	(408,021)	(825,259)	(118,916)	18,666	-	(1,333,530)	(917,932)	(415,598)
Change in Net Position	21,019,303	(1,327,230)	(14,540)	48,406	252,308	19,978,247	11,592,118	8,386,129

Connecticut Green Bank - Primary Government
Consolidated Statement of Cash Flows
For the Period July 1, 2023 to March 31, 2024

	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 3/31/2024	Fiscal YTD 3/31/2024	Fiscal YTD 3/31/2024	Fiscal YTD 3/31/2024	Fiscal YTD 3/31/2024	Fiscal YTD 3/31/2024	Fiscal YTD 3/31/2024	Fiscal YTD 3/31/2024	Fiscal YTD 3/31/2024	Fiscal YTD 3/31/2024	Fiscal YTD 3/31/2024	Fiscal YTD 3/31/2024
Operating Activities												
Change in Net Position	13,968,224	(296,891)	21,918	3,560,855	2,654,016	26,113	603,134	15,526	390,529	75,880	-	21,019,303
Adjustments to reconcile change in net position to net cash provided by (used in) operating activities												
Depreciation	403,413	114,030	-	-	-	-	-	-	-	-	-	517,442
Provision for Loan Losses	544,252	-	-	-	-	-	-	-	-	-	-	544,252
Gain (Loss) on Investments	5,608	-	-	-	-	-	-	-	-	-	-	5,608
Noncash exercise of warrants	(121,322)	-	-	-	-	-	-	-	-	-	-	(121,322)
Changes in operating assets and liabilities:												
Accounts Receivable	2,378,043	-	-	-	-	-	89,439	-	14,576	-	-	2,482,058
Utility Remittance Receivable	(131,000)	-	-	-	-	-	-	-	-	-	-	(131,000)
Interest Receivables	59,541	-	-	-	-	-	10,220	476	(64,561)	-	-	5,676
Other Receivables	68,649	-	-	-	-	-	-	1,058	(1,667,675)	121,154	-	(1,476,814)
Due from Component Units	(1,822,988)	-	-	(1,800,000)	-	-	-	-	2,586,723	-	-	(1,036,265)
Prepaid Expenses and Other Assets	(57,684)	75,473	-	39,000	-	-	-	-	(162,855)	-	-	(106,066)
Accounts Payable and Accrued Expenses	623,654	7,946	-	(718)	(69)	-	-	29	29,246	16,250	-	676,338
Due to Component Units	1,800,000	150,000	(21,918)	-	-	(796,257)	8,050,000	(1,715,000)	(711,495)	496,371	-	7,251,702
Custodial Liability	(181,701)	-	-	-	-	-	-	-	(165,413)	-	-	(347,114)
Deferred Revenue	69,254	-	-	-	-	-	-	-	-	-	-	69,254
Net cash provided by (used in) operating activities	17,605,943	50,558	-	1,799,137	2,653,947	(770,144)	8,752,792	(1,697,912)	249,074	709,656	-	29,353,051
Investing Activities												
Purchase of Capital Assets	(57,461)	-	-	-	-	-	-	-	-	-	-	(57,461)
Program Loan Disbursements	(24,112,500)	-	-	-	-	-	(8,828,023)	-	(2,126,856)	(1,663,907)	-	(36,731,285)
Return of Principal on Program Loans	11,987,458	-	-	-	-	770,144	94,877	130,336	517,660	1,382,290	-	14,882,765
Portfolio Investments	(56,756)	-	-	-	-	-	-	-	-	-	-	(56,756)
Net cash provided by (used in) investing activities	(12,239,258)	-	-	-	-	770,144	(8,733,146)	130,336	(1,609,196)	(281,616)	-	(21,962,737)
Financing Activities												
Proceeds from Green Liberty Notes	-	-	-	-	-	-	-	-	-	800,000	-	800,000
Repayments of Debt	(3,515,563)	-	-	(1,555,114)	-	-	-	-	-	(500,000)	-	(5,570,677)
Net cash provided by (used in) financing activities	(3,515,563)	-	-	(1,555,114)	-	-	-	-	-	300,000	-	(4,770,677)
Net increase (decrease) in cash and cash equivalents	1,851,122	50,558	-	244,023	2,653,947	-	19,646	(1,567,576)	(1,360,122)	728,039	-	2,619,638
Cash and Cash Equivalents, Beginning of Period												
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
Cash and Cash Equivalents, Beginning of Period	43,475,038	45,573	-	1,422,387	3,264,856	-	1,355,036	1,992,819	2,010,432	2,902,733	-	56,468,874
Cash and Cash Equivalents, End of Period												
Unrestricted	27,988,486	96,131	-	923,562	62,784	-	1,374,683	339,085	622,176	3,630,772	-	35,037,679
Restricted	17,337,674	-	-	742,848	5,856,019	-	-	86,158	28,133	-	-	24,050,832
Cash and Cash Equivalents, End of Period	45,326,160	96,131	-	1,666,410	5,918,803	-	1,374,683	425,243	650,310	3,630,772	-	59,088,511

Connecticut Green Bank
Consolidated Statement of Cash Flows
For the Period July 1, 2023 to March 31, 2024

	CGB-Primary Government Fiscal YTD 3/31/2024	CT Solar Lease 2 LLC Fiscal YTD 3/31/2024	CT Solar Lease 3 LLC Fiscal YTD 3/31/2024	CEFIA Solar Services Inc. Fiscal YTD 3/31/2024	Eliminations Fiscal YTD 3/31/2024	Consolidated Fiscal YTD 3/31/2024
Operating Activities						
Change in Net Position	21,019,303	(1,327,230)	(14,540)	48,406	-	19,725,939
Adjustments to reconcile change in net position to net cash provided by (used in) operating activities						
Depreciation	517,442	1,895,060	429,914	11,435	-	2,853,852
Accretion	-	58,088	10,393	-	-	68,481
Provision for Loan Losses	544,252	-	-	-	-	544,252
Loss on Fixed Asset Disposals/Solar Lease Buyouts	-	296,095	-	-	-	296,095
Gain (Loss) on FV of Interest Rate Swap	-	134,175	-	-	-	134,175
Gain (Loss) on Investments	5,608	-	-	-	-	5,608
Noncash exercise of warrants	(121,322)	-	-	-	-	(121,322)
Changes in operating assets and liabilities:						
Accounts Receivable	2,482,058	24,748	4,015	(36,883)	-	2,473,937
Utility Remittance Receivable	(131,000)	-	-	-	-	(131,000)
Interest Receivable	5,676	9,027	-	-	-	14,703
Other Receivables	(1,476,814)	339,723	199,533	2,102,644	-	1,165,087
Due from Component Units	(1,036,265)	(3,505)	-	(40,862)	1,080,631	-
Prepaid Expenses and Other Assets	(106,066)	177,017	(6,150)	(174,623)	-	(109,822)
Accounts Payable and Accrued Expenses	676,338	(145,520)	(56,636)	(76,135)	-	398,046
Due to Component Units	7,251,702	(1,300,967)	1,224	(4,871,327)	(1,080,631)	-
Custodial Liability	(347,114)	-	-	-	-	(347,114)
Deferred Revenue	69,254	(36,538)	(1,980)	-	-	30,736
Net cash provided by (used in) operating activities	29,353,051	120,173	565,773	(3,037,346)	-	27,001,652
Investing Activities						
Purchase of Capital Assets	(57,461)	-	-	-	-	(57,461)
Proceeds from sale of Capital Assets/Solar Lease Buyouts	-	41,410	-	-	-	41,410
Program Loan Disbursements	(36,731,285)	-	-	-	-	(36,731,285)
Return of Principal on Program Loans	14,882,765	-	-	-	-	14,882,765
Investment in Component Units	-	-	-	(263,954)	-	(263,954)
Net cash provided by (used in) investing activities	(21,962,737)	41,410	-	(263,954)	-	(22,185,281)
Financing Activities						
Proceeds from Green Liberty Notes	800,000	-	-	-	-	800,000
Repayments of Debt	(5,570,677)	(1,103,673)	-	(71,093)	-	(6,745,443)
Distributions (to Member) / received	-	-	(3,000,000)	3,000,000	-	-
Distributions to Investor Member	-	-	22,801	-	-	22,801
Net cash provided by (used in) investing activities	(4,770,677)	(1,103,673)	(2,977,199)	2,928,907	-	(5,922,642)
Net increase (decrease) in cash and cash equivalents	2,619,638	(942,090)	(2,411,426)	(372,392)	-	(1,106,271)
Cash and Cash Equivalents, Beginning of Period						
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
Cash and Cash Equivalents, Beginning of Period	56,468,874	3,282,679	3,066,796	1,331,336	-	64,149,685
Cash and Cash Equivalents, End of Period						
Unrestricted	35,037,679	838,430	655,371	574,170	-	37,105,649
Restricted	24,050,832	1,502,159	-	384,774	-	25,937,765
Cash and Cash Equivalents, End of Period	59,088,511	2,340,589	655,371	958,944	-	63,043,414

Connecticut Green Bank - Yearly Actuals - Since FY18 Sweeps



Yearly Actuals - Since FY18 Sweeps

	Year Ending 06/30/2024	Year Ending 06/30/2023	Year Ending 06/30/2022	Year Ending 06/30/2021	Year Ending 06/30/2020	Year Ending 06/30/2019	Year Ending 06/30/2018
	Actual	Actual	Actual	Actual	Actual	Actual	Actual
▼ Total Revenues							
▶ Public Revenues	26,140,994	33,747,820	36,848,209	31,597,302	29,435,778	28,224,937	27,193,442
▶ Earned Revenues	28,700,482	28,587,525	19,461,884	19,579,652	20,119,767	1,816,619	6,653,598
Total Revenues	54,841,476	62,335,345	56,310,093	51,176,954	49,555,545	30,041,556	33,847,040
▼ Total Operating Expenses							
▶ Personnel Related Operating Expenses	12,329,509	5,501,599	8,112,984	8,881,788	10,823,213	10,861,094	11,487,251
▶ Non-Personnel Related Operating Expenses	10,181,011	14,687,332	10,812,699	9,807,310	12,057,954	13,752,629	19,810,137
Total Operating Expenses	22,510,520	20,188,931	18,925,683	18,689,098	22,881,167	24,613,723	31,297,388
▼ Total Non-Operating Expenses							
▶ Program Incentives and Grants	5,590,421	7,100,433	15,315,153	16,405,161	17,313,711	14,992,792	18,932,920
▶ Non-Operating Expenses	3,077,909	4,449,671	223,273	3,223,797	7,693,827	4,928,435	1,089,706
Total Non-Operating Expenses	8,668,330	11,550,104	15,538,426	19,628,958	25,007,538	19,921,227	20,022,626
▶ Total Expenses	31,178,850	31,739,034	34,464,109	38,318,056	47,888,706	44,534,951	51,320,014
▶ Net Revenues Over (Under) Expenses	23,662,626	30,596,311	21,845,984	12,858,898	1,666,840	(14,493,395)	(17,447,974)

Memo

To: Connecticut Green Bank Senior Team

From: Inclusive Prosperity Capital Staff

Date: June 14, 2024

Re: IPC Quarterly Reporting – Q3 FY24 (January 1, 2024 – March 31, 2024)

Progress to targets for Fiscal Year 2024, as of 3/31/2024

Product	Number of Projects	Projects Target	% to goal	Total Financed Amount	Financed Target	% to goal	MW Installed	MW Target	% to goal
Smart-E Loan	976	1204	81%	\$20,657,756	\$22,423,925	92.1%	1.7	0.9	188%
Multi-Family H&S Loan	0	0	n/a	\$0	\$0	n/a	n/a	n/a	n/a
Multi-Family Pre-Dev. Loan	0	0	n/a	\$0	\$0	0%	0.0	0.0	0%
Multi-Family Term Loan	1	0	n/a	\$1,420,295	\$0	n/a	0.0	0.0	n/a
Solar PPA	0	10	0%	\$0	\$10,650,000	0%	0	4.7	0%

PSA 5410 – Smart-E Loan

The Smart-E loan program continues to be in high demand for contractors and homeowners. In the third quarter specifically, 182 loans were closed for \$4,379,177 (64 in January, 58 in February and 60 in March). HVAC projects continue to be the dominant installation measure but solar installations continue to increase, raising the average project financed amount to just over \$24,000 in the 3rd quarter. After the second quarter Smart-E goal increase, the program still remains on track to achieve the 2024 fiscal year targets.

PSA 5411 – Multifamily

- South Eagleville, a development project funded by a 2016 Navigator Predevelopment Loan to the Mansfield Housing Authority and Mansfield Nonprofit Housing Development Corporation, closed on its CHFA & DOH permanent financing package for ~\$20M, ~\$17.7M of which was financing, \$1,420,295 of which was for energy improvements at the property.
- The ECT H&S RLF Loan Fund has ~\$100k available for deployment.

PSA 5412 – Solar PPA

- To-date, no solar PPA projects have closed in FY24.
- IPC staff continues to respond to PPA pricing requests received by CTGB staff, particularly extensive scenarios to support the Solar MAP initiative.
- Pricing requests have ticked up, potentially as incentive demand in year 2 of the NRES program stabilizes, with a handful of expressions of interest in proceeding to contract review.
- IPC staff continues to survey and monitor pricing competitiveness across installer and developer channels. General feedback is that our current pricing offering remains competitive/may be becoming more 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 Solar MAP Round 2 projects throughout 2024.
- 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.

Use of DEEP Proceeds

Energize CT Health & Safety Revolving Loan Fund

- ~\$100k of H&S funds are available for deployment.

General Updates

Below are updates for the third quarter of FY24:

- **Capital raising:**
 - No investment capital raising in this quarter, focus was on GGRF applications.
 - IPC will begin raising investment and general operating capital later in calendar 2024 TBD based on GGRF awards.
 - Negotiations are in process on CGB on amendments to the PPA facility for construction and permanent debt.
- **Business/Product Development/Initiatives of interest to Connecticut:**
 - Smart-E/NGEN technical partner discussions
 - Evaluating various technology for strategic partnerships to offer additional functionality around instant pre-approval to contractors and better integration into lender origination systems. Each would be a non-exclusive arrangement and come with different cost structures. IPC expects to ultimately work with a number of potential tech providers on the front-end interface with contractors and consumers, as options offered to lenders and contractors for a fee.
 - Software licensing agreement for the NGEN platform
 - Executed an NGEN licensing agreement with CAETFA after working through numerous CA contracting and procurement challenges.
 - Discussions continue with Colorado Clean Energy Fund and Energy Trust of Oregon on potential NGEN licensing.
 - Full Smart-E Program Implementation
 - Working with Inclusiv, Smart-E has launched in NM (public launch event on 4/22/2023) and AZ (public launch event on 5/19/2023) with TX to follow in spring 2024 (signed first lenders in TX) 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.
 - Executed an agreement with Indiana Energy Independence Fund to launch a co-branded Smart-E program in the state, expected launch in June 2024.
 - Continue to work 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. Most are waiting for GGRF funding to flow, though a few might be in a position to launch ahead of that.
 - Continue 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.

Administrative:

Below are changes to staff and our talent acquisition process:

Additions and Departures:

Additions:

Ethan Pelletier, Staff Accountant – January 8, 2024

Departures:

Connor Finn, Snr. Associate, Clean Energy Transactions – January 5, 2024
Kim Stevens, Managing Director, Strategic Initiatives – February 2, 2024
Michael DesRoches, Controller – March 5, 2023

Current Vacancies:

Controller (Posted)
Senior Accountant (Posted)
Associate Manager, Clean Energy Transactions
Associate/Senior Associate, Clean Energy Transactions

Recruiting & Staff Updates:

We successfully hired and onboarded a new Staff Accountant (replacement role). With the departures of the Controller (Q1/2024) and the Senior Accountant (Q3/2023), our recruitment efforts are focused on strategically rebuilding our accounting team. As a result, we are currently hiring a Controller and a Senior Accountant. Additionally, we are preparing to recruit and hire an Associate or Senior Associate of Clean Energy Transactions this summer. In all, we will continue to utilize our successful recruitment strategies that we established in 2023. Those strategies included improving the candidate experience by reducing the number of interviews from 4-6 per candidate to a three-phase interview process, increasing the diversity of candidates both in our candidate pool and in the final prospects that were presented to hiring managers. Finally, we will continue to focus on ensuring that the interview process allowed various cross functional teams to connect with candidates before selection.



Memo

To: Connecticut Green Bank Board of Directors

From: Bryan Garcia (President and CEO), Jane Murphy (Executive Vice President of Finance and Administration), Dan Smith (Associate Director of Finance and Administration), and Eric Shrago (Vice President of Operations)

Date: June 14, 2024

Re: Proposed FY2025 Targets and Budget

As you are all aware, this spring the Green Bank learned that we were part of three winning coalitions for the Greenhouse Gas Reduction Fund competitions. Our years of preparation and hard work paid dividends, and the organization is well positioned to facilitate the expansion into all communities, especially vulnerable communities, in Connecticut. The team, after much stakeholder engagement, has expanded CPACE and Smart-E to include some resilience measures. Two years into the Energy Storage Solutions Program, we are outpacing commercial targets and still working to grow the nascent residential storage market. The Green Bank Solar PPA is joined by a tariff backed loan product providing options to property owners in the Commercial, Industrial, and Institutional sector. Our Marketplace Assistance Program for the PPA is growing to include affordable multifamily properties in addition to municipalities. We are looking at exciting new areas for investment, including EV buses and resilience hubs, while looking to expand our Capital Solutions RFP to include Environmental Infrastructure. Between these undertakings, along with our continued efforts to reduce energy burden on vulnerable communities, we are looking at many exciting developments this upcoming fiscal year.

After careful consideration and reflection staff have constructed the below targets and supporting budget for the upcoming fiscal year and the Board's Budget, Operations, and Compensation (BO&C) Committee is recommending these targets and budget for approval by the Board of Directors.

I. Targets

The Green Bank has proposed the following targets for each sector's programs for the upcoming fiscal year:

Table 1: Financing Programs Targets

Segment	Product	Channel	Targets						
			Number of Projects	Total Capital Deployed	CGB Capital Committed	CGB Capital Disbursed	NCIF Committed	SFA Committed	Capacity Installed
Financing Programs	CPACE	Total CPACE	23	\$ 32,200,000	\$ 14,700,000	\$ 11,380,000	\$ 2,500,000	\$ -	-
	Marketplace Assistance Program	Municipal MAP PPAs/Loans	1	\$ 1,857,520			\$ 7,500,000		0.870
		State MAP PPAs/Loans	1	\$ 10,700,000	\$ 6,420,000				5.000
		Multifamily MAP PPAs/Leases/Loans	6	\$ 4,800,000	\$ 4,800,000		\$ 5,000,000	\$ 25,000,000	1.600
		Total MAP	8	\$ 17,357,520	\$ 11,220,000	\$ 3,000,000	\$ 12,500,000	\$ 25,000,000	7.470
	PPA	Total PPA	14	\$ 9,242,000	\$ 4,328,000	\$ 2,300,000			-
		Tariff Backed Loan							
		SBEA	518	\$ 12,600,000	\$ 2,520,000	\$ 2,520,000			
		Multi-Family Pre-Dev							-
		Multi-Family Term (LIME)							
	Financing Programs Total		563	71,399,520	32,768,000	19,200,000	15,000,000	25,000,000	7

Table 2: Incentive Programs Targets

Segment	Program		Targets						
			Number of Projects	Total Capital Deployed	CGB Capital Committed	CGB Capital Disbursed	NCIF Committed	SFA Committed	Capacity Installed/Nameplate Capacity
Incentive Programs	ESS (Residential)	Residential Storage Incentives Total	500	\$ 16,000,000	\$ 3,000,000	\$ 500,000		\$ 5,550,000	4.300
	ESS (C&I)	C&I Storage Incentives Total	5	\$ 12,500,000	\$ 1,500,000	\$ 848,100			10.000
	Smart-E	Total Smart-E	1,325	\$ 26,812,195	\$ -	\$ -	\$ 5,000,000	\$ 2,500,000	2.120
	Incentive Programs Total		1,830	\$ 55,312,195	\$ 4,500,000	\$ 1,348,100	\$ 5,000,000	\$ 8,050,000	16.420

Table 3: Environmental Infrastructure Targets

Segment	Program	Number of Projects	Targets					Capacity Installed/Nameplate Capacity
			Total Capital Deployed	CGB Capital Committed	CGB Capital Disbursed	NCIF Committed	SFA Committed	
Environmental Infrastructure	CPACE	Total Resilience Linked CPACE	0	\$ 0	\$ 0	\$ 0		-
	Smart-E	Total EI linked Smart-E	20	\$ 100,000	\$ 0	\$ 0		-
	Capital Solutions	Total Capital Solutions (EI)	1	\$ 2,000,000	\$ 1,000,000	\$ 500,000	\$ 5,000,000	-
	Environmental Infrastructure Total		21	\$ 2,100,000	\$ 1,000,000	\$ 500,000	\$ 5,000,000	\$ -

Table 4: Investment Targets

Segment	Program	Number of Projects	Targets					Capacity Installed/Nameplate Capacity
			Total Capital Deployed	CGB Capital Committed	CGB Capital Disbursed	NCIF Committed	SFA Committed	
Investments	Strategic Investments	Resilience Hubs		\$ 2,500,000	\$ 2,500,000	\$ 1,000,000	\$ 5,000,000	
		PPA recapitalization (Sale of projects)	8	\$ 15,200,000	\$ 11,000,000	\$ 11,000,000		
		Transportation (EV Busses)		\$ 10,000,000	\$ 10,000,000	\$ 4,000,000	\$ 10,000,000	
		Capital Solutions (Clean Energy)		\$ 16,280,000	\$ 16,280,000	\$ 7,000,000		\$ 10,000,000
		Capital Solutions (EI)	1	\$ 2,000,000	\$ 1,000,000	\$ 500,000	\$ 5,000,000	
		Total Strategic Investments	9	\$ 45,980,000	\$ 40,780,000	\$ 23,500,000	\$ 20,000,000	\$ 10,000,000
	Total Investments		9	\$ 45,980,000	\$ 40,780,000	\$ 23,500,000	\$ 20,000,000	\$ 10,000,000

Table 5: Organizational Targets

Segment	Business Segment	Targets						
		Number of Projects	Total Capital Deployed	CGB Capital Committed	CGB Capital Disbursed	NCIF Committed	SFA Committed	Capacity Installed
CGB	Financing Programs Total	563	\$ 71,399,520	\$ 32,768,000	\$ 19,200,000	\$ 15,000,000	\$ 25,000,000	7.470
	Incentive Programs Total	1,830	\$ 55,312,195	\$ 4,500,000	\$ 1,348,100	\$ 5,000,000	\$ 8,050,000	16.420
	Environmental Infrastructure Total	21	\$ 2,100,000	\$ 1,000,000	\$ 500,000	\$ 5,000,000	-	-
	Total Investments	9	\$ 45,980,000	\$ 40,780,000	\$ 23,500,000	\$ 20,000,000	\$ 10,000,000	-
	Green Bank Total	2,402	\$172,691,715.15	\$78,048,000.00	\$44,048,100.00	\$40,000,000.00	\$43,050,000.00	23.89

Please note that a larger version of these targets is included in the 4ai_CGB_BOD Proposed Targets FY2025 Addendum A

II. Proposed Green Bank FY 2025 Operating and Program Budget

Enclosed is the proposed Green Bank's FY 2025 budget for review and discussion at the June 5th meeting.

Revenues:

Revenue for the FY 2025 budget is forecast to be \$67,194,252. This estimate includes public revenues (utility customer assessments and RGGI auction proceeds) and earned revenues (interest income, REC sales, grants, and closing fees). The public revenues are \$29,101,700, or 43% of total revenues – while the earned revenues are \$38,447,552, or 57% of total revenues. This is a significant increase in earned revenues, marking our highest forecast earned revenues yet. Year on year, revenues are increasing by 25%.

On the Revenue Schedules, please note the following items:

- **Utility Customer Assessments** – This is money that comes from the 1 mil that ratepayers pay into the Clean Energy Fund. The YOY decrease of 2% is due to the forecast of energy demand through next fiscal year. These funds decrease every year due to decreased demand of electricity as more clean energy is deployed in the state.
- **RGGI Auction Proceeds** – The Green Bank receives 23% of the proceeds from the Regional Green House Gas Initiative Auctions for tradeable discharge permits each quarter. While overall proceeds will increase, there was a statutorily emplaced cap on the Green Bank's proceeds at \$5.2 million and the overage will go to fund electric vehicle rebates through the CHEAPR program.
- **Interest Income** – This comes from the repayment to the Green Bank from borrowers for our projects such as CPACE, project finance loans, etc. The 18% increase YOY is due to increased loan volumes closed in FY24.
- **Grant Income** – The Green Bank expects various grants in FY25 including ones from the Department of Economic and Community Development and an initial draw on winnings from the Environmental Protection Agency's Greenhouse Gas Reduction Fund.
- **REC Sales** – The Green Bank produces approximately 60,000 Renewable Energy Certificates from pre-SHREC, yet to be tranced RSIP projects, and RSIP projects that were part of the RSIP-Extension annually and is subject to the market price for the certificates. Staff actively follow the REC markets and enter into contracts to sell these RECs in order to optimize the income from them. Current market demand for RECs is robust and we are monetizing our REC Inventory.
- **REC Sales (SHREC)** – The SHRECs are Solar Home Renewable Energy Certificates owned by the Green Bank and designed to recoup the cost of the RSIP incentive and the administration of the RSIP program. The Green Bank sets the price for these with the utilities who have agreed to purchase them under our Master Purchase Agreement. We have a YOY decrease in SHREC income due to modeled degradation of systems.

- **LREC/ZREC Income** – this comes from the credits earned by systems owned by the Green Bank. The decrease is due to bringing our forecasts in line with actuals from FY24.
- **Other Income** – This includes other streams of income to the Green Bank from forward capacity markets sales and electric vehicle carbon credits.

Expenses

Projected operating expenses for FY2025 are forecast at \$ 32,160,629 – or \$19,552,328 for personnel (i.e., 73% Financing Programs, 19% Incentive Programs, and 8% Environmental Infrastructure Programs) and \$12,608,301 for non-personnel (i.e., 69% Financing Programs, 24% Incentive Programs, and 7% Environmental Infrastructure Programs) related operating expenses. Year on year, operating expenses are increasing by 7%. The noteworthy year on year budget differences are:

- **Compensation and Benefits** – increase of \$3,225,545 representative of 5 new positions (three new team members in financing programs, an additional member of the incentive programs team, and a new position focused on solar and storage contractor outreach).
- **Program Administration** – is due to decrease by \$545,864 driven by the decreased use of Powerclerk for RSIP, progress made on wireless meter replacements, and prior investments made in standing up energy storage solutions.
- **Program Administration (IPC Fee)** – will decrease by 33% as per our agreements with Inclusive Prosperity Capital.
- **Marketing** – we are forecasting a decrease of \$102,355 as we have decreased advertising and outreach focused on ESS to be more targeted.
- **Evaluation, Measurement & Verification** – The decrease of \$445,004 is primarily due to decreased regulatory requests and support needed for ESS.
- **Research and Development** – will increase by \$102,000 and help spark new efforts in Environmental Infrastructure, issuing Carbon Credits, leveraging Artificial Intelligence, and community engagement.
- **Consulting and Professional Fees** – This is proposed to increase by \$147,269. This is driven primarily by two proposed expenses. The first is the need to do a new compensation study after the recent period of wage inflation to benchmark staff salaries and ensure that we are in-line with the market. It has been our practice to do these every 3-5 years and we are due for a new study in FY25 having completed the last study in 2021. The second is a strategic technology consultant.
- **Bond Issuance Costs** – As we do not intend to issue another SHREC backed municipal bond this year, we are not budgeting for any issuance costs at this time. Based off of where rates are, we will revisit this in January.

- **Grants and Incentives** – are projected to be \$9,143,100 (11% increase YOY) for our existing programs while non-operating expenses (e.g., interest expense, provision for loan losses) are projected to be \$ 3,829,708 or a decrease of 2%.

Investments

This budget includes committing \$78,048,000 of Green Bank capital to financing activity and disbursing \$44,048,100 in Green Bank capital. This activity will deliver \$21M in interest income, or a weighted average return of 5% over 10 years.

We look forward to discussing this budget and targets.

Resolutions:

WHEREAS, Section 5.2.2 of the Bylaws of the Connecticut Green Bank’s requires the recommendation of the Budget, Operations, and Compensation Committee (Committee) of the annual budget to the Connecticut Green Bank Board of Directors;

WHEREAS, on June 5, 2024, the Committee recommended the adoption of these targets and budget for FY2025 and the professional services agreements (PSAs) listed below;

NOW, therefore be it:

WHEREAS, the Board of Directors authorizes Green Bank staff to enter into new or extend existing professional services agreements (PSAs) with the following, contingent upon a competitive bid process having occurred in the last three years (except Inclusive Prosperity Capital and Carahsoft):

- I. New Charter Technologies, LLC
- II. Alter Domus (formerly Cortland)
- III. Inclusive Prosperity Capital
- IV. DNV
- V. Guidehouse (formerly Navigant) (2)
- VI. PKF O'Connor Davies
- VII. CliftonLarsonAllen
- VIII. C-TEC Solar, LLC
- IX. GO, LLC
- X. Craftsman Technologies
- XI. Strategic Environmental Associates
- XII. Carahsoft
- XIII. AEC Solar
- XIV. DCS
- XV. AlsoEnergy
- XVI. Sourceone

For fiscal year 2025 with the amounts of each PSA not to exceed the applicable approved budget line item.

RESOLVED, that the Green Bank Board hereby approves: (1) the FY2025 Targets and Budget.

Proposed Targets for Fiscal Year 2025

Table 1: Financing Programs Targets

Segment	Product	Channel	Targets						
			Number of Projects	Total Capital Deployed	CGB Capital Committed	CGB Capital Disbursed	NCIF Committed	SFA Committed	Capacity Installed
Financing Programs	CPACE	Total CPACE	23	\$ 32,200,000	\$ 14,700,000	\$ 11,380,000	\$ 2,500,000	\$ -	-
	Marketplace Assistance Program	Municipal MAP PPAs/Loans	1	\$ 1,857,520			\$ 7,500,000		0.870
		State MAP PPAs/Loans	1	\$ 10,700,000	\$ 6,420,000				5.000
		Multifamily MAP PPAs/Leases/Loans	6	\$ 4,800,000	\$ 4,800,000		\$ 5,000,000	\$ 25,000,000	1.600
		Total MAP	8	\$ 17,357,520	\$ 11,220,000	\$ 3,000,000	\$ 12,500,000	\$ 25,000,000	7.470
	PPA	Total PPA	14	\$ 9,242,000	\$ 4,328,000	\$ 2,300,000			-
		Tariff Backed Loan							
		SBEA	518	\$ 12,600,000	\$ 2,520,000	\$ 2,520,000			
		Multi-Family Pre-Dev							-
		Multi-Family Term (LIME)							
		Financing Programs Total	563	71,399,520	32,768,000	19,200,000	15,000,000	25,000,000	7.47

Table 2: Incentive Programs Targets

Segment	Program		Targets						
			Number of Projects	Total Capital Deployed	CGB Capital Committed	CGB Capital Disbursed	NCIF Committed	SFA Committed	Capacity Installed/ Nameplate Capacity
Incentive Programs	ESS (Residential)	Residential Storage Incentives Total	500	\$ 16,000,000	\$ 3,000,000	\$ 500,000		\$ 5,550,000	4.300
	ESS (C&I)	C&I Storage Incentives Total	5	\$ 12,500,000	\$ 1,500,000	\$ 848,100			10.000
	Smart-E	Total Smart-E	1,325	\$ 26,812,195	\$ -	\$ -	\$ 5,000,000	\$ 2,500,000	2.120
	Incentive Programs Total		1,830	\$ 55,312,195	\$ 4,500,000	\$ 1,348,100	\$ 5,000,000	\$ 8,050,000	16.420

Table 3: Environmental Infrastructure Targets

Segment	Program		Targets						
			Number of Projects	Total Capital Deployed	CGB Capital Committed	CGB Capital Disbursed	NCIF Committed	SFA Committed	Capacity Installed/ Nameplate Capacity
Environmental Infrastructure	CPACE	Total Resilience Linked CPACE	0	0	0	0			-
	Smart-E	Total EI linked Smart-E	20	100,000	0	0			-
	Capital Solutions	Total Capital Solutions (EI)	1	2,000,000	1,000,000	500,000	5,000,000		-
	Environmental Infrastructure Total		21	\$ 2,100,000	\$ 1,000,000	\$ 500,000	\$ 5,000,000	\$ -	-

Table 4: Investment Targets

Segment	Program		Targets						
			Number of Projects	Total Capital Deployed	CGB Capital Committed	CGB Capital Disbursed	NCIF Committed	SFA Committed	Capacity Installed/ Nameplate Capacity
Investments	Strategic Investments	Resilience Hubs		\$ 2,500,000	\$ 2,500,000	\$ 1,000,000	\$ 5,000,000		
		PPA recapitalization (Sale of projects)	8	\$ 15,200,000	\$ 11,000,000	\$ 11,000,000			
		Transportation (EV Busses)		\$ 10,000,000	\$ 10,000,000	\$ 4,000,000	\$ 10,000,000		
		Capital Solutions (Clean Energy)		\$ 16,280,000	\$ 16,280,000	\$ 7,000,000		\$ 10,000,000	
		Capital Solutions (EI)	1	\$ 2,000,000	\$ 1,000,000	\$ 500,000	\$ 5,000,000		
		Total Strategic Investments	9	\$ 45,980,000	\$ 40,780,000	\$ 23,500,000	\$ 20,000,000	\$ 10,000,000	-
	Total Investments		9	\$ 45,980,000	\$ 40,780,000	\$ 23,500,000	\$ 20,000,000	\$ 10,000,000	-

Table 5: Organizational Targets

Segment	Business Segment		Targets						
			Number of Projects	Total Capital Deployed	CGB Capital Committed	CGB Capital Disbursed	NCIF Committed	SFA Committed	Capacity Installed
CGB	Financing Programs Total		563	\$ 71,399,520	\$ 32,768,000	\$ 19,200,000	\$ 15,000,000	\$ 25,000,000	7.470
	Incentive Programs Total		1,830	\$ 55,312,195	\$ 4,500,000	\$ 1,348,100	\$ 5,000,000	\$ 8,050,000	16.420
	Environmental Infrastructure Total		21	\$ 2,100,000	\$ 1,000,000	\$ 500,000	\$ 5,000,000	\$ -	-
	Total Investments		9	\$ 45,980,000	\$ 40,780,000	\$ 23,500,000	\$ 20,000,000	\$ 10,000,000	-
	Green Bank Total		2,402	\$172,691,715.15	\$78,048,000.00	\$44,048,100.00	\$40,000,000.00	\$43,050,000.00	23.89

**Connecticut Green Bank
FY 2025 Operating and Program Budget
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Presented to the Board of Directors on June 21, 2024

Presented to BOC Committee on June 5, 2024

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**Connecticut Green Bank
FY 2025 Operations and Program Budget - DRAFT**

Statement of Revenues and Expenses - Financing Programs vs. Incentive Programs vs. Environmental Infrastructure Programs

	<u>Total CT Green Bank</u>			<u>Financing Programs</u>			<u>Incentive Programs</u>			<u>Environmental Infrastructure</u>		
	FY25	FY24	YOY	FY25	FY24	YOY	FY25	FY24	YOY	FY25	FY24	YOY
	Budget	Budget	Variance	Budget	Budget	Variance	Budget	Budget	Variance	Budget	Budget	Variance
Revenue												
Operating Income	54,577,822	44,961,613	9,616,209	41,875,450	32,640,329	9,235,121	12,202,372	12,321,284	(118,912)	500,000	0	500,000
Interest Income	9,288,815	7,885,255	1,403,560	9,258,515	7,845,955	1,412,560	30,300	39,300	(9,000)	0	0	0
Interest Income, Capitalized	90,000	60,000	30,000	90,000	60,000	30,000	0	0	0	0	0	0
Other Income	3,592,615	1,271,612	2,321,003	917,000	504,500	412,500	2,675,615	767,112	1,908,503	0	0	0
Total Revenue	\$ 67,549,252	\$ 54,178,480	13,370,772	\$ 52,140,965	\$ 41,050,784	11,090,181	\$ 14,908,287	\$ 13,127,696	1,780,591	\$ 500,000	\$ 0	500,000
Operating Expenses												
Compensation and Benefits												
Employee Compensation	10,451,872	8,579,823	1,872,049	7,592,763	6,028,949	1,563,815	1,986,035	1,997,691	(11,656)	873,074	553,184	319,891
Employee Benefits	9,100,456	7,746,960	1,353,496	6,616,838	5,425,664	1,191,172	1,731,511	1,817,898	(86,387)	752,107	503,397	248,709
Total Compensation and Benefits	19,552,328	16,326,783	3,225,545	14,209,601	11,454,613	2,754,987	3,717,546	3,815,589	(98,043)	1,625,181	1,056,581	568,600
Program Development & Administration	3,342,988	3,891,852	(548,864)	1,157,988	1,308,052	(150,064)	1,935,000	2,303,800	(368,800)	250,000	280,000	(30,000)
Program Administration-IPC Fee	683,110	1,024,665	(341,555)	230,586	786,948	(556,362)	452,524	237,717	214,807	0	0	0
Lease Origination Services	5,000	4,000	1,000	5,000	4,000	1,000	0	0	0	0	0	0
Marketing Expense	1,568,070	1,670,425	(102,355)	1,355,070	1,197,825	157,245	213,000	472,600	(259,600)	0	0	0
E M & V	585,000	1,030,004	(445,004)	335,000	205,000	130,000	250,000	825,004	(575,004)	0	0	0
Research and Development	560,000	458,000	102,000	500,000	270,000	230,000	0	50,000	(50,000)	60,000	138,000	(78,000)
Consulting and Professional Fees	2,470,234	2,327,715	142,519	1,930,234	1,616,715	313,519	525,000	661,000	(136,000)	15,000	50,000	(35,000)
Rent and Location Related Expenses	1,155,148	1,107,142	48,006	976,113	930,538	45,575	124,364	144,651	(20,287)	54,671	31,953	22,719
Office, Computer & Other Expenses	2,238,751	2,267,056	(28,305)	1,602,223	1,605,857	(3,633)	513,231	602,904	(89,674)	123,298	58,295	65,002
Total Operating Expenses	32,160,629	30,107,642	2,052,987	22,301,815	19,379,548	2,922,267	7,730,665	9,113,265	(1,382,601)	2,128,150	1,614,829	513,321
Program Incentives and Grants												
Financial Incentives-CGB Grants	855,000	485,000	370,000	795,000	425,000	370,000	60,000	60,000	0	0	0	0
Program Expenditures-Federal Grants	40,000	40,000	0	40,000	40,000	0	0	0	0	0	0	0
EPBB/PBI/HOPBI Incentives	6,900,000	5,842,318	1,057,682	0	0	0	6,900,000	5,842,318	1,057,682	0	0	0
Battery Storage Incentives	1,348,100	1,834,093	(485,993)	0	0	0	1,348,100	1,834,093	(485,993)	0	0	0
Total Program Incentives and Grants	\$ 9,143,100	\$ 8,201,411	941,689	\$ 835,000	\$ 465,000	370,000	\$ 8,308,100	\$ 7,736,411	571,689	\$ 0	\$ 0	0
Operating Income/(Loss)	\$ 26,245,523	\$ 15,869,427	10,376,096	\$ 29,004,150	\$ 21,206,236	7,797,914	\$ (1,130,477)	\$ (3,721,980)	2,591,503	\$ (1,628,150)	\$ (1,614,829)	(13,321)
Non-Operating Expenses												
Interest Expense	1,787,408	1,918,737	(131,329)	140,653	155,457	(14,804)	1,646,755	1,763,280	(116,525)	0	0	0
Provision for Loan Loss	1,800,300	1,743,163	57,137	1,800,300	1,743,163	57,137	0	0	0	0	0	0
Interest Rate Buydowns-ARRA	242,000	250,000	(8,000)	0	0	0	242,000	250,000	(8,000)	0	0	0
Total Non-Operating Expenses	\$ 3,829,708	\$ 3,911,900	(82,192)	\$ 1,940,953	\$ 1,898,620	42,333	\$ 1,888,755	\$ 2,013,280	(124,525)	\$ 0	\$ 0	0
Net Revenues Over (Under) Expenses	22,415,814	11,957,527	10,458,288	27,063,197	19,307,616	7,755,581	(3,019,232)	(5,735,260)	2,716,028	(1,628,150)	(1,614,829)	(13,321)

Connecticut Green Bank
FY 2025 Operating and Program Budget - DRAFT
Revenue Detail

	FY25 Budget	FY24 Budget	\$ Increase / (Decrease)	FY24 YTD 4/30/2024
Revenues				
Utility customer assessments	\$ 23,901,700	\$ 24,269,579	\$ (367,879)	\$ 20,940,994
RGGI auction proceeds - renewables	11,421,800	10,410,444	1,011,356	5,200,000
RGGI auction proceeds - renewables - ESB Support	(6,221,800)	(5,210,444)	(1,011,356)	-
Total Public Revenue:	\$ 29,101,700	\$ 29,469,579	\$ (367,879)	\$ 26,140,994
Interest Income - Cash Intercompany	73,200	73,200	-	60,964
Interest Income - Cash deposits	240,000	180,000	60,000	1,157,328
Interest Income - Delinquent CPACE payments	-	-	-	21,647
Interest Income - Capitalized construction interest	90,000	60,000	30,000	266,179
Interest Income - Residential PV Solar Loans (Solar Loan 1)	30,000	36,000	(6,000)	28,778
Interest Income - CPACE Warehouse, benefit assessments	3,403,549	2,690,173	713,376	2,199,863
Interest Income - Loan portfolio, other programs	5,475,766	4,823,382	320,656	4,405,982
Interest Income - CPACE Selldown Bonds	36,000	43,200	(7,200)	39,212
Interest Income - Solar lease I promissory notes, net	30,300	39,300	(9,000)	31,758
CSPACE closing fees	120,000	120,000	-	287,846
Grant income (federal programs)	40,000	40,000	-	111
Grant income (GGRF related ⁽¹⁾)	10,000,000	-	10,000,000	-
Grant income (DECD)	355,000	-	355,000	-
Grant income (private foundations)	120,000	150,000	(30,000)	48,172
REC sales	1,714,750	1,910,750	(196,000)	-
REC sales to utilities under SHREC program	12,202,372	12,321,284	(118,912)	12,880,857
PPA Income	500,000	500,000	-	344,357
LREC/ZREC Income	424,000	450,000	(26,000)	391,785
Other income - Programs ⁽²⁾	2,744,615	836,112	1,908,503	638,739
Other income - General ⁽³⁾	848,000	435,500	412,500	714,646
Total Earned Revenue:	\$ 38,447,552	\$ 24,708,901	\$ 13,406,923	\$ 23,518,224
Total Sources of Revenue:	\$ 67,549,252	\$ 54,178,480	\$ 13,039,044	\$ 49,659,218

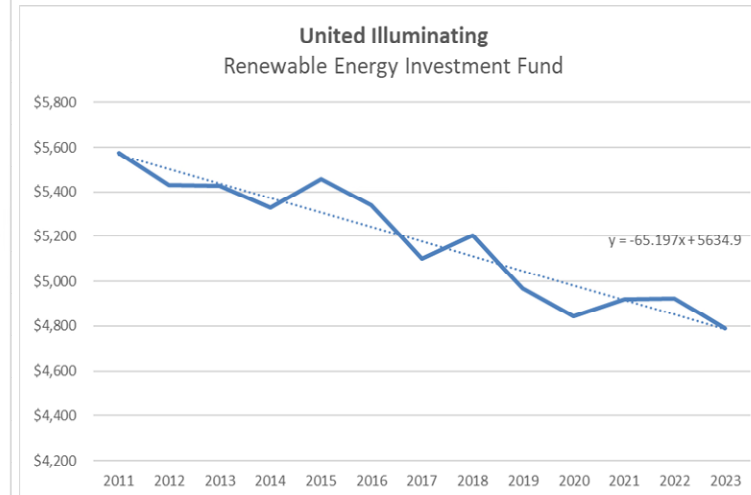
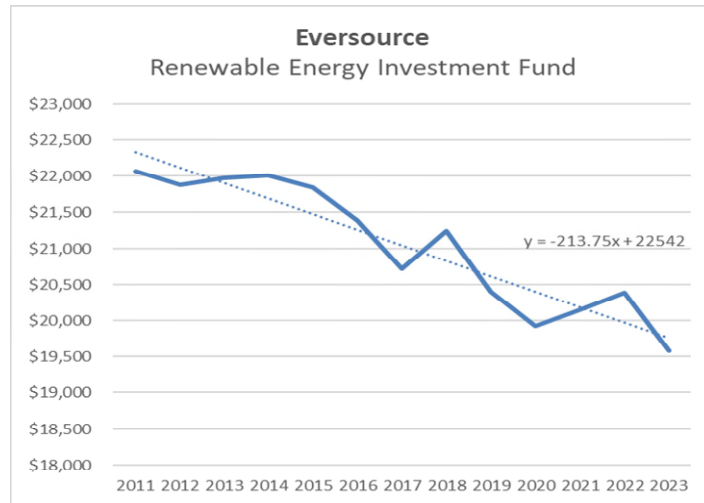
⁽¹⁾ Includes \$10,000,000 from the Greenhouse Gas Reduction Fund, which per the passage of Public Act 21-115, provides funding for environmental infrastructure into the Environmental Infrastructure Fund.

⁽²⁾ Mostly made up of ESS reimbursement of program costs from the utilities. In the 2024 RAM filing, the Green Bank was able to request 2023 actuals as well as 2024 estimates (as opposed to just the prior year actuals) due to the delay between incurring expenses and receiving cash flow reimbursements under the program. These will be received monthly beginning in September 2024.

⁽³⁾ Of the \$848,000 in Other Income - General, \$750,000 is from EV Carbon Offsets.

Connecticut Green Bank
FY 2025 General Operations Budget - DRAFT
Utility Customer Assessment Projections

	FY25 Budget	FY24 Budget	FY24 Projected (1)	YOY Budget Incr / (Decr)	FY25 Budget vs. FY24 Projected	FY24 Budget vs. FY24 Projected
July	\$ 2,314,500	\$ 2,364,680	\$ 2,364,680	\$ (50,180)	\$ (50,180)	\$ -
August	2,475,500	2,485,398	2,485,398	(9,898)	(9,898)	-
September	2,209,800	2,262,079	2,262,079	(52,279)	(52,279)	-
October	1,748,700	1,829,753	1,829,753	(81,053)	(81,053)	-
November	1,716,200	1,767,669	1,767,669	(51,469)	(51,469)	-
December	2,001,600	2,038,300	2,013,298	(36,700)	(11,698)	(25,002)
January	2,141,900	2,154,800	2,171,087	(12,900)	(29,187)	16,287
February	2,046,400	2,070,400	2,179,924	(24,000)	(133,524)	109,524
March	1,919,000	1,945,500	1,983,328	(26,500)	(64,328)	37,828
April	1,802,700	1,809,500	1,883,778	(6,800)	(81,078)	74,278
May	1,644,300	1,666,600	1,684,000	(22,300)	(39,700)	17,400
June	1,881,100	1,880,000	1,899,600	1,100	(18,500)	19,600
Total assessments:	\$ 23,901,700	\$ 24,274,679	\$ 24,524,594	\$ (372,979)	\$ (622,894)	\$ 249,914
	(1.5%)	(2.5%)	1.0%			

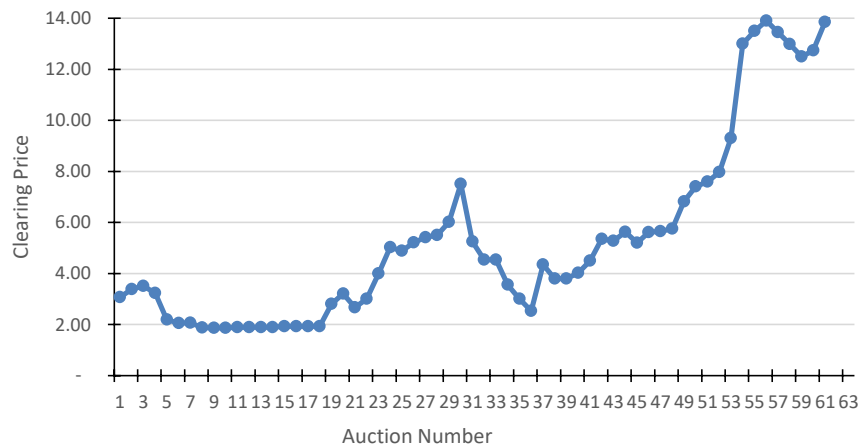


(1) Actual data through Apr 2024 and estimated data beyond.

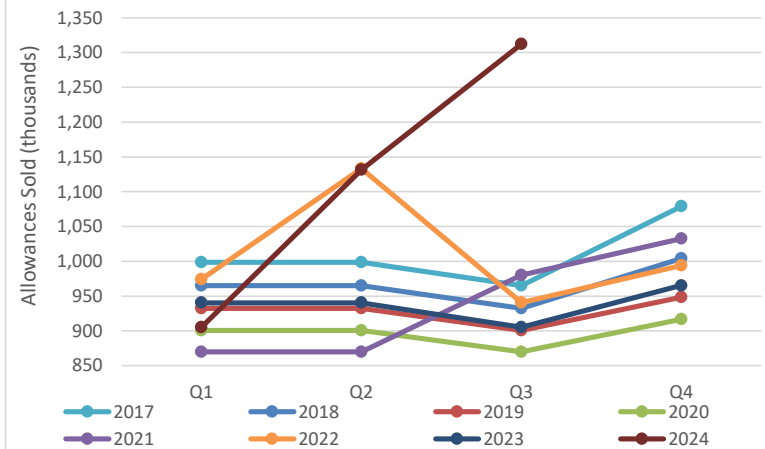
Connecticut Green Bank
FY 2025 General Operations Budget - DRAFT
RGGI Auction Receipts

	FY25 Action #	Price	Allowances	FY25 Budget	FY24 Budget	FY24 Projected	YOY Budget Incr / (Decr)	FY24 Budget vs. Projected
September Auction	65	\$ 13.00	940,000	\$ 2,810,600	\$ 2,594,400	\$ 2,883,531	\$ 216,200	\$ 289,131
December Auction	66	\$ 13.00	960,000	\$ 2,870,400	2,636,766	\$ 1,741,396	233,634	(895,370)
March Auction	67	\$ 13.00	930,000	\$ 2,780,700	2,515,464	\$ 4,827,899	265,236	2,312,435
June Auction	68	\$ 13.00	990,000	\$ 2,960,100	2,663,814	\$ 2,663,814	296,286	-
September ESB Support ⁽¹⁾				-	-	-	-	-
December ESB Support ⁽¹⁾				(481,000)	(31,166)	-	(449,834)	31,166
March ESB Support ⁽¹⁾				(2,780,700)	(2,515,464)	(4,252,825)	(265,236)	(1,737,361)
June ESB Support ⁽¹⁾				(2,960,100)	(2,663,814)	(2,663,814)	(296,286)	-
Total auction receipts:				\$ 5,200,000	\$ 5,200,000	\$ 5,200,000	\$ -	\$ (0)
Auction Proceeds				\$ 11,421,800	\$ 10,410,444	\$ 12,116,639	\$ 1,011,356	\$ 1,706,195
ESB Support				(6,221,800)	(5,210,444)	(6,916,639)	(1,011,356)	(1,706,195)
Total auction receipts:				\$ 5,200,000	\$ 5,200,000	\$ 5,200,000	\$ -	\$ -

Historical Clearing Prices



Historical RGGI CT Allowances Sold



⁽¹⁾ Per Public Act 22-25, to support electric school buses in vulnerable communities (i.e., environmental justice communities), proceeds in excess of \$5.2 million for each fiscal year to be directed to DEEP to support vouchers under CHEAPR.

Connecticut Green Bank
FY 2025 RSIP Budget - DRAFT
REC Revenue

Tranche	Description	FY25 Budget - DRAFT					Total Fiscal 2024 Budget	YOY Budget Incr / (Decr)	FY24 Actual	FY24 Budget vs. Actual
		Fiscal Q1 2025	Fiscal Q2 2025	Fiscal Q3 2025	Fiscal Q4 2025	Total Fiscal 2025 Budget				
		Calendar Q1 2024	Calendar Q2 2024	Calendar Q3 2024	Calendar Q4 2024	Total Calendar Year 2024				
	Generation Month									
SHREC T1	P90 Generation (mWh)	8,319	14,373	13,883	6,321	42,896	43,539	(643)	46,366	2,827
SHREC T1	Revenue @ \$50 / mWh	\$ 415,950	\$ 718,650	\$ 694,150	\$ 316,050	\$ 2,144,800	\$ 2,176,950	\$ (32,150)	\$ 2,318,300	\$ 141,350
SHREC T2	P90 Generation (mWh)	10,673	18,168	17,577	8,123	54,541	55,294	(753)	56,933	1,639
SHREC T2	Revenue @ \$49 / mWh	\$ 522,977	\$ 890,232	\$ 861,273	\$ 398,027	\$ 2,672,509	\$ 2,709,406	\$ (36,897)	\$ 2,789,717	\$ 80,311
SHREC T3	P90 Generation (mWh)	6,770	11,875	11,490	5,119	35,254	35,561	(307)	37,659	2,098
SHREC T3	Revenue @ \$48 / mWh	\$ 324,960	\$ 570,000	\$ 551,520	\$ 245,712	\$ 1,692,192	\$ 1,706,928	\$ (14,736)	\$ 1,807,632	\$ 100,704
SHREC T4	P90 Generation (mWh)	10,450	18,511	17,876	7,932	54,769	55,293	(524)	57,642	2,349
SHREC T4	Revenue @ \$47 / mWh	\$ 491,150	\$ 870,017	\$ 840,172	\$ 372,804	\$ 2,574,143	\$ 2,598,771	\$ (24,628)	\$ 2,709,174	\$ 110,403
SHREC T5	P90 Generation (mWh)	11,369	20,054	19,423	8,630	59,476	59,709	(233)	62,244	2,535
SHREC T5	Revenue @ \$35 / mWh	\$ 397,915	\$ 701,890	\$ 679,805	\$ 302,050	\$ 2,081,660	\$ 2,089,815	\$ (8,155)	\$ 2,178,540	\$ 88,725
SHREC T6	P90 Generation (mWh)	5,870	10,256	9,938	4,438	30,502	30,571	(69)	31,691	1,120
SHREC T6	Revenue @ \$34 / mWh	\$ 199,580	\$ 348,704	\$ 337,892	\$ 150,892	\$ 1,037,068	\$ 1,039,414	\$ (2,346)	\$ 1,077,494	\$ 38,080
	Total SHREC Revenue	\$ 2,352,532	\$ 4,099,493	\$ 3,964,812	\$ 1,785,535	\$ 12,202,372	\$ 12,321,284	\$ (118,912)	\$ 12,880,857	\$ 559,573
	Generation Month									
Non-SHREC	Actual Generation (mWh)	-	-	-	61,000	61,000	66,000	(5,000)	-	(66,000)
Non-SHREC	Revenue @ \$29.015* / mWh	\$ -	\$ -	\$ -	\$ 1,729,750	\$ 1,729,750	\$ 1,925,750	\$ (196,000)	\$ -	\$ (1,925,750)
	Commission Expense	-	-	-	(15,000)	(15,000)	(15,000)	-	-	15,000
	Total Non-SHREC Revenue	\$ -	\$ -	\$ -	\$ 1,714,750	\$ 1,714,750	\$ 1,910,750	\$ (196,000)	\$ -	\$ (1,910,750)
	Total REC Revenue	\$ 2,352,532	\$ 4,099,493	\$ 3,964,812	\$ 3,500,285	\$ 13,917,122	\$ 14,232,034	\$ (314,912)	\$ 12,880,857	\$ (1,351,177)

Notes:

* The Green Bank manages its price risk by selling its Non-SHREC RECs in advance to buyers. To date we have sold 51,000 @ at a weighted average price of \$29.015.

Connecticut Green Bank
FY 2025 Operations and Program Budget - DRAFT
Staffing Plan

Position / Department	Name	Staffing Budget Hours			Staffing Budget FTEs			Staffing Budget \$s		
		FY25	FY24	YOY Variance	FY25	FY24	YOY Variance	FY25	FY24	YOY Variance
Employees Employed Year Over Year										
Associate Manager, Incentive Programs	Attruia, Stephanie	2,080	2,080		1.00	1.00				
Corporate Paralegal	Backman, Blaire	2,080	2,080		1.00	1.00				
Associate Director, Financing Programs	Basham, Emily	1,664	2,080		0.80	1.00				
Senior Manager, Investments	Beech, David	2,080	2,080		1.00	1.00				
Associate Director, Operations	Buonannata, Giuseppe	2,080	2,080		1.00	1.00				
Associate Director, Investments	Campana, Lawrence	2,080	2,080		1.00	1.00				
Managing Director, Incentive Programs	Carrillo, Sergio	2,080	2,080		1.00	1.00				
Controller	Cartelli, Shawne	2,080	2,080		1.00	1.00				
Associate Director, Data and Impact	Charpentier, Lucy	2,080	2,080		1.00	1.00				
Associate Director, Homeowner Engagement	Colonis, William	2,080	2,080		1.00	1.00				
Associate Director, Legislative & Regulatory Affairs	DeSantos, James	2,080	2,080		1.00	1.00				
Associate Director, Financing Programs	Duncan, Catherine	2,080	2,080		1.00	1.00				
Vice President, Financing Programs	Dykes, Mackey	2,080	2,080		1.00	1.00				
General Counsel and Chief Legal Officer	Farnen, Brian	2,080	2,080		1.00	1.00				
President and CEO	Garcia, Bryan	2,080	2,080		1.00	1.00				
Associate, Marketing & Outreach	Gustavsen, Abby	2,080	2,080		1.00	1.00				
Associate Director, Innovation & Strategic Advisor to the President	Harari, Sara	2,080	2,080		1.00	1.00				
Executive Vice President and Chief Investment Officer	Hunter, Bert	2,080	2,080		1.00	1.00				
Office Manager	Johnson, Barbara	2,080	2,080		1.00	1.00				
Associate Director and Deputy General Counsel	Kovtunenکو, Alex	2,080	2,080		1.00	1.00				
Senior Manager, Incentive Programs	Kranich, Ed	2,080	2,080		1.00	1.00				
Associate Director, Financing Programs	Lembo-Buzzelli, Alysse	2,080	2,080		1.00	1.00				
Associate Director, Portfolio Management	Lesniak, Corey	2,080	2,080		1.00	1.00				
Associate, Incentive Programs	Lewis, Lynne	2,080	2,080		1.00	1.00				
Senior Manager, Market Engagement	Ludwig, Peter N.	2,080	2,080		1.00	1.00				
Executive Assistant to the President and CEO	Lumpkin, Cheryl	2,080	2,080		1.00	1.00				
Senior Associate, Incentive Programs	Maiolo, Stephanie	2,080	2,080		1.00	1.00				
Associate Manager, Inspections	McCarthy, Neil	2,080	2,080		1.00	1.00				
Associate Director, Investments	Miller, Desiree	1,664	2,080		0.80	1.00				
Executive Vice President, Finance and Administration	Murphy, Jane	2,080	2,080		1.00	1.00				
Associate Director, Incentive Programs	Pyne, Sara	2,080	2,080		1.00	1.00				
Senior Accountant	Rubega, Tyler	2,080	2,080		1.00	1.00				
Associate Director, Marketing & Outreach	Schmitt, Robert	2,080	2,080		1.00	1.00				
Senior Accountant	Schneider, Ariel	2,080	2,080		1.00	1.00				
Vice President, Operations	Shrago, Eric	2,080	2,080		1.00	1.00				
Associate Director, Financial Reporting	Smith, Dan	2,080	2,080		1.00	1.00				
Senior Accountant	Soares, Natalia	2,080	2,080		1.00	1.00				
Manager, Community Engagement	Stewart, Ashley	2,080	2,080		1.00	1.00				
Senior Manager, Investments	Stewart, Fiona	2,080	2,080		1.00	1.00				
Associate Director, Marketing & Communication Strategy	Sturk, Rudy	2,080	2,080		1.00	1.00				
Associate Director, Investments	Trief, Mariana	1,664	1,560		0.80	0.75				
Senior Associate, Financing Programs	Tsitso, Christina	2,080	2,080		1.00	1.00				
Associate, Incentive Programs	Vigil, Marycruz	2,080	2,080		1.00	1.00				
Associate Director, Special Projects	Waters, Barbara	2,080	2,080		1.00	1.00				
Subtotal		90,272	91,000	(728)	43.40	43.75	(0.35)	\$ 7,109,981	\$ 6,359,136	\$ 750,845

Connecticut Green Bank
FY 2025 Operations and Program Budget - DRAFT
Staffing Plan

		Staffing Budget Hours			Staffing Budget FTEs			Staffing Budget \$s		
		YOY			YOY			YOY		
Position / Department	Name	FY25	FY24	Variance	FY25	FY24	Variance	FY25	FY24	Variance
<u>Employees Hired for Open Positions</u>										
Senior Manager, Investments	Bhakta, Priyankkumar	2,080	2,080		1.00	1.00				
Associate, Data Analytics & Compliance	Boccuzzi, Joseph	2,080	-		1.00	-				
Senior Associate, Incentive Programs	Boutin, Dawn	2,080	2,080		1.00	1.00				
Solar Project Manager	Dow, Nicole	2,080	2,080		1.00	1.00				
Counsel	Ellis, Emma	2,080	520		1.00	0.25				
Associate, Marketing & Outreach	Ganon, Emily	2,080	-		1.00	-				
Associate, Incentive Programs	King, Matthew	1,664	2,080		0.80	1.00				
Senior Administrative Assistant, Financing Programs	Layman, Stephanie	2,080	2,080		1.00	1.00				
Senior Manager, Market Engagement	Shelton, Kathleen	2,080	2,080		1.00	1.00				
Manager, Data & Impact	Smith, Caleb	2,080	2,080		1.00	1.00				
Senior Associate, Incentive Programs	Taylor Jr, Lawrence	2,080	2,080		1.00	1.00				
Director, Environmental Infrastructure Programs	Whelpton, Leigh	2,080	1,600		1.00	0.77				
	Subtotal	24,544	18,760	5,784	11.80	9.02	2.78	\$ 1,403,988	\$ 1,125,000	\$ 278,988
<u>Open Positions - Vacancies</u>										
FY23 - Open-Sr. Accountant		2,080	2,080		1.00	1.00				
FY23 - Open-Senior Manager - EV Carbon Credits		2,080	2,080		1.00	1.00				
FY23 - Open-Assoc Director - Investments		2,080	2,080		1.00	1.00				
FY24 - Open-Manager - Environmental Infratructure		2,080	900		1.00	0.43				
FY24 - Open-Associate - Environmental Infratructure		2,080	900		1.00	0.43				
FY24 - Open-Associate - Smart-E		2,080	900		1.00	0.43				
FY24 - Open-Associate Director - GGRF		2,080	520		1.00	0.25				
FY24 - Open-Senior Manager - GGRF		2,080	520		1.00	0.25				
FY24 - Open-Senior Manager - GGRF		2,080	520		1.00	0.25				
FY25 - Open - Manager - Financing Programs		2,080	-		1.00	-				
FY25 - Open - Associate - Financing Programs		2,080	-		1.00	-				
FY25 - Open - Associate - Financing Programs		1,440	-		0.69	-				
FY25 - Open - Associate - Energy Storage Solutions		1,600	-		0.77	-				
FY25 - Open - Senior Associate - Contractor Outreach		2,080	-		1.00	-				
	Subtotal	28,000	10,500	17,500	13.46	5.05	8.41	\$ 1,671,438	\$ 640,885	\$ 1,030,554
<u>Departing</u>										
Senior Associate, Incentive Programs	DeTeso, William	-	2,080		-	1.00				
Senior Associate, Asset Management & Compliance	Johnson, Karl	-	2,080		-	1.00				
Manager, Marketing & Outreach	Sobocinski, Laura	-	2,080		-	1.00				
	Subtotal	-	6,240	(6,240)	-	3.00	(3.00)	\$ -	\$ 260,942	\$ (260,942)
	Total Employees	142,816	126,500	16,316	68.66	60.82	7.84	10,185,407	8,385,962	\$ 1,799,445

Connecticut Green Bank
FY 2025 Operations and Program Budget - DRAFT
Staffing Plan

Position / Department	Name	Staffing Budget Hours			Staffing Budget FTEs			Staffing Budget \$s					
		FY25	FY24	YOY Variance	FY25	FY24	YOY Variance	FY25	FY24	YOY Variance			
<u>Interns</u>													
Intern - Investments 1		560	560		0.27	0.27							
Intern - Investments 2		560			0.27	-							
Intern - Financing Programs 1		-	560		-	0.27							
Intern - Legal 1		560	560		0.27	0.27							
Intern - Climate Corps 1		-	560		-	0.27							
Intern - EDF Fellow 1		560	-		0.27	-							
Intern - EDF Fellow 2		560	-		0.27	-							
Intern - AI-focused		560	-		0.27	-							
	Total Interns	3,360	2,240	1,120	1.62	1.08	0.54	\$	120,960	\$	72,800	\$	48,160
	Total Employees and Interns	146,176	128,740	17,436	70.28	61.89	8.38						
											Compensation Dollars		
				</									

⁽¹⁾ COLA determined per BLS data for FY25.

Connecticut Green Bank
FY 2025 Operations and Program Budget - DRAFT
Compensation - Job Grades

Job Grade	Job Titles	Salary Ranges				
		Min	25th Percentile	Mid	75th Percentile	Max
22	President	222,434	255,799	289,164	322,529	355,894
21	Executive Vice Presidents	203,898	234,482	265,067	295,652	326,236
20	Officers	185,362	213,166	240,970	268,774	296,578
19	Managing Director, Vice President	154,468	177,638	200,808	223,979	247,149
18	Director	128,723	148,032	167,340	186,649	205,957
17	Associate Director, Sr. Manager-Clean Energy Finance, Controller	122,843	141,269	159,696	178,122	196,549
16	Sr. Manager-Programs/Corporate, Sr. Administrator	102,369	117,724	133,080	148,435	163,791
15	Manager, Administrator	85,308	98,104	110,900	123,696	136,492
14	Senior Associate, Associate Manager, Senior Accountant	74,180	85,308	96,435	107,562	118,689
13	Associate, Executive Assistant, Office Manager	64,505	74,180	83,856	93,532	103,208
12	Senior Assistant, Staff Accountant	56,091	64,505	72,918	81,332	89,746
11	Assistant	48,775	56,091	63,407	70,724	78,040

Notes:

- The salary bands above were adjusted by 3.5% per BLS data for FY25.
- The Compensation Philosophy of the Connecticut Green Bank is to be "internally equitable and externally market competitive."

**Connecticut Green Bank
FY 2025 Program Budget - DRAFT
Credit Enhancements**

Credit Enhancements - Additions to Loan Loss Reserves - CGB Funds

Dept Prg Code Prg Name Description				FY25 Budget					FY24 Budget
				Q1	Q2	Q3	Q4	Total	
Resi	52210	SmartE	CGB/Smart E loans	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 300,000	\$ 190,000
				-	-	-	-	-	-
				\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 300,000	\$ 190,000

Credit Enhancements - Interest rate Buydowns and/or Loan Loss Reserves - ARRA Funds

Dept Prg Code Prg Name Description				FY25 Budget					FY24 Budget
				Q1	Q2	Q3	Q4	Total	
Resi	52211	SmartE ARRA IRB	CGB/Smart E loans	\$ 150,000	\$ 92,000	\$ -	\$ -	\$ 242,000	\$ 250,000
				-	-	-	-	-	-
				\$ 150,000	\$ 92,000	\$ -	\$ -	\$ 242,000	\$ 250,000

Connecticut Green Bank
FY 2025 Program Budget - DRAFT
Financial Incentives - Grants and Rebates

FY25 Budget

Program Name	Description	Q1	Q2	Q3	Q4	FY25 Budget	FY24 Budget	FY24 YTD Actuals
RSIP	PBI Incentives	\$ 1,946,072	\$ 1,606,343	\$ 857,981	\$ 1,589,604	\$ 6,000,000	\$ 5,398,041	\$ 4,180,209
RSIP	EPBB Incentives	450,000	450,000	-	-	900,000	444,277	103,274
Battery Storage (PURA)	Battery Storage Incentives - Residential	125,000	125,000	125,000	125,000	500,000	1,150,000	557,530
Battery Storage (PURA)	Battery Storage Incentives - Commercial ⁽¹⁾	87,000	87,000	337,050	337,050	848,100	684,093	187,800
Federal Programs	Other Federal Grants	10,000	10,000	10,000	10,000	40,000	40,000	-
GenOps	DECD grant to CT Sustainable Business Council	-	-	355,000	-	355,000	-	-
GenOps	Sustainable CT Grant	50,000	50,000	50,000	50,000	200,000	125,000	150,000
LMI Programs- RJWF	RJWF Grant	60,000	60,000	60,000	60,000	240,000	300,000	66,343
Battery Storage (PURA)	Battery Storage Grants (CEG, Operation Fuel)	15,000	15,000	15,000	15,000	60,000	60,000	-
		\$ 2,743,072	\$ 2,403,343	\$ 1,810,031	\$ 2,186,654	\$ 9,143,100	\$ 8,201,411	\$ 5,245,156

(1) The proposed incentives for ESS are dependent upon the time taken for interconnection approval. Should these be approved and interconnected more quickly than expected, we will need to come back to the committee in January to revisit this expenditure.

Connecticut Green Bank
FY 2025 General Operations Budget - DRAFT
Research and Development Expenditures

		FY25	FY24	FY24 Actuals
		Budget	Budget	through
Project	Purpose			4/30/24
Gen Ops	Brownfields	\$ 50,000	\$ -	\$ -
Gen Ops	Clean Transportation	100,000	-	-
Gen Ops	Artificial Intelligence	50,000	-	-
Gen Ops	Tax Incentive CPA Guidance	50,000	-	-
Gen Ops	Clean Energy Group	50,000	-	-
Gen Ops	Building Electrification Carbon Credits	100,000	-	-
Gen Ops	Solar & Storage End of Life Technology	100,000	-	38,025
Gen Ops	Bridgeport LEAP	-	50,000	37,500
Gen Ops	Grant to Sustainable CT/Towns (Grant Writers)	-	50,000	-
Gen Ops	GHGRF Listening Sessions	-	50,000	-
Gen Ops	UConn Resilience Data	-	10,000	-
Gen Ops	Hydrogen Task Force	-	-	5,402
Gen Ops	Local Lift Lab	-	-	31,625
Gen Ops	Joint Jobs Study with EEB	-	10,000	6,451
Incentive Programs	Collective Recycling	-	50,000	-
Environmental Infrastructure	Connecticut Hospital Association	50,000	-	-
Environmental Infrastructure	Duke/Conservation Finance Network	10,000	-	-
Environmental Infrastructure	Battery EPR with Product Stewardship Initiative	-	38,000	-
Environmental Infrastructure	TBD by the director	-	100,000	22,400
Financing Programs	EV School Busses	-	50,000	-
Financing Programs	MHDV	-	50,000	-
		<u>\$ 560,000</u>	<u>\$ 458,000</u>	<u>\$ 141,402</u>

Connecticut Green Bank
FY 2025 General Operations Budget - DRAFT
Capital Expenditure Budget

	FY25 Budget	FY24 Budget	FY24 Actuals YTD
<u>IT Hardware & Software</u>			
New/Replacement Desktops & Laptops	\$ 50,000	\$ 25,000	\$ 38,753
New/replacement Firewall	-	50,000	35,618
	<u>\$ 50,000</u>	<u>\$ 75,000</u>	<u>\$ 74,371</u>
<u>Office Furniture & Equipment</u>			
AV Equipment	-	-	26,113
Office Furniture	25,000	-	-
	<u>\$ 25,000</u>	<u>\$ -</u>	<u>\$ 26,113</u>
<u>Leasehold Improvements</u>			
Office Redesign	\$ 100,000		
	<u>\$ 100,000</u>	<u>\$ -</u>	<u>\$ -</u>
Total Capital Expenditures	<u><u>\$ 175,000</u></u>	<u><u>\$ 75,000</u></u>	<u><u>\$ 100,484</u></u>

Connecticut Green Bank
FY 2025 General Operations Budget - DRAFT
Strategic Partners

Partner	Department	RFP	Year of RFP	Work Performed	FY25 Budget	FY24 Budget
New Charter Technologies, LLC	General Operations	Y	2024	IT Outsourcing	\$ 525,000	\$ 525,000
Alter Domus (formerly Cortland)	Financing Programs	Y	2024	CPACE - Loan Servicing	173,650	155,000
Inclusive Prosperity Capital	Multiple	N ⁽¹⁾		Program Execution and Investment Management	683,110	1,024,665
DNV	Multiple	Y	2022	CPACE Technical Administrator; SHREC Due Diligence	225,000	150,000
Guidehouse (formerly Navigant) ⁽²⁾	Incentive Programs	Y	2022	Battery storage EM&V and Technical Support	600,000	600,000
PKF O'Connor Davies	General Operations	Y	2021	Auditing Services - CGB Annual Audit, CGB Green Liberty Notes	100,200	106,000
CliftonLarsonAllen	General Operations		various	Auditing Services/Consulting - SOC2 Audit, CT Solar Lease 2 Audit, Tax Incentive CPA Consulting	150,000	-
C-TEC Solar, LLC	Multiple	Y	2024, 2023	Servicing PPA systems from a technical perspective (operations & maintenance)	3,698,000	1,055,000
GO, LLC	Marketing	Y	2023	Marketing, Paid Media	600,000	625,000
Craftsman Technologies	General Operations	Y	2023	Salesforce Development	200,000	280,000
Strategic Environmental Associates	Financing Programs	Y	2023	Consulting on Carbon Markets and Facilitation of EVCCC	400,000	255,000
Carahsoft	Multiple	N ⁽³⁾		Salesforce and Pardot licensing	175,000	150,000
AEC Solar	Multiple	Y	2024	Servicing PPA systems (operations & maintenance)	700,000	-
DCS	Multiple	Y	2024	Servicing PPA systems (operations & maintenance)	700,000	-
AlsoEnergy	Multiple	Y	2023	Monitoring for PPA and RSIP systems	1,300,000	1,300,000
Sourceone	Financing Programs	N ⁽⁴⁾		Construction oversight for Department of Correction fuel cell	150,000	-
					<u>\$ 10,379,960</u>	<u>\$ 6,225,665</u>

⁽¹⁾ The Board of Directors of the Green Bank, per the Sustainability Strategy Pathway which was approved on December 15, 2017, reviewed and approved a series of agreements between the Green Bank and Inclusive Prosperity Capital on July 27, 2018, July 18, 2019, June 26, 2020, July 2, 2021, July 1, 2022, and July 1, 2023. Per the Comprehensive Plan of the Green Bank, IPC is a strategic partner of the organization.

⁽²⁾ The Green Bank Board of Directors authorized a multi year PSA with Guidehouse for \$1 million in March of 2022. The above request is inclusive of the portion of that PSA that is expected to be spent in FY2025.

⁽³⁾ We are licensing Salesforce and Pardot from Carahsoft under a State of Connecticut agreement that expires on 9/15/2026

⁽⁴⁾ Sourceone was selected by the CT Department of Correction to do the original feasibility assessment for a fuel cell installation and they have been the technical provider for the entire technical development process



2024 Legislative Summary

6/14/2024

Executive Summary:

The 2024 Legislative Session convened on February 7th and adjourned at midnight on May 8th.

The brief 3-month session, also termed the “Short Session”, only produced a mere 174 Public and Specials Acts. Governor Lamont has signed 172 of these bills into law and has vetoed 2, settling all outstanding business from the 2024 legislative session. All legislation pertaining directly to the Green Bank, or its mission has been summarized within the 2024 Legislative Summary and all issues have been divided amongst four subject headings for ease of reference: Clean Energy, Environmental Infrastructure, Quasi & General Legislation.

The two vetoes previously referenced, came as no surprise to anyone at the capitol, as the press corps had been covering these contentious issues even before the legislative session convened and legislative leaders had clearly expressed their hesitations and concerns. Public Act 24-131, which would have provided unemployment benefits for striking workers was vetoed on June 11th, while Public Act 24-25, which would have raised the threshold for sealed municipal bidding from \$25,000 to \$50,000 was vetoed on May 29th.

The 2024 Legislative Summary will highlight all the legislation that achieved final approval, but it is important to note two legislative issues that were defeated and would have had a significant impact on the Green Bank. HB 5232, when it was first introduced by the Energy & Technology Committee, contained language that would have prohibited the Green Bank from marketing or providing any financing or development services that are currently being provided by the private sector. This effort was orchestrated by a few private solar developers to limit the Green Bank’s Solar MAP program. The language was ultimately removed in subsequent versions of the legislation due to efforts of the Green Bank. Another issue that has now become a reoccurring one, is the Government, Administration & Elections (GAE) Committee’s effort to expand the authority of the State Contracting Standards Board (SCSB), to cover all Quasi agencies. As in years past, the Green Bank and a coalition of all other Quasi agencies, were able to defeat this legislation to ensure that we can continue to work at the speed of business to accomplish public good through private means.

The legislation that did gain passage, mainly created task forces, commissions, agency reporting & planning requirements and a few mandates for the Public Utilities Regulatory Authority (PURA) to initiate docket proceedings on a varied range of issues. Though there were no glaring victories for any industry or advocacy group - there were disappointments. The most publicized inaction occurred on climate change and climate resiliency legislation where both the highly anticipated Green Monster Bill on Climate Change (HB 5004) and the Governor’s Bill on Climate Resiliency (SB 11), both failed to gain passage in both chambers.

The Green Bank and the clean energy sector did see the passage of two omnibus solar/energy bills late in the session. SB 385, which represented the Senate Energy Omnibus legislation was negotiated and drafted by Senate E&T Chair – Senator Norm Needleman, while HB 5232 represented the House Energy Omnibus Legislation and was negotiated and drafted by E&T House Chair – Jonathan Steinberg. Both pieces of legislation are summarized within this report.

Per the Legislative & Policy Board Process memo which was enacted by the Green Bank Board of Directors in the Fall of 2023, outreach will begin immediately over the summer months and into the early Fall to identify legislative priorities from Green Bank staff and the Board of Directors. This will give the Green Bank legislative and legal teams adequate time to draft language and to clearly position the issues before the legislature’s decision makers for action in 2025.

With the vast number of reports, dockets, studies and task force reports all being due before the start of the 2025 Legislative Session, the incoming legislative class of 2025 will undoubtedly have access to, and benefit from, all the most up to date information and policy recommendations in recent memory. It will be a “Long Session” in 2025, with 6 months for the Green Bank to make a serious impact on the issues we care and advocate for.

Please enjoy the Legislative Summary. Sine Die.

James Desantos & Brian Farnen

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Public Act No. 24-31 - *(HB 5232 – Solar Omnibus Legislation/House)*

Public Act No. 24-38 - *(SB 385 – Energy Omnibus Legislation/Senate)*

Public Act No. 24-51 - *(HB 5524 – Bond Bill)*

Public Act No. 24-81 - *(HB 5523 – Budget Bill/ARPA)*

Public Act No. 24-144 - *(HB 5507 – CT State Siting Council (CSC) Reform Bill)*

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Public Act No. 24-10 – *(HB 5222 – DEEP/Riparian Buffers)*

Public Act No. 24-51 – *(HB 5524 – Bond Bill) *also listed under Clean Energy Legislation*

Public Act No. 24-59 – *(SB 292 – PFAS Legislation)*

Public Act No. 24-81 – *(SB 192 – DEEP/Dam Safety)*

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Public Act No. 24-5 – *(SB 222 – Changes to Paid Family & Medical Leave)*

Public Act No. 24-18 – *(HB 5288 – Service Animal Revisions)*

Public Act No. 24-108 – *(SB 426 – Court Operations & Administrative Proceedings)*

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Public Act No. 24-1 - *(SB 111 – Home Energy Assistance – Operation Fuel)*

Public Act No. 24-13 - *(HB 5355 Water Resources – * Hydropower Task Force)*

Public Act No. 24-20 - *(SB 183 – Electric Vehicle Modification - Commercial)*

1: Clean Energy - Legislation

1: Public Act No. 24-31

House Bill No. 5232: AN ACT CONCERNING SOLAR PROJECTS THROUGHOUT THE STATE.

Public Act: <https://cga.ct.gov/2024/ACT/PA/PDF/2024PA-00031-R00HB-05232-PA.PDF>

OLR Summary: <https://cga.ct.gov/2024/SUM/PDF/2024SUM00031-R02HB-05232-SUM.PDF>

Signed by Governor Lamont on May 21, 2024

Effective Date: October 1, 2024 (Section 4), July 1, 2024 (Section 6), October 1, 2024 (Section 7)

Section 1: UNIFORM CAPACITY TAX STUDY

Requires DEEP & OPM to study the feasibility and potential cost impacts of establishing a uniform capacity tax for solar facilities and report to the Energy and Technology Committee by January 1, 2025.

Section 2: RENEWABLE ENERGY TARIFF STUDY

Requires PURA to study renewable energy tariffs and potential successor programs and report its findings to the Energy and Technology Committee by January 15, 2026.

Section 3: SOLAR CANOPIES

Requires municipalities to establish simplified processes for solar canopy approvals and act on land use applications for them within six months.

Note: PA 24-151 amends this provision to *allow*, rather than *require*, municipalities to take these actions, by changing the words “Shall” to “May.”

Section 4: GREEN BANK C-PACE PROJECT REQUIREMENTS

Exempts renewable energy system expansions or upgrades from the Green Bank’s standards on project costs and savings for C-PACE projects.

Section 5: IRP PROVISION ADDRESSING SOLAR SITING

Requires DEEP to include information on solar siting in the next IRP in a format that can be overlaid on existing grid interconnection maps.

Section 6: RENEWABLE ENERGY TARIFFS

Allows PURA to exceed NRES and SCEF caps, if aggregate dollar amounts for selected projects do not exceed amounts for projects selected in 2024; extends SCEF by two years so that both NRES and SCEF end in 2027.

Section 7: RENEWABLE ENERGY AND EFFICIENT ENERGY FINANCE ACCOUNT (REEEFA)

Eliminates an obsolete account and related program. This was a Green Bank legislative proposal.

2: Public Act No. 24-38

Substitute Senate Bill No. 385: AN ACT CONCERNING ENERGY PROCUREMENTS, CERTAIN ENERGY SOURCES AND PROGRAMS OF THE PUBLIC UTILITIES REGULATORY AUTHORITY.

Public Act: <https://cga.ct.gov/2024/ACT/PA/PDF/2024PA-00038-R00SB-00385-PA.PDF>

OLR Summary: <https://cga.ct.gov/2024/BA/PDF/2024SB-00385-R01-BA.PDF>

Signed by Governor Lamont on May 31, 2024

Effective Date: July 1, 2024 (Section 3, 4, 8), Upon Passage (Section 7)

Section 3: CLASS III RENEWABLE PORTFOLIO STANDARD (RPS)

Existing law requires electric suppliers and EDCs, for their standard service procurement, to obtain at least 5% of their total output from Class III sources. This requirement was to sunset on December 31, 2024, but this bill delays this sunset by five years to December 31, 2029.

Class III Energy: CHP, waste recovery (electrical/thermal), electricity savings through C&LM Program

Section 4: RUN-OF-THE-RIVER HYDROPOWER SOLICITATION

The bill authorizes the DEEP commissioner to solicit proposals from providers of instantaneous run-of-the-river hydropower that is interconnected to the electric distribution system. The bill prohibits the DEEP commissioner from selecting a proposal based on a new dam or a dam she identified as a candidate for removal. It requires proposals to meet applicable state and federal requirements, including those on dam safety and site-specific standards on water quality and fish passage.

DEEP commissioner may select proposals by December 31, 2025, with nameplate capacities of up to 20 MW in the aggregate.

Note: *Hydropower Task Force Recommendation, of which the Green Bank was a member.
Mariana Trief served as the Green Bank designee.*

Section 7: SOLAR CONSUMER PROTECTION TASK FORCE

The bill establishes a 17-member task force to examine and make recommendations on policy, regulations, and legislation to improve disclosure requirements and consumer protection for consumers who purchase, lease, or enter into PPAs for solar facilities. It requires the taskforce to examine whether special protections are needed for low-income consumers or senior citizens.

Note: *Task force includes the Connecticut Green Bank President, or their designee.
Stephanie Attruia – Associate Manager/CGB has been appointed.*

Section 8: ENTITIES IMPLEMENTING PURA PROGRAMS

The bill allows PURA to select the Connecticut Green Bank, DEEP, the EDCs, a third-party PURA deems appropriate, or any combination of these, to implement the following programs:

- 1. the Nonresidential Renewable Energy Solutions program,*
- 2. the Residential Renewable Energy Solutions program,*
- 3. the Shared Clean Energy Facility program, or*
- 4. a light-duty or medium- to heavy-duty electric vehicle (EV) charging program established in a PURA proceeding.*

3: Public Act No. 24-151

House Bill No. 5524: AN ACT AUTHORIZING AND ADJUSTING BONDS OF THE STATE AND CONCERNING PROVISIONS RELATED TO STATE AND MUNICIPAL TAX ADMINISTRATION, GENERAL GOVERNMENT AND SCHOOL BUILDING PROJECTS.

Public Act: <https://cga.ct.gov/2024/ACT/PA/PDF/2024PA-00151-R00HB-05524-PA.PDF>

OLR Summary: <https://cga.ct.gov/2024/BA/PDF/2024HB-05524-R00-BA.PDF>

Signed by Governor Lamont on June 6, 2024

Effective Date: July 1, 2024 (Sections 2, 18, 57, 58, 59, 113, 160, 174, 175), October 1, 2024 (Section 64), Upon Passage (Sections 65, 115, 173), July 1, 2025 (Section 176)

Section 2: NEW BOND AUTHORIZATIONS FOR STATE AGENCY PROJECTS, GRANTS, AND OTHER PROGRAMS

Department of Energy and Environmental Protection (DEEP) to receive up to \$10,000,000 to support solid waste reduction strategies. These dollars will be allocated to municipal food scrap diversion programs in the state.

Section 18: NEW BOND AUTHORIZATIONS FOR STATE AGENCY PROJECTS, GRANTS, AND OTHER PROGRAMS

The proceeds from the sale of such bonds shall be used by DEEP for the purpose of financing and awarding grants for retrofitting projects for multi-family residences as provided in section 8-240a. No more than \$20 million of the bonds issued pursuant to this section shall be utilized by said department for grants for such projects.

Section 57: BOND AUTHORIZATION FOR DEEP – (Heat Pump Rebates)

\$25 million may be bonded to DEEP for the purpose of a program to provide rebates, at the point of sale, for the purchase of heat pumps intended for heating systems in the state.

Note: *Language in PA-151 references Section 16 of HB 5004 for implementation. HB 5004 “Green Monster” did not pass during the 2024 legislative session.*

Sections 58/59: LOW INTEREST LOAN PROGRAM FOR CLIMATE RESILIENCY PROJECTS (DEEP)
Requires the DEEP commissioner to set up a low interest loan program for municipalities and private entities for climate resiliency projects funded through a new Climate Resiliency Revolving Loan Fund and authorizes up to \$10 million in state General Obligation (GO) bonds to capitalize the fund; requires DEEP to report annually to the Environment Committee on the program.

Section 64: HOUSING ENVIRONMENTAL IMPROVEMENT REVOLVING LOAN AND GRANT FUND
Expands DEEP’s multi-family housing retrofit pilot program by allowing it to offer grants in addition to loans and allows DEEP to contract with quasi-public agencies, in addition to non-profits, to administer the fund that finances the program. This financing is currently funded through the Housing Environmental Improvement Revolving Loan Fund, with \$125 million in GO bonds authorized to capitalize the fund.

The bill delays, by one year, the date DEEP must start accepting applications for the program, from July 1, 2024, to July 1, 2025. Pushes out DEEP’s reporting deadline to the Housing Committee from October 1, 2027, to October 1, 2028, and pushes out the program’s termination date from September 30, 2028, to September 30, 2029.

This section also expands the applicable program definition of “low-income resident” to include any other definition of this term used in state programs using federal funding, as the DEEP commissioner determines. Under current law, “low-income residents” are households with an income of no more than 60% of the state median income or 80% of the federally determined area median income adjusted for family size. Under existing law, DEEP must prioritize financing for projects benefitting current or prospective low-income residents.

Section 65: EXISTING BOND AUTHORIZATION FOR DEEP MULTIFAMILY HOUSING RETROFITTING PILOT PROGRAM

Eliminates provisions in HB 5474 of the current session that modify the \$125 million bond authorization for the DEEP multi-family housing retrofit pilot program described above in Section 64. Specifically, it eliminates the \$20 million cap, which is the amount of bond proceeds that DEEP may use for grants under the program.

Note: Similar provisions were passed in Public Act 24-143. The language within Sections 64 & 65 of Public Act 24-151 (above) repeal Sections 19 & 20 found within PA 24-143.

Section 113: SOLAR CANOPY PLANS IN MUNICIPALITIES

Modifies HB 5232 to allow, rather than require (by changing “Shall” to “May”), municipal planning and zoning commissions to (1) establish a simplified process for applications to build solar canopies, and (2) act on land use applications for solar canopies within six months.

Section 115: MIRA TIPPING FEE STABILIZATION

The bill allows, through the end of FY 26, up to \$6 million of the Authority’s funds spent for tipping fee (i.e., cost of waste disposal) stabilization to be reimbursed through state bonding.

The bill caps the total issuance of state bonds for MIRA funds at \$13.5 million. It also prohibits using any MIRA funds for tipping fee stabilization beginning in FY 27.

Note: Sections 160, 174-175 and 176 below were originally in the Governor's Bill (HB 5052)

Section 160: ENERGY FUNDS AND SCHOOL CONSTRUCTION GRANTS

Current law requires that any state funds received by a town for a school building project be subtracted from the total project costs before the state calculates the town's state reimbursement grant amount. Starting July 1, 2024, the bill excludes funds or benefits received under the following energy-related initiatives from being subtracted for this requirement:

- 1. certain rate design standards for electric utilities (CGS § 16-19f),*
- 2. the Department of Energy and Environmental Protection's microgrid and resilience grant and loan program (CGS § 16- 243y),*
- 3. renewable energy tariffs (see Background—Renewable Energy Tariffs under §§ 173-175) (CGS §16-244z),*
- 4. conservation and load management programs (CGS § 16-245m), and*
- 5. the Green Bank's Clean Energy Fund (CGS § 16-245n).*

Sections 173-175: RENEWABLE TARIFF FOR SOLAR IN SCHOOLS

The bill requires PURA to initiate a docket by January 1, 2025, to develop a program to encourage solar facility and energy storage system installations at public schools.

The bill authorizes PURA to (1) establish a separate tariff for projects selected under this program, and (2) limit the program's size by implementing a cap of up to 25 MW per year on the generating capacity of selected projects. However, PURA must allow unused allowance under the cap in any given year to accrue. Under the bill, this program is separate from and not counted toward separate caps in existing renewable energy tariffs (NRES) or energy storage programs (ESS).

Section 176: SOLAR FEASIBILITY STUDY

Beginning July 1, 2025, the bill requires school boards, before submitting a priority list application for a school building project grant, to have a solar feasibility assessment performed for the building that is the subject of the application, unless it already uses solar energy.

Additionally, beginning July 1, 2025, Section 154 of the bill allows the DAS commissioner to reject an application that does not include the solar feasibility assessment.

4: Public Act No. 24-81

House Bill No. 5523: AN ACT CONCERNING ALLOCATIONS OF FEDERAL AMERICAN RESCUE PLAN ACT FUNDS AND PROVISIONS RELATED TO GENERAL GOVERNMENT, HUMAN SERVICES, EDUCATION AND THE BIENNIUM ENDING JUNE 30, 2025.

Public Act: <https://cga.ct.gov/2024/ACT/PA/PDF/2024PA-00081-R00HB-05523-PA.PDF>

OLR Summary: <https://cga.ct.gov/2024/BA/PDF/2024HB-05523-R01-BA.PDF>

Signed by Governor Lamont on May 30, 2024

Effective Date: Various, Upon Passage (Section 55, 76)

Section 55: CONNECTICUT HYDROGEN AND ELECTRIC AUTOMOBILE PURCHASE REBATE (CHEAPR) PROGRAM

Current law diverts a portion of Regional Greenhouse Gas Initiative (RGGI) proceeds to the Connecticut Hydrogen and Electric Automobile Purchase Rebate (CHEAPR) account, which is used to fund the CHEAPR program, and certain activities related to the zero-emission school bus program. The bill instead requires that this funding be diverted to DEEP to fund the CHEAPR program and other programs established to support the Department's engagement with environmental justice communities.

Section 76: DEADLINE EXTENSION TO SUBMIT RECOMMENDATIONS ON CREATING A NEW SOLID WASTE-RELATED ENTITY

Extends, until July 1, 2025, the deadline for OPM to give the Environment and Energy and Technology committees recommendations on the feasibility and advisability of creating a new solid waste-related quasi-public state agency, waste authority, or other entity.

5: Public Act No. 24-144

Substitute House Bill No. 5507: AN ACT CONCERNING CERTAIN PROCEEDINGS RELATING TO ELECTRIC TRANSMISSION LINES AND THE MEMBERSHIP AND PROCESSES OF THE CONNECTICUT SITING COUNCIL.

Public Act: <https://cga.ct.gov/2024/ACT/PA/PDF/2024PA-00144-R00HB-05507-PA.PDF>

OLR Summary: Not Available

Signed by Governor Lamont on June 6, 2024

Effective Date: October 1, 2024 (Sections 3, 5, 8), Upon Passage (Section 12)

This legislation makes changes to the Public Utility Environmental Standards Act (PUESA), which governs the Connecticut Siting Council's (CSC) authority and procedures and gives it jurisdiction over siting various energy facilities (generation and transmission projects) throughout the state.

Section 2: *Adds provision allowing the chief elected official of the host municipality to appoint four (4) ad-hoc members. Three shall be electors from the host municipality and 1 shall be from a neighboring municipality, likely to be most affected by the proposed facility.*

Prior to commencing a hearing on a proposed facility, the CSC is required to consult with several state agencies to solicit written comments (DEEP, DoAG, DECD, DOT, CEQ, PURA, OPM). The

Office of Consumer Counsel has been added to this list for projects submitted after October 1, 2024.

Section 3: *Increases the cost of the municipal participation fee for certain applicants from \$25,000 to \$40,000 if the facility is within one municipality and from \$25,000 to \$80,000 if the facility is in more than one municipality. Any unused funding will be returned to the applicant upon completion of the Siting Council process.*

NEW: Any applicant of a solar photovoltaic facility before the CSC shall provide notice by certified or registered mail of each proposed site configuration change that occurs after the filing of the application, but prior to the granting of a certificate for such facility, that is a material change, as determined by the Council, to each person appearing on record as an owner of property that abuts the proposed primary or alternative sites on which the facility would be located.

Section 5: *The Council shall not grant a certificate, either as proposed or as modified by the council, unless it shall find and determine: “that the council has evaluated potential noise levels of the proposed facility in conformance with scientifically accepted methods for noise assessment.”*

The Council shall not grant a certificate for a facility that is a solar photovoltaic facility if it finds that (A) such facility will not comply with any noise requirements established pursuant to chapter 442, or (B) the distance between any inverters or transformers of such facility and the property line is less than two hundred feet.

Section 8: *Empowers the CSC in certain conditions to impose fines for non-compliance. If the CSC finds that any person has failed to comply with any certificate, condition of such certificate, or any other requirements, the Council shall fine such person, order such person to pay restitution, or order such person to pay a combination of a fine and restitution. The Council may assess civil penalties in an amount not less than \$1,000 per day for each day of construction or operation in material violation.*

Section 12: *By November 30, 2024, DEEP shall post a draft report for public comment on the CSC. The report shall be developed by DEEP/Consultant, in consultation with the CSC, DoAG, DECD, DOH, DPH, DOT, OPM, CEQ, PURA and the OCC. Final Report is to be submitted to GAE, JUD, and Energy Committees by December 31, 2024.*

The report shall focus on: (1) The scope of the Council's jurisdiction; (2) the effectiveness of the Council's structure, with consideration of other structures based on best practices in other states, and any statutory or administrative changes that may be needed to implement such recommendations; (3) processes for issuing a certificate of environmental compatibility and public need or approving a petition for a declaratory ruling, including how to better integrate new technologies into such processes; (4) the Council's oversight of completed projects; (5) criteria used by the Council in evaluating applications; (6) the Council's ability to adhere to

statutory timeframes; (7) how the Council evaluates any economic, conservation and development impacts of projects that the Council approves (8) the efficacy of the Council's processes for developing evidence; (9) the efficacy of the Council's processes for engaging in deliberations; (10) the Council's relationship with municipalities and other governmental bodies; (11) policies, procedures and processes for inclusive public engagement in Council decision-making, to increase transparency and encourage public participation, especially in environmental justice communities; (12) equitable practices and processes in Council decision-making for considering community compensation; (13) how the Council addresses common public concerns related to siting, such as noise, visual and other community impacts; and (14) whether to provide each member of the Council with an electronic mail address so that each member may receive documents and other information directly.

2: Environmental Infrastructure - Legislation

1: Public Act No. 24-10

House Bill No. 5222: AN ACT ESTABLISHING A NO-WAKE ZONE ON THE PAWCATUCK RIVER AND AUTHORIZING THE PURCHASE OF CERTAIN RIPARIAN BUFFERS

Public Act: <https://cga.ct.gov/2024/ACT/PA/PDF/2024PA-00010-R00HB-05222-PA.PDF>

OLR Summary: <https://cga.ct.gov/2024/BA/PDF/2024HB-05222-R010630-BA.PDF>

Signed by Governor Lamont on May 14, 2024

Effective Date: Upon Passage (Section 2)

This bill allows DEEP to use funds available for stormwater infrastructure to acquire conservation easements along streams and rivers in the state, regardless of any state law requiring otherwise. The DEEP commissioner may set the percentage of stormwater infrastructure funds that may be used for this purpose. The property owner of an acquired conservation easement must keep native trees, shrubs, and herbaceous cover along the stream or river instead of lawn, golf courses, and athletic fields (i.e., a “vegetated condition” buffer).

2: Public Act No. 24-151

House Bill No. 5524: AN ACT AUTHORIZING AND ADJUSTING BONDS OF THE STATE AND CONCERNING PROVISIONS RELATED TO STATE AND MUNICIPAL TAX ADMINISTRATION, GENERAL GOVERNMENT AND SCHOOL BUILDING PROJECTS.

Public Act: <https://cga.ct.gov/2024/ACT/PA/PDF/2024PA-00151-R00HB-05524-PA.PDF>

OLR Summary: <https://cga.ct.gov/2024/BA/PDF/2024HB-05524-R00-BA.PDF>

Signed by Governor Lamont on June 6, 2024

Effective Date: July 1, 2024 (Sections 2, 18, 57, 58, 59, 113, 160, 174, 175), October 1, 2024 (Section 64), Upon Passage (Sections 65, 115, 173), July 1, 2025 (Section 176)

Section 2: NEW BOND AUTHORIZATIONS FOR STATE AGENCY PROJECTS, GRANTS, AND OTHER PROGRAMS

DEEP to receive up to \$10 million to support solid waste reduction strategies. These dollars will be allocated to municipal food scrap diversion programs in the state.

Section 18: NEW BOND AUTHORIZATIONS FOR STATE AGENCY PROJECTS, GRANTS, AND OTHER PROGRAMS

The proceeds from the sale of such bonds shall be used by DEEP for the purpose of financing and awarding grants for retrofitting projects for multi-family residences as provided in section 8-240a. No more than \$20 million of the bonds issued pursuant to this section shall be utilized by said department for grants for such projects.

Section 57: BOND AUTHORIZATION FOR DEEP – (Heat Pump Rebates)

\$25 million may be bonded to DEEP for the purpose of a program to provide rebates, at the point of sale, for the purchase of heat pumps intended for heating systems in the state.

Note: *Language in PA-151 references Section 16 of HB 5004 for implementation.
HB 5004 “Green Monster” did not pass during the 2024 legislative session.*

Sections 58/59: LOW INTEREST LOAN PROGRAM FOR CLIMATE RESILIENCY PROJECTS (DEEP)

Requires the DEEP commissioner to set up a low interest loan program for municipalities and private entities for climate resiliency projects funded through a new Climate Resiliency Revolving Loan Fund and authorizes up to \$10 million in state GO bonds to capitalize the fund; requires DEEP to report annually to the Environment Committee on the program.

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Expands DEEP’s multi-family housing retrofit pilot program by allowing it to offer grants in addition to loans and allows the DEEP to contract with quasi-public agencies, in addition to non-profits, to administer the fund that finances the program. This financing is currently funded through the Housing Environmental Improvement Revolving Loan Fund, with \$125 million in GO bonds authorized to capitalize the fund.

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This section also expands the applicable program definition of “low-income resident” to include any other definition of this term used in state programs using federal funding, as the DEEP commissioner determines. Under current law, “low-income residents” are households with an income of no more than 60% of the state median income or 80% of the federally determined area median income adjusted for family size. Under existing law, DEEP must prioritize financing for projects benefiting current or prospective low-income residents.

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Section 113: SOLAR CANOPY PLANS IN MUNICIPALITIES

Modifies HB 5232 to allow, rather than require (by changing “Shall” to “May”), municipal planning and zoning commissions to (1) establish a simplified process for applications to build solar canopies, and (2) act on land use applications for solar canopies within six months.

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Current law requires that any state funds received by a town for a school building project be subtracted from the total project costs before the state calculates the town’s state reimbursement grant amount. Starting July 1, 2024, the bill excludes funds or benefits received under the following energy-related initiatives from being subtracted for this requirement:

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- 2. the Department of Energy and Environmental Protection’s microgrid and resilience grant and loan program (CGS § 16- 243y),*
- 3. renewable energy tariffs (see Background—Renewable Energy Tariffs under §§ 173-175) (CGS §16-244z),*
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The bill requires PURA to initiate a docket by January 1, 2025, to develop a program to encourage solar facility and energy storage system installations at public schools.

The bill authorizes PURA to (1) establish a separate tariff for projects selected under this program, and (2) limit the program’s size by implementing a cap of up to 25 MW per year on the generating capacity of selected projects. However, PURA must allow unused allowances under the cap in any given year to accrue. Under the bill, this program is separate from and not counted toward separate caps in existing renewable energy tariffs (NRES) or energy storage programs (ESS).

Section 176: — SOLAR FEASIBILITY STUDY

Beginning July 1, 2025, the bill requires school boards, before submitting a priority list application for a school building project grant, to have a solar feasibility assessment performed for the building that is the subject of the application, unless it already uses solar energy

Additionally, beginning July 1, 2025, Section 154 of the bill allows the DAS commissioner to reject an application that does not include the solar feasibility assessment.

3: Public Act No. 24-59

Substitute Senate Bill No. 292: AN ACT CONCERNING THE USE OF PFAS IN CERTAIN PRODUCTS.

Public Act: <https://cga.ct.gov/2024/ACT/PA/PDF/2024PA-00059-R00SB-00292-PA.PDF>

OLR Summary: <https://cga.ct.gov/2024/BA/PDF/2024SB-00292-R01-BA.PDF>

Signed by Governor Lamont on June 5, 2024

Effective Date: October 1, 2024 (Section 1), Upon Passage (Section 2 – PFAS Testing Account)

This bill regulates the sale and use of certain products containing PFAS. It also authorizes the DEEP commissioner to enforce the bill's provisions and she may coordinate with the agriculture, consumer protection, and public health commissioners to do so.

Beginning October 1, 2024, the bill bans using, selling, or offering for sale as a soil amendment any biosolids (i.e., residue from treating domestic sewage) or wastewater sludge that contains PFAS.

Beginning July 1, 2026, the bill allows the manufacturing, selling, or offering or distributing for sale, of 12 categories of products that contain intentionally added PFAS only if the manufacturer labels the products and gives prior written notice to DEEP. Without labeling and notice, their manufacturing, selling, or offering or distributing for sale is banned. The covered product categories include the following: apparel, carpets or rugs, cleaning products, cookware, cosmetics, dental floss, fabric treatments, children's products, menstruation products, ski wax, textile furnishings, and upholstered furniture. Beginning January 1, 2028, the bill bans manufacturing, selling, or offering or distributing for sale, these products if they contain intentionally added PFAS

Beginning January 1, 2026, the bill allows the distribution, sale, or offering for sale of new (or not previously used) outdoor apparel for severe wet conditions that contains PFAS only if the product (and any online listing for it) includes a clear disclosure stating: "Made with PFAS chemicals." Also beginning on January 1, 2026, the bill requires anyone selling turnout gear (e.g., protective clothing for firefighters and emergency medical service personnel) that contains intentionally added PFAS to provide written notice to the purchaser at the time of sale of this fact and the reason PFAS are in the gear.

Beginning January 1, 2028, the bill bans manufacturing, selling, or offering or distributing for sale, outdoor apparel for severe wet conditions and turnout gear if they contain intentionally added PFAS. The bill also allows DEEP to participate in creating a multi-jurisdictional clearinghouse for manufacturers' information, including a database for products containing intentionally added PFAS. It also allows DEEP to impose fees to cover the Department's costs related to the bill.

Lastly, the bill explicitly specifies that school districts are eligible for funding from the General Fund's PFAS Testing account to test for and remediate PFAS contamination in drinking water supplies. By law, the DEEP commissioner uses the account, in consultation with the public health commissioner, to provide grants or reimbursements to municipalities, which includes school districts. The bill also expands the purpose of the PFAS Testing account to include implementing the bill's regulation of PFAS in various products, including administrative costs, enforcement, and costs associated with the Department's participation in a multi-jurisdictional clearinghouse.

Please see Governor Lamont Letter RE: Public Act 24-59 on following page:



Ned Lamont
GOVERNOR
STATE OF CONNECTICUT

June 5, 2024

Dear Honorable Members of the Connecticut General Assembly:

I write to you today regarding Senate Bill 292, Public Act 24-59, An Act Concerning the Use of PFAS in Certain Products. This Public Act is a serious attempt at tackling the persistent and harmful problem of poly- and perfluoroalkyl substance (PFAS) contamination resulting from those chemicals' use in consumer products.

This Public Act is similar to recent legislation adopted in other states including Maine, Minnesota, and Colorado, banning the manufacture, sale, or distribution of 14 categories of consumer products if the product contains intentionally added PFAS. Public Act 24-59 initially requires notification and labelling of PFAS-added consumer products, followed by the ban of 12 categories of products by January 1, 2028. The language of this bill is consistent with regional efforts to reduce potentially dangerous exposure to PFAS through consumer products.

While I support the underlying goals of Public Act 24-59, I would like to highlight a few potential unintended consequences. Effective January 1, 2028, the bill bans all nonstick cookware with a nonstick coating based on polytetrafluoroethylene (PTFE, also known by the trade name Teflon). Additionally, unlike similar legislation passed across the country, Public Act 24-59, because of fiscal challenges that we faced this year, has no waiver or exemption process for products where there is currently no reasonable alternative to PFAS that serves a functionally equivalent purpose. Although PFAS-free alternatives to non-stick cookware are already on the market, there may be challenges in the wide-spread manufacture and distribution of affordable cookware and certain other categories of products, such as outdoor apparel, manufactured with alternatives to PFAS that perform with similar functionality.

I will sign Senate Bill 292 today, with the recognition that this is a step toward protecting residents from exposure to chemicals that we all believe should not be used in consumer products in Connecticut. I ask that the Legislature continue to discuss this issue in the next regular session and carefully consider whether there is a need to exempt PTFE or to provide an exemption or waiver process for currently unavoidable use of PFAS and to identify the resources necessary to administer such a process.

Sincerely,

A handwritten signature in cursive script that reads "Ned Lamont".

Ned Lamont
Governor

210 CAPITOL AVENUE, HARTFORD, CONNECTICUT 06106
TEL (860) 566-4840 • www.governor.ct.gov
Governor.Lamont@ct.gov

4: Public Act No. 24-94

Senate Bill No. 192: AN ACT CONCERNING DAM SAFETY.

Public Act: <https://cga.ct.gov/2024/ACT/PA/PDF/2024PA-00094-R00SB-00192-PA.PDF>

OLR Summary: <https://cga.ct.gov/2024/BA/PDF/2024SB-00192-R01-BA.PDF>

Signed by Governor Lamont on June 4, 2024

Effective Date: Upon Passage

This bill expands the DEEP commissioner's authority under the state's dam safety law to respond to conditions that threaten public safety or the environment.

The bill also authorizes the DEEP commissioner to correct a problem with a dam and makes the person who owns or is responsible for the dam liable for the Department's costs and expenses. It subjects the owner or person responsible to damages that are twice the Department's costs and expenses if the dam is noncompliant with the dam safety law.

The bill also explicitly prohibits maintaining a dam in a condition that might endanger life or property unless the dam's owner reasonably shows to the DEEP commissioner, upon her request, that it is a hazard to the owner's property only. Existing law requires the commissioner to investigate and inspect dams or other structures that, in her judgement, would cause loss of life or property damage if they broke away.

3: Quasi - Legislation

1: Public Act No. 24-5

Senate Bill No. 222: AN ACT CONCERNING CHANGES TO THE PAID FAMILY AND MEDICAL LEAVE STATUTES

Public Act: <https://cga.ct.gov/2024/ACT/PA/PDF/2024PA-00005-R00SB-00222-PA.PDF>

OLR Analysis: <https://cga.ct.gov/2024/BA/PDF/2024SB-00222-R01-BA.PDF>

The bill allows claimants to receive Paid Family and Medical Leave Insurance (PFMLI) benefits concurrently with benefits from the state's Victim Compensation Program. The bill also broadens the state's Family Violence Leave Act to allow leave for sexual assault victims.

2: Public Act No. 24-18

Substitute House Bill No. 5288: AN ACT ALIGNING STATE LAW WITH FEDERAL LAW CONCERNING SERVICE ANIMALS.

Public Act: <https://cga.ct.gov/2024/ACT/PA/PDF/2024PA-00018-R00HB-05288-PA.PDF>

OLR Summary: <https://cga.ct.gov/2024/BA/PDF/2024HB-05288-R010614-BA.PDF>

Signed by Governor Lamont on May 14, 2024

Effective Date: July 1, 2024 (Section 1)

This bill generally broadens the applicability of current protections and provisions related to guide dogs or assistance dogs by replacing references to guide dogs or assistance dogs with a federal definition for "service animals." Expands existing definition of "disability" to include intellectual, physical, mental, and learning disabilities.

*The bill increases the amount of accumulated paid sick leave a state employee or a **quasi-public agency employee** may use to take service animal training from 15 to 20 days. It establishes a similar allowance for municipal employees.*

3: Public Act No. 24-108

Substitute Senate Bill No. 426: AN ACT CONCERNING COURT OPERATIONS AND ADMINISTRATIVE PROCEEDINGS

Public Act: <https://cga.ct.gov/2024/ACT/PA/PDF/2024PA-00108-R00SB-00426-PA.PDF>

OLR Summary: <https://cga.ct.gov/2024/BA/PDF/2024SB-00426-R01-BA.PDF>

Signed by Governor on June 4, 2024

Effective Date: July 1, 2024 (Section 1)

Section 1: NONDISCRIMINATION PROVISIONS IN PUBLIC CONTRACTS

Adds domestic violence victims to the list of people protected under existing nondiscrimination provisions that must be in most state agency, municipal public works, and quasi-public agency project contracts.

4: General - Legislation

1: Special Act No. 24-1

Senate Bill No. 111: AN ACT CONCERNING HOME ENERGY ASSISTANCE

Public Act: <https://cga.ct.gov/2024/ACT/SA/PDF/2024SA-00001-R00SB-00111-SA.PDF>

OFA Summary: <https://cga.ct.gov/2024/FN/PDF/2024SB-00111-R00-FN.PDF>

Signed by Governor Lamont on February 14, 2024

Effective Date: Upon Passage

The bill reduces the allocation of federal American Rescue Plan Act (ARPA) funds under the Office of Policy and Management (OPM) for COVID Response Measures by \$17 million and allocates funds to the Department of Social Services (DSS) for (1) Low Income Home Energy Assistance Program Supplemental Benefits (\$13.5 million), and (2) Operation Fuel, Inc. Supplemental Benefits (\$3.5 million).

Note: HB 5523: AN ACT CONCERNING ALLOCATIONS OF FEDERAL AMERICAN RESCUE PLAN ACT FUNDS AND PROVISIONS RELATED TO GENERAL GOVERNMENT, HUMAN SERVICES, EDUCATION AND THE BIENNIUM ENDING JUNE 30, 2025.

Allocation to Operation Fuel was reduced from \$3.5 million to \$1.75 million.

2: Public Act No. 24-13

Substitute House Bill No. 5355: AN ACT CONCERNING THE WATER RESOURCES OF THE UPPER FARMINGTON RIVER VALLEY.

Public Act: <https://cga.ct.gov/2024/ACT/PA/PDF/2024PA-00013-R00HB-05355-PA.PDF>

OLR Summary: <https://cga.ct.gov/2024/BA/PDF/2024HB-05355-R010659-BA.PDF>

Signed by Governor Lamont on May 14, 2024

Effective Date: Upon Passage (Section 2)

*The bill requires the DEEP commissioner to report to the Environment Committee by January 1, 2025, on recommended ways for the state to manage Colebrook River Lake waters between 701 and 641 feet in case the federal government releases the Metropolitan District Commission (MDC) from its responsibility for these waters. The report must address the state's interest in achieving an optimum flow for fish and wildlife, recreation, the river's health, flood risk reduction, tourism, **hydropower**, and safety. The commissioner must consult with relevant stakeholders when preparing the report.*

Note: Section 2 references Hydropower as part of DEEP report and consult with "relevant stakeholders." The Hydropower Task Force should be consulted.

3: Public Act No. 24-20

Substitute Senate Bill No. 183: AN ACT IMPLEMENTING THE RECOMMENDATIONS OF THE DEPARTMENT OF MOTOR VEHICLES AND CONCERNING LOW-SPEED VEHICLES, THE TOWING OF OCCUPIED VEHICLES, SCHOOL BUSES, ELECTRIC COMMERCIAL VEHICLES, THE PASSENGER REGISTRATION OF PICK-UP TRUCKS AND REMOVABLE WINDSHIELD PLACARDS FOR PERSONS WHO ARE BLIND AND PERSONS WITH DISABILITIES.

Public Act: <https://cga.ct.gov/2024/ACT/PA/PDF/2024PA-00020-R00SB-00183-PA.PDF>

OLR Summary: <https://cga.ct.gov/2024/BA/PDF/2024SB-00183-R01-BA.PDF>

Signed by Governor Lamont on May 21, 2024

Effective Date: July 1, 2024 (Section 41)

*The bill requires officials and law enforcement officers who are authorized to enforce the state's vehicle weight limit restrictions to grant a weight tolerance exemption of 2,000 pounds to any commercial motor vehicle powered primarily by **electric battery**. The exemption applies to the gross, total axle, total tandem, and bridge formula weight limits. Under existing law, the maximum gross vehicle weight allowed on Connecticut roads without an overweight permit is generally 80,000 pounds (subject to the requirements of the federal bridge formula weight limit). Thus, the bill increases the maximum gross weight for electric commercial vehicles to 82,000 pounds.*

The bill's exemption mirrors a federal exemption that the state must already comply with for vehicles on interstate highways. (Electric powered units (i.e., truck tractors) on commercial vehicles are heavier than diesel-powered units because of the weight of the battery. Subject to the same weight limits, electric-powered tractor-trailers cannot carry as much cargo.)

4: Public Act No. 24-37

Substitute Senate Bill No. 384: AN ACT CONCERNING THE LOW-INCOME ENERGY ADVISORY BOARD.

Public Act: <https://cga.ct.gov/2024/ACT/PA/PDF/2024PA-00037-R00SB-00384-PA.PDF>

OLR Summary: <https://cga.ct.gov/2024/BA/PDF/2024SB-00384-R01-BA.PDF>

Signed by Governor Lamont on May 31, 2024

Effective Date: July 1, 2024

Redesignates the "Low-Income Energy Advisory Board" as the "Low-Income Energy and Water Advisory Board," and requires the board to make recommendations to the General Assembly on the availability and implementation of heating and water assistance programs that benefit low-income and moderate-income households, including the Connecticut Low Income Household Water Assistance Program.

The bill also authorizes the board to advise and assist the Office of Policy and Management (OPM), Department of Social Services (DSS), and Department of Energy and Environmental Protection (DEEP) in planning, developing, implementing, and coordinating water assistance-related programs and policies, including those to alleviate the impact of utility rates.

Memo

To: Connecticut Green Bank Board of Directors

From: Mackey Dykes, Vice President, Financing Programs, Alex Kovtunenکو, Deputy General Counsel, Financing Programs and Alysse Lembo-Buzzelli, Associate Director, Financing Programs

Date: June 18, 2024

Re: C-PACE Program Guidelines Update for Resilience

Overview

Conn. Gen. Stat. Section 16a-40g authorizes what has come to be known as the Commercial Property Assessed Clean Energy Program ("C-PACE"), designates the Connecticut Green Bank ("Green Bank") as the state-wide administrator of the program and charges Green Bank to "develop program guidelines governing the terms and conditions under which state and third-party financing may be made available to the commercial sustainable energy program." Since 2013, Green Bank has developed and maintained the "Program Guidelines" for the C-PACE program in accordance with this statutory requirement.

After the required thirty-day public comment period, Green Bank Staff is seeking approval from the Board on previously proposed draft amendments (in the Board of Directors meeting held on 3/15/24) to update the Program Guidelines and Appendix O: Resilience Technical Standards to include language that requires a roof upgrade seeking approval as a resilience improvement to be designed to meet FORTIFIED Roof designation standards.

C-PACE Statute Changes

An amendment to the C-PACE Statute in Public Act 22-6 included the ability to finance zero-emission vehicle refueling infrastructure and resilience improvements with C-PACE. Both were exempt from the requirement that the cost savings of the improvements over the useful life of such improvements exceed the costs of such improvements (the Savings-to-Investment Ratio of >1). However, a resilience study and assessment of cost savings are required for any project applying for C-PACE financing for resilience improvements.

Approach

Staff's approach was to define resilience improvements, explain eligibility for C-PACE financing, outline the requirements to apply, and incorporate that information into the existing guidelines seamlessly. Staff identified climate change adaptation and nature-based solution examples in the proposed guidelines to encourage these solutions, but did not limit other possible resilience projects that meet the statutory definition from being presented.

Property owners can utilize C-PACE to finance resilience improvements that provide 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"¹. Given the broad definition of resilience, Staff designed the guidelines and appendices to accommodate all types of resilience improvements to help understand the market needs.

Additions & Amendments

In order to give developers, capital providers, and borrowers a way to use C-PACE for financing for roof upgrades as resilience improvements while still preserving the program's public policy aspects, Staff made the following changes and presented them for public comment:

- **C-PACE Guidelines**
 - Amended "Article III, Section 3- Project Eligibility" and "Article IV, Section 1- II) Resilience Improvements" include language that requires a roof upgrade seeking approval as a resilience improvement to be designed to meet FORTIFIED Roof designation standards
- **Appendix O- Resilience Technical Standards**
 - Added a new section under "3. Examples of Resilience Improvements" to further clarify that a roof upgrade project seeking approval as a resilience improvement must be designed to meet the FORTIFIED Roof designation standards

Public Comments

As discussed during the March 15, 2024 Board meeting, the draft revised program guidelines and draft revised Appendix O (as summarized above) were posted for a public comment period. The public comment period ran for 30 days, ending on June 12, 2024. No public comments were submitted during this time.

¹ Section 16-244aa of the Connecticut General Statutes

Recommendation

In order to improve the guidelines further regarding resilience improvements by requiring that roof replacements meet a minimum resiliency standard of designing to FORTIFIED Roof standards, Staff recommends that the Green Bank Board of Directors (the “Board”) recommend approval of the amended C-PACE Program Guidelines and Appendix O, in accordance with this memorandum. The previously drafted Program Guidelines & Appendix O have already gone through a thirty-day public comment period, with no comments received. If approved by the Board, Staff will proceed with implementing such C-PACE Program Guidelines updates.

Resolutions

WHEREAS, Conn. Gen. Stat. Section 16a-40g (the “Authorizing Statute”) authorizes what has come to be known as the Commercial Property Assessed Clean Energy Program (“C-PACE”), the Authorizing Statute designates the Connecticut Green Bank (“Green Bank”) as the state-wide administrator of the program;

WHEREAS, the Authorizing Statute charges Green Bank to develop program guidelines (the “Program Guidelines”) governing the terms and conditions under which state and third-party financing may be made available to C-PACE;

WHEREAS, Green Bank staff drafted proposed changes to the Program Guidelines and Appendix O; and

WHEREAS, The proposed changes to the Program Guidelines, went through a thirty-day public comment period in accordance with Conn. Gen. Stat. Section 1-120 et seq, and received no comments, as more particularly described in that memorandum to the Board dated June 18, 2024 (the “Memorandum”).

NOW, therefore be it:

RESOLVED, the Green Bank Board of Directors (the “Board”) approves the proposed changes to Program Guidelines, substantially in the form of attached to the Memorandum;

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 Program Guidelines.



SPARKED BY
CONNECTICUT GREEN BANK

C-PACE PROGRAM GUIDELINES

Version Date: March 15, 2024

Connecticut Green Bank

75 Charter Oak Ave, Suite 1 – 103

Hartford, CT 06106

Tel: (860) 563-0015

www.ctgreenbank.com

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Article I. INTRODUCTION

Capitalized terms used below which are not otherwise defined shall have the meaning ascribed to them in Article VI hereof.

The C-PACE Legislation (defined below) authorized the commercial sustainable energy program more commonly known as the Commercial & Industrial Property Assessed Clean Energy Program (“C-PACE”). C-PACE is a financing program that allows Connecticut building owners to access cleaner, cheaper, and more reliable energy, as well as financing for resiliency and Zero-Emission Vehicle Refueling Infrastructure. The C-PACE Legislation authorized Connecticut Green Bank, a Connecticut quasi-public agency (“Green Bank”), to administer C-PACE and establish program guidelines for the implementation of the program.

C-PACE allows qualifying commercial real property owners to access financing to undertake eligible energy and resilience improvements on their buildings, or build greener, more resilient and more efficient new buildings and repay the investment through an additional charge/assessment, similar to a real property tax, sewer, or water bill. Like a sewer assessment, projects financed through C-PACE are secured by a benefit assessment lien on the improved real property, which lien is a non-accelerating, senior lien, and repaid over time. The repayment obligation transfers automatically to the next owner if the property is sold and in the event of default, only the payments in arrears come due. This arrangement spreads the cost of eligible improvements – such as energy efficient boilers, upgraded insulation, new windows, solar photovoltaic (PV) installations, resilience improvements, or electric vehicle (EV) chargers – over the expected life of the measure. Because the payment is secured by a senior lien, C-PACE projects are seen as less risky than typical financing.

Benefit assessments are a familiar tool that municipalities levy on real estate parcels to finance projects including street paving, water and sewer systems, and street lighting. C-PACE builds on a long history of using such benefit assessments and serves a public purpose through reducing energy costs, stimulating the economy, improving property valuation, reducing greenhouse gas emissions, improving resiliency and creating jobs. C-PACE is a proven and effective tool to attract private capital into the market. The Green Bank, as program administrator, bills and collects the scheduled payments for all benefit assessment liens in the manner of property taxes in the Participating Municipality.

This document sets forth the program guidelines established by Green Bank for the implementation of C-PACE (as may be updated, supplement, amended or otherwise modified by Green Bank, the “Program Guidelines”), which Program Guidelines govern all C-PACE participants.

All Appendixes attached hereto are supplemental program documents used by Green Bank in implementation of the Program Guidelines and may be modified or amended by Green Bank, in its sole discretion, from time to time. Current versions of all Appendixes may be found at www.cpace.com/guidelines.

Article II. OUTLINE OF C-PACE BENEFITS

PACE offers multiple benefits to a broad range of stakeholders, including but not limited to building owners, municipalities, mortgage holders, lenders, and energy efficiency/renewable energy contractors.

Section 1. For Building Owners

C-PACE helps minimize the up-front investment, installation, and performance risk of energy upgrades, while helping owners lower their operating costs, improve the resilience, value and market competitiveness of their asset, and comply with energy mandates. C-PACE does this in several ways:

- *Many owners lack capital to implement energy and resilience improvements.* C-PACE provides up to 100%, long-term financing to property owners for qualified energy and resilience upgrades. Audits, resilience studies, construction costs, commissioning and post-construction performance measurement and verification (M&V) can be wrapped into C-PACE financing.
- *Owners often want to sell the building before the energy or resilience improvement financing is repaid.* The C-PACE assessment obligation is attached to the property and can transfer to the new owner. Payments do not accelerate in case of default.
- *Many owners feel energy improvements do not yield an adequate return on investment.* The C-PACE program requires that the estimated energy savings from an efficiency retrofit or renewable energy project exceed the investment and financing costs, leading the expected cash flow to be positive over the useful life of the equipment. Moreover, C-PACE requires an independent third-party technical review of the project energy savings estimates, thereby ensuring confidence in the projected energy savings. Deeper energy upgrades and savings are possible because assessments match the useful life of equipment, which for certain improvements can extend up to 25 years.
- *Other owners are uncertain that energy savings will perform as advertised.* C-PACE helps building owners understand their future energy savings by requiring that an energy audit and/or feasibility study be conducted to estimate energy savings and commissioning to ensure that equipment is installed correctly. An audit for a refueling installation assesses the impact of a charging station on a building's energy profile. Building owners should consider developing a measurement & verification plan to track energy consumption or production over time.
- *Owners need tenants to share in the costs of energy upgrades.* As a benefit assessment, C-PACE payments – as well as energy savings – may, if permitted by the lease agreement, be passed along to tenants.

Section 2. For Energy Auditors, Contractors and Developers

The biggest barrier to converting leads to deals for energy or resilience improvements is the lack of access to acceptable finance terms from traditional lenders. C-PACE solves this by allowing a property owner to access up to 100% financing for up to 25 years, affording deeper energy efficiency, clean energy, and resilience improvements. The Green Bank also provides energy auditors, contractors and developers access to training, support services, market research, and marketing materials.

Section 3. For Municipalities

C-PACE is an economic development tool for municipalities. Energy and resilience improvements create a more competitive environment for retaining and attracting new businesses by lowering energy and/or

operating costs. Energy and resilience improvements also create jobs, reduce greenhouse gases and other pollutants, and help building owners adapt to vulnerabilities that could threaten daily business operations. The Green Bank coordinates with municipalities interested in entering into the Participation Agreement and facilitates municipal outreach to commercial property owners.

Section 4. For Capital Providers

C-PACE is a secure financing product for Capital Providers. The security comes from its position similar to a tax lien on a property. The lien, like other public benefit assessments, sits in a senior position to other encumbrances on the property, including mortgage debt and liens other than municipal real property tax liens. The Green Bank bills, collects, and remits funds in its role as program administrator.

The C-PACE Legislation requires C-PACE approved projects, other than zero-emission vehicle refueling infrastructure upgrades and resilience improvements, to have a “Savings to Investment Ratio” (SIR) greater than one, meaning that projected lifetime savings from the measures must exceed the total investment, inclusive of financing costs, over the lifetime of the measures. Connecticut streamlined the C-PACE program by establishing a single statewide C-PACE program administered by the Green Bank. Connecticut’s C-PACE program maintains an open market approach, encouraging private capital to be the primary financier of these assessments and supporting building owners who wish to source their own C-PACE lender (see Article V below). Additionally, the Green Bank currently has dedicated capital to invest in C-PACE projects.

Section 5. For Mortgage Holders

The structure of C-PACE allows participating building owners to pay for improvements to their property out of the savings the project creates. With the exception of zero-emission vehicle refueling infrastructure and resilience improvement projects, Connecticut statutes require C-PACE approved projects to have an SIR greater than 1, meaning that projected lifetime savings from the energy measures must exceed the total investment, inclusive of financing costs, over the lifetime of the measures. The Green Bank has instituted technical underwriting standards for C-PACE that provides a robust framework for measuring the estimated SIR (Appendix D), which all efficiency and renewable energy C-PACE Projects must meet. Under the C-PACE financing structure, the building should experience increased net operating income, often an immediate return on investment, and therefore becomes more attractive to current and potential tenants and future buyers. Additionally, C-PACE Assessments do not accelerate. In the event of a foreclosure of the property for any reason, only the amount of the C-PACE assessment currently due and/or in arrears, a relatively small proportion of the entire C-PACE assessment, would come due. In the event of a property sale, C-PACE assessments automatically transfer to the new property owner unless the buyer or seller decides to prepay the assessment. Finally, the C-PACE Legislation requires that property owners receive the written consent of their existing mortgage holder before being eligible for C-PACE financing (Appendix C). Mortgage lenders will be at the table helping to determine whether a property can undertake this voluntary assessment.

Article III. C-PACE STATUTORY AND PROGRAMMATIC REQUIREMENTS

This section outlines certain requirements set forth in the C-PACE Legislation as well as additional programmatic requirements established by the Green Bank.

Section 1. Mortgage Lender Consent

- A. Pursuant to the C-PACE Legislation, Benefited Property Owners must:
 - a. Provide written notice to any existing mortgage holder of the Qualifying Property (as defined below), at least thirty days before the recording of a benefit assessment lien on such property, of the property owner's intent to finance a project through C-PACE, and
 - b. Obtain the written consent to the C-PACE financing from any existing mortgage holder of the Qualifying Property.
- B. Green Bank's model mortgage holder notice and consent is attached as Appendix C. C-PACE participants may elect to use a different agreement to evidencing mortgage holder notice and consent, however any other such agreement will be subject to review and approval by Green Bank in its sole discretion.
- C. In accordance with the U.S. Department of Housing and Urban Development ("HUD") Notice H2017-01 dated January 11, 2017, as may be modified, amended or superseded, in the event that the mortgage holder is HUD, the mortgage holder notice and consent as well as the Financing Agreement associated with such consent shall provide, in the event of a default on the associated Benefit Assessment Lien payment, for notice and a reasonable opportunity for the mortgage holder to cure any such non-payment.

Section 2. Real Property Eligibility

To be considered a "Qualifying Property" eligible for C-PACE Financing, a Qualifying Commercial Real Property must meet the following requirements:

- A. Must be located within a Participating Municipality, or multiple abutting Participating Municipalities.
- B. Must be owned by a Benefited Property Owner, who is not a state, municipality, or any political subdivision thereof.
- C. Must not be a Residential Dwelling of four units or less. Multifamily properties of five units or more are eligible. Mixed-use, not-for-profit, and agricultural properties may also be eligible. If the eligibility of a certain property is not clear, Green Bank may determine property eligibility in its reasonable discretion based on site specific considerations including, but not limited to, zoning designation and current/past/future land use. Multiple abutting parcels may be included in the legal description of one Benefit Assessment Lien if (1) each parcel, by itself, is a Qualifying Property (2) each parcel is owned by the same Benefited Property Owner, and (3) each parcel benefits from the same Qualifying Project.
- D. Must not be subject to any mortgage, deed of trust or other equivalent consensual security interest securing a loan primarily for personal, family or household use in a Residential Dwelling

of four units or less or on land on which a person intends to construct a Residential Dwelling of four units or less.

Section 3. Project Eligibility

To be considered a “Qualifying Project” eligible for C-PACE Financing, an Energy Improvement project must meet the following requirements:

- A. Contain at least one Energy Improvement.
- B. All costs associated with the Energy Improvement and the financing thereof (e.g., closing/lender fees, consultant/development fees, soft costs, or other associated project costs, each being an “Associated Cost”) may, subject to Green Bank approval, be included in the Financed Amount.
- C. Obtain an energy audit, feasibility study, or resilience study for the proposed Energy Improvement(s).
- D. The term of the Benefit Assessment associated with the Qualifying Project may not exceed the weighted average effective useful life (“EUL”) of the Energy Improvement(s), except in the context of Restructuring, in which case the term of the Benefit Assessment may be extended beyond the weighted average EUL of the Energy Improvement(s). EUL is determined through the energy audit or resilience study, based on industry best practice, and is subject to approval by (1) either the Technical Administrator or a Technical Reviewer, and/or (2) the Green Bank. Regardless of a project’s EUL, the term of the Benefit Assessment may not exceed 25 years unless approved by Green Bank, in its sole discretion.
- E. For all Energy Improvements that meet the following definition “(A) participation in a district heating and cooling system by qualifying commercial real property, (B) participation in a microgrid, as defined in section 16-243y, including any related infrastructure for such microgrid, by qualifying commercial real property, provided such microgrid and any related infrastructure incorporate clean energy, as defined in section 16-245n, (C) any improvement, renovation or retrofitting of qualifying commercial real property to reduce energy consumption or improve energy efficiency, (D) installation of a renewable energy system to service qualifying commercial real property, (E) installation of a solar thermal or geothermal system to service qualifying commercial real property,” Projected Total Cost Savings must exceed the Projected Financing Cost. In other words, the savings-to investment ratio (“SIR”) of the project must be greater than one. To demonstrate that the SIR requirement has been satisfied the project must be either (1) reviewed and approved by the Technical Administrator, (2) reviewed and approved by a Technical Reviewer, (3) be certified as Investor Ready Energy Efficiency by the Investor Confidence Project (as defined by the Investor Confidence Project, see <http://www.eepperformance.org>), (4), for certain projects which include third party-owned renewable energy system(s), reviewed and approved by Green Bank, or certified by an Approved Capital Provider as applicable and more particularly described in Appendix L. For the avoidance of doubt, the SIR calculation for the project must meet the requirements set forth in Article IV below and shall not be applicable for Zero-emission Vehicle Refueling Infrastructure or Resilience Improvements.

~~E-F.~~ For all Resilience Improvements, the requirement for the project to complete Standard SIR Technical Review process is not applicable. Instead, C-PACE financing eligibility for resilience projects will be based on an identification of Resilience Improvements and completion of an assessment of resilience cost savings through a resilience study. Roof upgrade projects seeking approval as a Resilience Improvement must be designed to meet the FORTIFIED Roof designation standards¹. See Appendix O.

~~F-G.~~ All Projects require the written approval of the Green Bank, as the statewide administrator of the C-PACE Program.

~~G-H.~~ All Benefited Property Owner(s) associated with the project must sign a Disclosure of Risk Form.

~~H-I.~~ If the Energy Improvement(s) are wholly owned by any party or parties which is/are not the Benefited Property Owner(s), then such project must meet the requirements set forth in Appendix L.

Section 4. Restrictions on completed Qualifying Projects and consolidated Qualifying Projects

Qualifying Project improvements which have already been made to a Qualifying Property may be eligible for financing if such Qualifying Project was completed less than a calendar year prior to the complete submission of documents necessary for Green Bank approval (See Appendix F) of such Qualifying Project. Additionally, subsequent Energy Improvement(s) made to a Qualifying Property which has previously received C-PACE financing for a previous Qualifying Project, made within one calendar year from the close of C-PACE financing for the initial Qualifying Project, may be considered as one Qualifying Project for the purposes herein.

Section 5. Restrictions on Refinancing within the C-PACE Program

Qualifying Projects which closed on C-PACE financing are not eligible for Refinancing through the C-PACE Program. For the avoidance of doubt, nothing in the Program Guidelines is intended to prohibit Restructuring, at any time during the term of the applicable Benefit Assessment, through the C-PACE Program.

Section 6. Billing and Collection

Benefit Assessment Liens are billed in the same manner as real property taxes. As such, any payment schedule associated with any Benefit Assessment Liens will follow the billing cycle and due dates for real property taxes in the applicable Participating Municipality. Billing and collection of recorded Benefit Assessment Liens are conducted in accordance with the applicable Participation Agreement, as may be amended. If such Participation Agreement provides for Green Bank to conduct the billing and collection of Benefit Assessment Liens in such Participating Municipality then Green Bank will conduct such billing and collection in accordance with Appendix M.

¹ FORTIFIED is a voluntary, resilient construction and re-roofing standard and designation/compliance program developed by the Insurance Institute for Business & Home Safety (IBHS) that employs an incremental approach with three levels of designations available. See Appendix O.

Article IV. TECHNICAL STANDARDS OVERVIEW

The following provides a summary of the technical review process. Please refer to the Technical Standards (Appendices D & E & N & O) for a full description of audit and study requirements, technical review methodology and standards, and eligible and ineligible measures. For projects with Energy Improvements that require the SIR is greater than one, technical review may be completed by the Green Bank's selected Technical Administrator or an Approved Technical Reviewer, in accordance with the Technical Standards. As an alternative to this process, the Green Bank will also accept Investor Confidence Project-certified Investor Ready Energy Efficiency Projects (as defined by the Investor Confidence Project, see <http://www.eepperformance.org>) that demonstrate the SIR is greater than one. For Resilience Improvement and Zero-Emission Vehicle Refueling Infrastructure projects, the Green Bank will perform the technical review. Additionally, Green Bank may, in its sole discretion, perform technical review for projects which include third party-owned renewable energy system(s), as more particularly described in Appendix L.

Section 1. Defining a Scope of Work

I) Energy Improvements (excluding Resilience Improvements)

Benefited Property Owners should work with a qualified energy auditor and/or contractor with demonstrated experience to define a scope of work for their proposed project. This scope can range from installation of a single Energy Improvement, such as a new high efficiency boiler or a renewable energy system, to a whole building energy upgrade involving multiple, interactive Energy Improvements. A general list of eligible Energy Improvements and their typical energy saving characteristics can be found in the Technical Standards. The scope of work for the proposed project should be prepared and submitted by a Qualified Contractor or Registered Contractor. Projects require the applicant to conduct an energy audit or renewable energy feasibility study. For all projects involving the installation of Energy Improvements, depending on project type, size and complexity, the energy audit may range from a simple walkthrough of the building to an investment grade audit.² The Qualified Contractor or Registered Contractor will determine the minimum required energy audit level consistent with the Technical Standards (Appendix D). The audit should identify the building's representative baseline energy use (except for in the case of zero-emission vehicle refueling), identify and recommend Energy Improvements, estimate the useful life of each Energy Improvement, determine total project capital cost and the projected energy savings that can be confidently achieved, and evaluate key financial metrics. All projects involving a renewable energy system are required to complete a feasibility study. Green Bank recommends that any feasible study follow the guidelines set forth in Technical Standards (Appendix E).

² Connecticut utilities may provide what can be considered an ASHRAE Level I audit at no cost to applicants. The Green Bank can provide applicants referrals to qualified energy auditors to do higher level audits, the costs of which may be included in C-PACE financing.

II) Resilience Improvements

Benefited Property Owners should work with a qualified professional and/or FORTIFIED evaluator to identify vulnerabilities to define a scope of work for their proposed resilience project. This scope can range from the installation of a single Resilience Improvement, such as switching from impervious-to-pervious surfaces to improve water filtration and reduce flooding, to a whole building/property approach involving multiple Resilience Improvements. A list of climate change adaptation and nature-based solution examples of resilience can be found in Appendix O. Projects that include Resilience Improvements require the applicant to conduct a resilience study that assesses the cost savings of the resilience project. The resilience study should include the identification of the vulnerabilities of the building/property, proposal on how to apply adaptation measures proposed to reduce risks, and an assessment of the cost savings of such adaptation measures. A resilience pre-study should also be completed, when applicable, as an aid to help identify possible Resilience Improvements. Pre-study Worksheet and resilience study requirements can be found as Exhibits (I & II) in Appendix O. FORTIFIED Designation can also be used as a means to access C-PACE financing for Resilience Improvements and must meet all requirements set forth by the FORTIFIED program. In order to be considered under the Resilience Technical Standards that are not subject to the SIR requirement, roof upgrades must be designed to meet the FORTIFIED Roof designation standards. A summary of the FORTIFIED program, as well as further informational links, can be found in Appendix O.

Section 2. Standard SIR Technical Review

For projects with an SIR requirement, the Technical Administrator or Technical Reviewer will conduct a technical review, the purpose of which is to validate the reasonableness of project costs and energy savings projections. The Technical Administrator or Technical Reviewer will also confirm the projected SIR of the project is greater than one.

In addition, the methodology for tracking energy savings over an agreed upon term will be reviewed, thereby verifying for project stakeholders the extent to which projected energy savings are being achieved in an ongoing fashion.

Technical Review consists of three tasks:

- A. Verify that the building's baseline energy consumption is representative and reasonable, e.g., weather normalized.
- B. Validate the reasonableness of projected energy savings; and
- C. Confirm that an adequate commissioning plan exists.

The first two tasks are necessary to determine the SIR on the project and verify that it is greater than one. The third task ensures a property owner and the contractor have planned to confirm the correct installation and operational performance of the installed measures.

The Green Bank has developed a methodology for this technical review process, which relies upon two established industry protocols:

- A. **Baseline Energy Use:** ASTM E2797-15, Building Energy Performance Assessment (BEPA) standard directed at data collection and baseline calculations for the energy audit.
- B. **Energy Improvement & Energy Savings:** ASHRAE Level I, Level II and Level III Energy Audit Guidelines.

The Technical Administrator or a Technical Reviewer will qualify the proposed Energy Improvement(s) and validate the projected energy savings are consistent with these protocols and, in conjunction with the applicant, will confirm a baseline financing scenario that meets the SIR criteria.

Section 3. Resilience Technical Review

For Resilience Improvement projects without an SIR requirement, the Green Bank will conduct a technical review. The purpose of which is to confirm the eligibility of the improvements presented, as well as review the required resilience study and assessment of cost savings. In the case of a New Construction project that includes Resilience Improvement(s), the Technical Administrator will conduct the technical review.

Technical Review for Resilience Improvements consists of two tasks:

- A. Confirm the eligibility of the Resilience Improvement(s)
- B. Confirm a resilience study, complete with an assessment of cost savings, was completed according to the resilience study requirements found in Exhibit II of Appendix O

The Green Bank or the Technical Administrator will qualify the proposed Resilience Improvement(s) to validate the above criteria has been met, and, in conjunction with the applicant, will confirm a baseline financing scenario.

Section 4. Commissioning; Measurement and Verification

To verify that the project was installed according to the evaluated scope, projects are required to include a commissioning plan. A commissioning plan by a Qualified Contractor, Registered Contractor, Technical Reviewer, the Technical Administrator, or Green Bank can confirm the measures were properly installed and that the project is operating as intended.

Additionally, to (i) evaluate the energy savings effectiveness of the measures after they have been installed, and (ii) to collect energy consumption and/or clean energy production data, property owners are encouraged to work with their contractor(s) to implement an adequate measurement and verification plan. The International Performance Measurement and Verification Protocol (IPMVP) provides guidance for measurement and verification of the energy savings, for additional information see the Technical Standards.

The Green Bank may elect to facilitate M&V for projects submitted to the Green Bank for financing and may elect to offer the same services to third-party financed projects, at Green Bank's discretion and subject to additional costs/fees. M&V activities may be financed as an Associated Cost of any Qualifying Project.

Section 5. Alternative to Standard SIR Technical Review Process

As an alternative to the Standard SIR Technical Review process (described in Section 2 and the Technical Standards), Green Bank will also consider projects that meet one of the following requirements as having met the technical review requirement of this Article:

- A. Projects that demonstrate a receipt of an Investor Ready Energy Efficiency certification from the Investor Confidence Project ("ICP") and provide a letter from the ICP Quality Assurance Provider stating that the SIR for the project is greater than one; or
- B. Certain projects which include third party-owned renewable energy system(s), reviewed, and approved by Green Bank, as more particularly described in Appendix L.

Section 6. New Construction, Repositioning, and Gut Rehabilitation

C-PACE provides financing that allows new construction, repositioning and gut rehabilitation projects (each being a "New Construction Project") to be greener, more resilient, and more efficient.

Given the lack of a pre-improvement energy baseline against which to measure energy savings and the difficulty of isolating and assigning portions of New Construction Project costs to specific Energy Improvements, the Standard SIR Technical Review process is not applicable. When seeking financing for energy-related measures, C-PACE eligibility for New Construction Projects will instead be determined by the overall energy performance of the property above the applicable building energy code. Energy-related New Construction Projects must demonstrate a minimum level of energy performance, above the applicable building energy code. See Appendix N.

For energy-related measures, the Green Bank's Technical Administrator will evaluate the base line and design levels of energy modeling submitted by Qualified Projects and determine the percentage by which the design exceeds the base line. The Green Bank will determine the Total Eligible Construction Costs (TECC) and identify the total C-PACE funding available. See Appendix F for costs and details.

When seeking C-PACE financing for Resilience Improvements (non-energy related), the Standard SIR Technical Review process is also not applicable. Instead, projects must assess cost savings through a resilience study. Based on the assessment of cost savings of Resilience Improvements by the Green Bank, a percentage of the project's TECC will be eligible for C-PACE financing. See Appendix O.

Section 7. Technical Review Auditing

Green Bank may select and retain a Technical Review Auditor or Technical Review Auditors to conduct periodic reviews of the technical review work performed by any Technical Reviewer, the Technical

Administrator, or the Green Bank to evaluate compliance with the Program Guidelines and Technical Standards.

Article V. C-PACE OPEN MARKET AND ELIGIBILITY CRITERIA FOR C-PACE CAPITAL PROVIDERS

Section 1. Concept of ‘Open Market’

Connecticut maintains an “open market” approach to its C-PACE program, encouraging capital providers to be the primary financiers of Qualifying Projects and supporting Benefited Property Owners who wish to source their own capital provider. For capital providers wishing to directly offer C-PACE financing, thereby becoming an “Approved Capital Provider” or “ACP”, the Green Bank has created terms and conditions, attached hereto as Appendix F (the “Third-Party Capital Provider Terms and Conditions”), which outline the requirements and process for Approved Capital Provider to directly offer C-PACE financing to Benefited Property Owners and interact with Green Bank, as the program administrator.

Additionally, the Green Bank currently maintains dedicated capital to finance C-PACE projects. Benefited Property Owners looking to finance any Qualifying Project with Green Bank sourced capital may apply directly to Green Bank and follow the process outlined in Appendix F.

The ‘open market’ program offers multiple financing options to Benefited Property Owners, enabling the Green Bank to achieve its mission of making financing accessible and affordable.

Section 2. C-PACE Approved Third-Party Capital Providers

A Capital Provider must be approved by the C-PACE Program to offer financing directly to building owners in Connecticut. A Request for Qualifications (RFQ) can be found at <https://www.cpace.com/Capital-Provider/Get-Started>. The process for project origination, funding, and administration follows. Please review Appendix F, Third-Party Capital Provider Term Sheet for further details.

- A. The ACP or Benefited Property Owners may submit a completed C-PACE application and all associated documents necessary to demonstrate any project’s compliance with the Program Guidelines and any other applicable requirements set forth in the Third-Party Capital Provider Terms and Conditions.
- B. Green Bank shall review such documents for compliance with the Program Guidelines and Third-Party Capital Provider Terms and Conditions, and, in its sole discretion, provide its approval of the Qualifying Project (thereby becoming an “Approved Project”).
- C. The ACP may then enter into a Financing Agreement with Benefited Property Owner for such Approved Project (thereby becoming a “Closed Project”).
- D. Concurrently or shortly thereafter, the ACP shall enter into an Administration Agreement with the Green Bank for such Closed Project.
- E. Green Bank will facilitate the filing and assignment to the ACP of a Benefit Assessment Lien, pursuant to the Administration Agreement.
- F. Green Bank will work with the ACP to collect any payments received pursuant the Benefit Assessment Lien and remit such payments to the ACP, pursuant to the Administration Agreement.

The ACP shall maintain its own financial underwriting criteria and financing terms and conditions for a C-PACE transaction, subject to the requirements set forth in the Program Guidelines.

Article VI. DEFINED TERMS

“Approved Capital Provider” or “ACP” shall mean a Third-party Capital Provider that (1) has been approved by Green Bank as a **Capital Provider** and (2) is in good standing with the Green Bank.

“Associated Cost” shall have the meaning ascribed to it in Article III Section 3(B).

“Benefit Assessment” shall mean an assessment authorized by the C-PACE Legislation. In an event of a conflict between this definition and that which is ascribed in the C-PACE Legislation, the C-PACE Legislation shall govern.

“Benefit Assessment Lien” shall mean a lien which evidences a Benefit Assessment and is recorded by a Participating Municipality on the land records against a Qualifying Property at Green Bank’s direction pursuant to the Participation Agreement. The form of such Benefit Assessment Lien is attached hereto as Appendix K, as may be modified or amended from time to time by Green Bank, in its sole discretion.

“Benefited Property Owner” shall mean an owner of Qualifying Commercial Real Property who desires to install Energy Improvements and provides free and willing consent to the Benefit Assessment against the Qualifying Commercial Real Property. In an event of a conflict between this definition and that which is ascribed in the C- PACE Legislation, the C-PACE Legislation shall govern.

“C-PACE” shall have the meaning ascribed to it in Article I.

“C-PACE Legislation” shall mean Section 16a-40g of the Connecticut General Statutes, as may be amended, attached hereto as Appendix A.

“Commercial or Industrial Property” shall mean any real property other than a Residential Dwelling containing less than five dwelling units. In an event of a conflict between this definition and that which is set forth in the C- PACE Legislation, the C-PACE Legislation shall govern.

“Disclosure of Risk Form” shall mean the disclosure of risk form associated with C-PACE, attached hereto as Appendix H, as may be modified or amended from time to time by Green Bank, in its sole discretion.

“District Heating and Cooling System” shall mean a local system consisting of a pipeline or network providing hot water, chilled water or steam from one or more sources to multiple buildings. In an event of a conflict between this definition and that which is ascribed in the C-PACE Legislation, the C-PACE Legislation shall govern.

“Energy Engineer” shall mean a professional or entity who/which meets one of the following: (1) holds a Certified Energy Manager or Certified Energy Auditor accreditation, (2) is a Professional Engineer with

demonstrated relevant energy experience, or (3) a contractor with relevant demonstrated experience as determined by the Technical Administrator.

“Energy Improvement” shall mean (A) participation in a District Heating and Cooling System by Qualifying Commercial Real Property, (B) participation in a microgrid, as defined in Section 16-243y of the Connecticut General Statutes, including any related infrastructure for such microgrid, by Qualifying Commercial Real Property, provided such microgrid and any related infrastructure incorporate clean energy, as defined in Section 16-245n of the Connecticut General Statutes, (C) any improvement, renovation or retrofitting of Qualifying Commercial Real Property to reduce energy consumption or improve energy efficiency, (D) installation of a renewable energy system to service qualifying commercial real property, or (E) installation of a solar thermal or geothermal system to service qualifying commercial real property, or (F) installation of refueling infrastructure for zero-emission vehicles to a Qualifying Commercial Real Property, or (G) installation of resilience improvements to a Qualifying Commercial Real Property, provided such renovation, retrofit or installation described in subparagraph (C) to (G), inclusive, is permanently fixed to such Qualifying Commercial Real Property. In an event of a conflict between this definition and that which is ascribed in the C-PACE Legislation, the C-PACE Legislation shall govern.

“EUL” shall have the meaning ascribed to it in Article III Section 3(D).

“Financed Amount” means the combined costs of the Energy Improvement(s) and Associated Cost(s) which has been or will be financed through C-PACE for any Qualifying Project.

“Financing Agreement” shall mean a written agreement between a Benefited Property Owner and either an Approved Capital Provider or the Green Bank, or any of its subsidiaries, for the financing, leasing, or purchasing power from, a Qualifying Project. Such financing agreement shall contain, among other things, a provision which allows the Benefited Property Owner to rescind the agreement not later than three business days from the date of such agreement.

“Green Bank” shall have the meaning ascribed to it in Article I.

“Participating Municipality” shall mean a municipality, as defined in Section 7-369 of the Connecticut General Statutes, that has entered into a Participation Agreement. In an event of a conflict between this definition and that which is ascribed in the C-PACE Legislation, the C-PACE Legislation shall govern.

“Participation Agreement” shall mean a written agreement between Green Bank and a Participating Municipality, as approved by its legislative body, pursuant to which the municipality has agreed to assess and assign, Benefit Assessments to Green Bank in return for Energy Improvements for Benefited Property Owners within such municipality and costs reasonably incurred in performing such duties. The template participation agreement is attached hereto as Appendix B, as may be modified or amended from time to time by Green Bank, in its sole discretion.

“Professional Engineer” shall mean an individual, or company which employs such individual, who is licensed as a professional engineer and in good standing with the relevant licensing authorities in the State of Connecticut.

“Program Guidelines” shall have the meaning ascribed to it in Article I.

“Projected Associated Savings” shall mean non-energy savings that have a close nexus to the Energy Improvement(s) that are part of a Project. Examples include, but are not limited to, federal tax credits, depreciation, and revenues from the sale of environmental attributes. Green Bank, in its sole discretion, may determine which types of savings may be considered to fall under this definition.

“Projected Energy Savings” shall mean the estimated energy savings, calculated in accordance with the Technical Standards, from any Energy Improvement(s) over the EUL of such improvements.

“Projected Financing Cost” shall mean the total projected debt service associated with the Financed Amount for a Qualifying Project including, but not limited to, all principal, interest, and any fees over the term of the financing. This does not include any potential capitalized interest during constructions, late fees or penalties.

“Projected Total Cost Savings” shall mean the combined value of the Projected Energy Savings and the Projected Associated Savings for any Qualifying Project.

“Qualified Contractor” shall mean an individual or entity who/that meets one of the following: (1) holds a Certified Energy Manager or Certified Energy Auditor accreditation, (2) is a Professional Engineer with demonstrated relevant energy experience, or (3) a contractor with relevant demonstrated experience.

“Qualifying Commercial Real Property” shall mean any Commercial or Industrial Property, regardless of ownership, that meets the qualifications established for the C-PACE program. In an event of a conflict between this definition and that which is provided in the C-PACE Legislation shall govern.

“Qualifying Project” shall mean an energy improvement project which meets all the requirements set forth in Article III Section 3.

“Qualifying Property” shall mean a Qualifying Commercial Real Property which meets all the requirements set forth in Article III Section 2.

“Refinancing” means, in the context of any existing Financing Agreement, a Benefited Property Owner entering into a new Financing Agreement with any C-PACE ACP other than the capital provider (or its successors or assigns) who is a party to the applicable existing Financing Agreement for the purpose of repaying or refinancing the existing Financing Agreement and Benefit Assessment, including but not limited to, filing of a new Benefit Assessment associated with the same Qualifying Project.

“Registered Contractor” shall mean a contractor who has registered with Green Bank, via the contractor registration process (<https://www.cpace.com/Contractor/Get-Started/Contractor-Sign-Up>), and remains in good standing with Green Bank.

“Residential Dwelling” shall mean a structure used or occupied, or intended to be used or occupied, in whole or in part, as the home or residence of one or more persons. Residential dwelling shall not include any structure which is:

- A. A home or residence which is part of public or private institution, if such residence is incidental to provision of medical, geriatric, educational, counseling, religious, or similar services,

- B. A campground, hotel, motel, extended stay facility, vacation residential facility, boardinghouse, fraternal or social organization, or similar lodgings, and
- C. Primarily used for business, commercial, charitable, not-for-profit, or agricultural purposes.

“Resilience Improvement” shall mean an improvement made to Qualifying Commercial Real Property that improves the property’s 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.

“Restructuring” means, in the context of any existing Financing Agreement, a Benefited Property Owner entering into a new Financing Agreement or any modification of the existing Financing Agreement with the C-PACE ACP (or its successors or assigns) who is a party to the applicable existing Financing Agreement for the purpose of restructuring, amending, restating, or otherwise modifying the existing Financing Agreement and Benefit Assessment, including but not limited to, releasing the existing Benefit Assessment and entering into a new Financing Agreement and filing of a new Benefit Assessment associated with the same Qualifying Project, subject to all other applicable program requirements.

“SIR” shall have the meaning ascribed to it in Article III Section 3(G).

“Technical Administrator” shall mean the entity, selected by Green Bank pursuant to an RFP process, which may conduct technical review as well as provide Green Bank with guidance and consultation in the development and implementation of the Technical Standards and Program Guidelines. The Technical Administrator may also work with contractors to help them develop a building’s baseline energy consumption and energy savings estimates for projects.

“Technical Reviewer” shall mean an entity which has been approved by and in good standing with Green Bank in accordance with the standard set forth in Appendix J. Technical reviewers may be proposed to Green Bank for approval by ACP. For a list of Technical Reviewers that are currently approved and in good standing with Green Bank, please visit www.cpace.com/technicalreviewers.

“Technical Review Auditor” shall mean an entity or entities, selected by Green Bank pursuant to an RFP process, which may conduct periodic reviews of the technical review work performed by any Technical Reviewer, the Technical Administrator or the Green Bank to evaluate compliance with the Program Guidelines and Technical Standards.

“Technical Standards” shall mean the complete description of energy audit requirements, technical review methodology and standards, and eligible and ineligible measures for C-PACE, attached hereto as Appendix D, as may be amended or modified from time to time by Green Bank in its sole discretion.

“Approved Capital Provider” means an entity, other than the Green Bank or any of its subsidiaries, that enters into one or more Financing Agreement(s). In an event of a conflict between this definition and that which is ascribed in the C-PACE Legislation, the C-PACE Legislation shall govern.

“Zero-emission Vehicle Refueling Infrastructure” means infrastructure used to refuel Zero-emission Vehicles.

“Zero-emission Vehicle” shall mean a battery electric vehicle, hybrid electric vehicle, range-extended electric vehicle and any vehicle that is certified by the executive officer of the California Air Resources Board to produce zero emissions of any criteria pollutant under all operational modes and conditions. In an event of a conflict between this definition and that which is ascribed in the C-PACE Legislation, the C-PACE Legislation shall govern.

Appendix O: C-PACE RESILIENCE TECHNICAL STANDARDS

1. Defined Terms
2. Overview
3. Examples of Resilience Improvements
 - a. Climate Change Adaptation Examples
 - b. Nature-based Solution Examples
 - c. FORTIFIED Designation
 - ~~c~~.d. Roof upgrades as Resilience Improvements
 - ~~d-e~~. Other
4. Supporting Documentation
5. Resilience for New Construction

1. Defined Terms

This document is an appendix to the C-PACE Program Guidelines (the “Program Guidelines”) published by the Connecticut Green Bank (the “Green Bank”). Pursuant to the Program Guidelines, this appendix may be modified or amended by Green Bank, in its sole discretion, from time to time. Capitalized terms used but not defined herein have the meaning ascribed to them in the Program Guidelines.

2. Overview

Due to Public Act 22-6, an amendment to the C-PACE Statute (https://www.cga.ct.gov/current/pub/chap_298.htm#sec_16a-40g), the Standard SIR Technical Review process (described in Article IV, Section 2 of the Program Guidelines) for a project that improves the resilience of a property (each being a “Resilience Project”) is not applicable. Instead, C-PACE eligibility for Resilience Projects will be determined by the completion of resilience study that assesses the expected resilience cost savings of the Resilience Improvements over the useful life of such improvements before approving financing. While there is no minimum requirement of dollar savings that needs to be achieved, an assessment of cost savings, if any, must be completed. Resilience Projects should meet all current building codes, when applicable. Based on an identification of Resilience Improvements and completion of an assessment of resilience cost savings through a resilience study, the project will be eligible for C-PACE financing (“C-PACE Eligible Finance Amount”). Fees and interest associated with the C-PACE financing can be added to the C-PACE Eligible Finance Amount to determine the total C-PACE benefit assessment amount.

3. Examples of Resilience Improvements

Resilience Improvements help a building/property adapt to vulnerabilities that could interrupt business operations and impede the property owner's ability to stay open and functional. C-PACE financing for Resilience Projects is available to aid in these situations by providing the funding needed to adapt to such vulnerabilities. The following are examples of Resilience Improvements that can be assessed through a resilience study and considered for C-PACE financing:

- a. Climate change adaptation examples: The following are examples of challenges caused by climate change that can have negative effects on buildings and properties. Adapting to these challenges caused by climate change by reinforcing their structures through resilient building practices can help property and business owners stay open, functional, and operational.
 - a. Flood Management
 - b. Storm events/Extreme Weather
 - c. Wind
 - d. Fire
 - e. Sea Level Rise
 - f. Extreme Heat (MFH)
- b. Nature-based solutions: Infrastructure, including natural infrastructure, which promotes stormwater management, healthy vegetation, soils, and aquatic ecosystems to provide ecosystem services such as flood control and hazard risk reduction, e.g. bioswales, rain gardens, pervious surfaces, tree planting (native species and/or shade trees) and removal of dead trees, or natural ecosystem restoration (i.e. wetland, marshland, or other natural assets)
- c. FORTIFIED Designations: In an effort to reduce damage to residential, commercial and multifamily structures and help businesses re-open more quickly following severe weather, the Insurance Institute for Business & Home Safety (IBHS) developed FORTIFIED™ Commercial, a voluntary, resilient construction and re-roofing standard and designation/compliance program. FORTIFIED employs an incremental approach with three levels of designations available (listed below) so design professionals can work with building owners to choose a desired level of protection that best suits their budgets and resilience goals.
 - a. FORTIFIED Roof
 - b. FORTIFIED Silver
 - c. FORTIFIED Gold

d. Roof upgrades as Resilience Improvements: A roof upgrade project must be designed to meet the FORTIFIED Roof designation standards in order to be considered for approval under the Resilience Technical Standards in this Appendix.

~~d-e.~~ Other: Other vulnerabilities that could impede a building's ability to operate and are not listed above can also be reviewed for C-PACE financing. In order to be considered, a resilience study must still be completed, including an assessment of the cost savings associated with the proposed Resilience Improvement(s) and all other requirements listed in Section 4b. and Exhibit II of this Appendix.

4. Supporting Documentation

The applicant must submit the following documents to the Green Bank, in a form acceptable in their discretion. All additional supporting documents, including but not limited to, calculations, analyses, photos, previous studies/reports, and design/construction documentation should also be submitted for review:

- a. Pre-Study Worksheet, if applicable (Exhibit I)
- b. Resilience Study that must include the following, as outlined in Exhibit II:
 - Property Overview
 - Identification of Vulnerabilities
 - Adaptation Proposal
 - Assessment of Cost Savings Analysis
 - Implementation Timeline
- c. FORTIFIED supporting documentation, applicable forms and back-up documentation submitted to the project's evaluator for review and determination of compliance. See all requirements and how to get started with FORTIFIED here (<https://fortifiedhome.org/getting-started/>). Only applicable-required if designing for a FORTIFIED Designation, including but not limited to roof upgrade projects as Resilience Improvements.

5. Resilience for New Construction

Aside from generally qualifying to be included in the TECC calculation as defined above in Section 4, Resilience Improvements can be incorporated into a C-PACE New Construction project in one of two ways (outlined below), and may or may not incorporate energy measures. Please note that Resilience Improvements can also be financed as a stand-alone C-PACE project and can follow the Resilience Technical Standards as outlined in Appendix O. Resilience Improvements following the Resilience Technical Standards as outlined in Appendix O could be eligible for up to 100% in C-PACE financing:

- Adding prescriptive resilience measures to an energy project as Bonus Measure(s), defined in the New Construction Appendix N, for a maximum of 10% additional of the TECC in C-PACE financing.
- Using the FORTIFIED program and designing for one of the 3 levels of building standards to qualify for up to 20% of the TECC in C-PACE financing. Projects choosing to meet one of the FORTIFIED standards may also incorporate additional Bonus Measures, for up to an additional 10% of the TECC in C-PACE financing. Lastly, Projects that are also designing for Net Zero may be eligible for up the maximum of 35% of the TECC in C-PACE financing.

Refer to Table 3 found in Appendix N for a full overview of the different levels of available C-PACE financing for Resilience in New Construction projects.

Exhibit I - Pre-Study Worksheet

To be completed prior to conducting a resilience study

Business Overview:

Property Ownership Entity Name: _____

Property Owner Contact Name & Title: _____

Contact Phone Number: _____ Contact Email: _____

Property Address: _____

Property Type: _____ Non-Profit: ☐ YES ☐ NO

Property Overview:

FEMA Flood Zone: ☐ YES ☐ NO (If YES, complete Box 1. If NO, complete Box 2)

1.

FEMA Flood Zone of Structure: _____ BFE _____; Adjacent Flood Zone: _____ BFE _____

FEMA Flood Zone of Additional Property: _____ BFE _____; Adjacent Flood Zone: _____ BFE _____

2.

Do you have local site-specific flooding: ☐ YES ☐ NO

If YES, please describe: _____

Building Plans Available: ☐ YES ☐ NO Structure Age: _____ Historic: Y N Maybe

First Floor Elevation (FFE): _____ Elevation of Lowest Horizontal Beam *if on pilings*: _____

Structure: ☐ Wood Frame ☐ Steel Frame ☐ Cement Block ☐ Masonry

Foundation: ☐ Slab-on-grade ☐ Crawl Space ☐ Basement ☐ Pilings/Pier

Number of Steps to First Floor: _____ steps **UP / DOWN**

First Floor Contains: _____

Water Supply (check all that apply)

☐ Well ☐ Public Water System ☐ We are a regulated non-community water system

Sanitary Wastewater (check all that apply)

☐ Septic System ☐ Sanitary Sewer System ☐ Treatment System

☐ Regulated large ☐ Subsurface sewage disposal

Version: March 15th, 2024

How long have you owned the building? _____

Do you have any intention of selling this building? ____ YES ____ NO If so, when? _____

Property Overview Continued:

What building or site improvements have you already made, if any?

What measures do you have in place to address potential hazards?

What resources do you utilize, or what groups do you belong to, that may be able to provide support during an emergency?

Outbuildings

System	Description	Notes
External Features	External Flood Control	__Seawall __Bulkhead __Bern
	External Wall Material	
	Grading Around Site	__Towards __Away __Neither
First Floor (FF)	Floor Material	__Hardwood __Cement __Carpet
	Internal Wall Material	__Drywall __Wood __Cement __Metal
	Major Appliances	
Basement (if applicable)	Floor Material	__Hardwood __Cement __Carpet
	Internal Wall Material	__Drywall __Wood __Cement __Metal
	Major Appliances	
Low Entry Points into Building	Doorways	
	Windows	
	Utility Openings	
	Other	
Utility Room (U.R.)	Contains	
	Location	__Basement __First Floor __Upper Level __Outdoors
	Notes	

Property Event History

	Coastal Flood		Riverine Flood		High Wind		Heavy Snow		Tropical Event		Extreme Heat		Other Event:	
	Date: _____		Date: _____		Date: _____		Date: _____		Date: _____		Date: _____		Date: _____	
Impact <i>Circle selection</i>	Site	Structure	Site	Structure	Site	Structure	Site	Structure	Site	Structure	Site	Structure	Site	Structure
	Equipment	Inventory	Equipment	Inventory	Equipment	Inventory	Equipment	Inventory	Equipment	Inventory	Equipment	Inventory	Equipment	Inventory
	Human	Access	Human	Access	Human	Access	Human	Access	Human	Access	Human	Access	Human	Access
	Tech & Data	Business Closed	Tech & Data	Business Closed	Tech & Data	Business Closed	Tech & Data	Business Closed	Tech & Data	Business Closed	Tech & Data	Business Closed	Tech & Data	Business Closed
Event Name														
Description of Loss														
Remediation Implemented														
Loss Due to Event (A)														
Remediation Cost (B)														
Total Loss Incurred (A+B)														
Notes														

Power Outages:

Please complete below questions if your business has ever lost power:

Were these outages during extreme weather events? ___Yes ___No

Was the business closed due to these outages? ___Yes ___No

How many days was your business closed? _____ days

How many days were you without power? _____ days

Did you use a generator to operate through the outage? ___Yes ___No

Was the generator already on-site or did you transport one to the property? _____

Was Heat available during the outage? ___Yes ___No

Was AC available during the outage? ___Yes ___No

Was potable water available from the faucet during the outage? ___Yes ___No

Could you dispose of sanitary wastewater during the outage? ___Yes ___No

Was anything lost due to the power outage? (i.e. equipment, food, supplies, IT, data) ___Yes ___No

What was lost?

What caused the loss? (i.e. lack of refrigeration)

Has an outage affected your customers? ___Yes ___No

Has an outage affected communications? ___Yes ___No

Is your business located in a microgrid? ___Yes ___No

A microgrid is a system of buildings or properties connected to an independent power source.

Have you utilized any resources during an outage, such as Chamber of Commerce, to help speed up restorations?

If so, please elaborate: _____

Property Flooding:

Please complete below questions if your business *is* in a flood zone:

Name of Flood Source (river name, coastal, etc): _____

Scenario from Exposure Analysis: _____

Distance from High Water Mark: _____

Do you have an Elevation Certificate? YES NO

Have you had difficulty accessing your building due to street flooding?

- If yes, how frequently? _____

Do you have space to store storm preparedness materials (Sandbags, plywood, etc)? Y N

Is the business located on the coastline? __ YES __ NO (If yes, please complete table)

Type:	Wetland	Beach	Dune	Bluff	Notes	
Material:	Sand	Gravel	Boulder	Bedrock		
Environment:	Erosive	Depositional				
Stabilization:	Vegetation	Rip – Rap	Seawall / Bulkhead Groin / Breakwater		Wood/Cement/ Metal/Stone/Other	

Utility	Location				Relative Elevation	Notes
	U.R	Basement	FF	Outdoors		
Elevator					____ ft	
HVAC: Condensers					____ ft	
A/C – window / wall					____ ft	
Water Heater					____ ft	
Furnace					____ ft	
Electrical Panel					____ ft	
Electrical into Building					____ ft	
Electrical Outlets					____ ft	
Plumbing: Potable					____ ft	
Fuel Tanks					____ ft	
Generator					____ ft	
Dumpster					____ ft	
Other					____ ft	

Property Flooding Cont.: *Please complete below questions if your business is in a flood zone*

	Secure	Other
Fuel tanks / Generators	Y / N ?	
Garage and Bay Doors	Y / N ?	
Chemical Storage	Y / N ?	
Moorings	Y / N ?	
Dock	Y / N ?	
Parked Vehicles / Boats	Y / N ?	
Septic Tank	Y / N ?	
Generator	Y / N ?	
Dumpster / Spent Oil	Y / N ?	
Material that could become debris	Y / N ?	
Buildings / Out Structure	Y / N ?	
Fence (non-seawall)	Y / N ?	
Equipment	Y / N ?	
Laydown or Storage Areas	Y / N ?	
Other	Y / N ?	

Disaster Preparedness Questions:

What are the hazards that could impact your business? _____

Which hazards do you perceive as the biggest threat? _____

Are you concerned about your business' future hazard exposure? ___ Yes ___ No

Do you feel you are financially prepared for a disaster? ___ Yes ___ No

Do you have access to onsite/offsite storage for inventory, chemicals, equipment) ___ Yes ___ No

Do you have electronic data backups for your business files? ___ Yes ___ No

Do you have a formal plan in place for:

Preparations for an event? ___ Yes ___ No

Response during an event? ___ Yes ___ No

Recovery from an event? ___ Yes ___ No

Are your employees aware of the details of these plans? ___ Yes ___ No

Have you created an Emergency Employee Contact List? ___ Yes ___ No

How are employees notified in the event a natural disaster requires the business to close? _____

What support is available for employees if the business is closed for an extended period? _____

Do you communicate closures/schedule changes to customers? ___ Yes ___ No

Do you communicate with suppliers/customers if your building is inaccessible? ___ Yes ___ No

Have you experienced supply chain disruptions? ___ Yes ___ No

How long would you be able to stay in business if you had to close for an extended period of time?

Under what conditions would you relocate or take special storage precautions?

Who would you contact for information/assistance during an extreme weather event? (i.e. state/local government, chamber, etc.)?

Insurance and Risk Reduction Questions

Do you have flood insurance for the building? ___Yes ___No

Do you have contents insurance? ___Yes ___No

Do you have other disaster insurance? ___Yes ___No

How aware of you of the details of your insurance policy, such as what is covered under your policy? *Completely Unaware* 1 2 3 4 5 *Completely Aware*

Is there insurance information you feel would be helpful to receive? ___Yes ___No

What kind of information? _____

What would be the most effective method of delivery for this information (brochure, workshop, Webinar)? _____

Are you aware of risk reduction assistance programs? ___Yes ___No

Are you aware of risk reduction options? ___Yes ___No

Are these risk reduction options accessible to you? ___Yes ___No

Exhibit II - RESILIENCE STUDY REPORT REQUIREMENTS

The outline below is the required list of information to be included in a resilience study that will be presented to the Green Bank for consideration for approval of C-PACE financing. A Pre-Study Worksheet (Exhibit I) should be completed prior to a resilience study, but is not required in all cases. If designing for a FORTIFIED designation, all applicable forms and back-up documentation submitted to the project's evaluator for review and determination of compliance can be used as a resilience study. This could include, but is not limited to: site photos, design & structural drawings, and/or construction specifications. Please note that an assessment of the cost savings is always required in order to be considered for approval of C-PACE financing.

1. **Property Overview:** a narrative describing the location (full address), age of structure(s), property's use history, ownership structure, etc. It should also include a description of any previous environmental remediation work and/or resilience measures completed.
2. **Identification of Vulnerabilities:** a detailed summary of the vulnerabilities to be addressed. Please include information about recent events that may have impacted the property, including any photo/written documentation of damage/losses, estimated costs of previous losses or impacts to your business, and previous actions taken to prevent losses, if any.
3. **Adaptation Proposal:** a proposal and narrative describing in detail the adaptation measures to be completed to address the above identified vulnerabilities. The proposal should also include a detailed breakdown of each cost that will be associated with the adaptation proposal. Drawings, plans, previous proposals, etc. should be included as attachments to the resilience study and referenced in the narrative.
4. **Proposed Savings Analysis:** calculations accompanied by a narrative describing the savings, if any, that will be associated with the proposed adaptation measures. Savings should be represented in a dollar value and can include such things as operational savings, lost capital avoided, insurance savings, etc. All backup documentation associated with the savings calculations (i.e. insurance costs, previous maintenance bills, lost revenue due to business closure) should be included as attachments to the resilience study and referenced in the narrative. Please note that while there is no minimum requirement of savings that needs to be achieved, an assessment of cost savings, if any, must be completed.
5. **Implementation Timeline:** narrative describing the proposed timeline for implementing the adaptation measures described in the study, including anticipated start date, project duration, phases of completion, etc.

Memo

To: Board of Directors of the Connecticut Green Bank

From: Ed Kranich (ESS Program Manager), Sergio Carrillo (Managing Director of Incentive Programs), Bryan Garcia (President and CEO)

Cc: Mackey Dykes, Brian Farnen, Bert Hunter, Jane Murphy, and Eric Shrago

Date: June 18, 2024

Re: Energy Storage Solutions Program – Upfront Incentive Approval Request

The Energy Storage Solutions (ESS) Program was established by the Public Utilities Regulatory Authority (PURA) in Docket No. 17-12-03RE03, PURA Investigation into Distribution System Planning of the Electric Distribution Companies – Electric Storage. In its Final Decision¹ in this docket, issued July 28, 2021, PURA appointed The Connecticut Light and Power Company d/b/a Eversource Energy (Eversource), The United Illuminating Company (UI), and the Connecticut Green Bank (Green Bank) as co-administrators of the Program.²

The Green Bank's responsibilities include customer enrollment, administration of the upfront incentive, marketing and promotion, and data aggregation and publication to support evaluation, measurement, and verification, among others.

A. Upfront Incentive Approval Process

In its June 24, 2022 Board meeting, the Green Bank Board approved a process for the approval of upfront incentives for projects participating in the ESS Program by which projects with estimated upfront incentives greater than \$500,000 would follow a process similar to the one used by the C-PACE program.

Within the existing Board of Directors (BOD or Board) and Deployment Committee regular meeting schedule, the Green Bank staff will seek BOD approval of these upfront incentives via consent agenda, and only after the upfront incentives are approved by the BOD, Green Bank staff will issue Reservation of Funds (ROF) letters.

The Board approved that Green Bank staff shall obtain Board approval of estimated upfront incentive payments via consent agenda utilizing the Tear Sheet process described in the

¹ <https://tinyurl.com/2p8v4cwa>

² It should also be noted that with the passage of Public Act 21-53 "An Act Concerning Energy Storage," that PURA shall solicit input from DEEP, OCC, EDC's, and the Green Bank in developing energy storage system programs, and may select DEEP, EDC's, Green Bank, a third party, or any combination thereof to implement one or more programs for electric storage resources as directed by PURA.

Memorandum to the Board dated June 24, 2022. Only after securing Board approval, will Green Bank Staff issue ROF letters to project developers and/or owners.

After projects are fully operational, Green Bank staff will notify the BOD of their intent to issue Confirmation of Funds (COF) letters, highlighting any differences between the Board-approved incentive and the final incentive amount, and the reason for the difference.

B. About CPower

Headquartered in Baltimore, Maryland, CPower is a subsidiary of LS Power, a development, investment, and operating company specializing in the power and energy infrastructure sector. CPower is one of the nation's premier providers of distributed energy resources (DERs) monetization and Virtual Power Plant solutions. Their mission is to establish the Customer-Powered Grid®, facilitating a flexible, clean, and reliable energy future. With capacity exceeding 6.7 gigawatts (GW) spread across over 27,000 sites throughout the United States, they optimize the value of DERs to fortify the grid when and where dependable, dispatchable resources are most critical.

CPower has been active in Energy Storage Solutions since its launch in 2022 and has developed 16 C&I projects to-date with an aggregate capacity of more than 65 MW.

C. Request for Approval of New Upfront Incentives Under \$500,000

Table 1 below shows the single non-residential project seeking estimated upfront incentives for a total amount of \$481,750 and total capacity of 1.9 MW, which account for almost 2% of the 100 MW of non-residential capacity available for Tranche 2 of the ESS Program. Although the project described in this memorandum is below the \$500,000 threshold for staff authorization, the aggregate amount of ESS projects being presented to the Board at the June 21, 2024 meeting is greater than \$1,000,000 and requires Board authorization.

Project Number	Contractor Account	Utility Company	City	Annual Peak Demand (kW)	Total System Power (kW)	Total System Capacity (kWh)	Total Battery Cost	Estimated Upfront Incentive	Install Year
ESS-00991	CPower	Eversource	Guilford	1,220	1,927.0	3,854.0	\$1,637,952	\$481,750	2027
					1,927.0	3,854.0		\$481,750	

Table 1. Estimated Upfront Incentives Above \$500,000

The attached Tea Sheet provides these and other details pertaining to the single new project seeking estimated upfront incentives in the ESS Program.

Resolution

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; and,

WHEREAS, in its December 9, 2002 meeting the Board approved updated Procedures to better align with the Program process.

NOW, therefore be it:

RESOLVED, that the Green Bank Board hereby approves the estimated upfront incentives sought by CPower for one non-residential project individually under \$500,000, totaling \$485,750 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 effect the above-mentioned incentives consistent with the Procedures.

**Energy Storage Solutions Program
Upfront Incentive Application**

Project Description	Installation of a 1927 kW / 3854 kWh battery storage system to reduce electric bills and provide backup power to the facility during power outages.
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Customer / Site information

Customer Name	Town of Guilford
Address	605 New England Rd, Guilford
Business Purpose	High School
Incentive Application No.	ESS-00991
Incentive Application Date	5/31/2024
Customer Peak Demand (kW)	1220
Customer Class (S / M / L)	Large C&I
Project Developer / Installer	CPower

Program Eligibility

Critical Facility	No
Small Business	No
Onsite Fossil Fuel Generator	No
Grid Edge Customer	Yes
Participation in FCM Allowed	No
Participation in FCM Declared	No
Resiliency Plan on File (N/A if Grid Edge Customer)	N/A

Battery Energy Storage System (BESS) Characteristics

System Configuration	Standalone (not paired with any generating source)
Expected Program Participation	Active and Passive
BESS Make / Model	Tesla Megapack 2-XL
BESS Power Rating (kW)	1927
BESS Energy Capacity (kWh)	3854
BESS Technology Approval Status	Pre-Approved
Power Rating to Peak Demand Ratio	1.58
Interconnection Application Filed	Yes
Interconnection Study Required	Yes
Estimated Project Cost	\$1,637,952.00

Benefit / Cost Ratios

RIM – Ratepayer Impact Measure	3.3
PCT – Participant Cost Test	1.27
PACT – Program Administrator Cost Test	4.04
SCT – Societal Cost Test	3.08
TRC – Total Resource Cost Test	3.09
CTET – CT Efficiency Test	4.03

Upfront Incentive Information

Incentive Application Status	<ul style="list-style-type: none"> ▪ Application Submitted ▪ Approved Reservation of Funds Letter (ROF) ▪ Approved Confirmation of Funds Letter (COF)
Incentive Calculation Method	Tiered Incentive
Estimated Upfront Incentive	\$481,750.00

Memo

To: Board of Directors of the Connecticut Green Bank

From: Ed Kranich (ESS Program Manager), Sergio Carrillo (Managing Director of Incentive Programs), Bryan Garcia (President and CEO)

Cc: Mackey Dykes, Brian Farnen, Bert Hunter, Jane Murphy, and Eric Shrago

Date: June 18, 2024

Re: Energy Storage Solutions Program – Upfront Incentive Approval Request

The Energy Storage Solutions (ESS) Program was established by the Public Utilities Regulatory Authority (PURA) in Docket No. 17-12-03RE03, PURA Investigation into Distribution System Planning of the Electric Distribution Companies – Electric Storage. In its Final Decision¹ in this docket, issued July 28, 2021, PURA appointed The Connecticut Light and Power Company d/b/a Eversource Energy (Eversource), The United Illuminating Company (UI), and the Connecticut Green Bank (Green Bank) as co-administrators of the Program.²

The Green Bank's responsibilities include customer enrollment, administration of the upfront incentive, marketing and promotion, and data aggregation and publication to support evaluation, measurement, and verification, among others.

A. Upfront Incentive Approval Process

In its June 24, 2022 Board meeting, the Green Bank Board approved a process for the approval of upfront incentives for projects participating in the ESS Program by which projects with estimated upfront incentives greater than \$500,000 would follow a process similar to the one used by the C-PACE program.

Within the existing Board of Directors (BOD or Board) and Deployment Committee regular meeting schedule, the Green Bank staff will seek BOD approval of these upfront incentives via consent agenda, and only after the upfront incentives are approved by the BOD, Green Bank staff will issue Reservation of Funds (ROF) letters.

The Board approved that Green Bank staff shall obtain Board approval of estimated upfront incentive payments via consent agenda utilizing the Tear Sheet process described in the Memorandum to the Board dated June 24, 2022. Only after securing Board approval, will Green Bank Staff issue ROF letters to project developers and/or owners.

¹ <https://tinyurl.com/2p8v4cwa>

² It should also be noted that with the passage of Public Act 21-53 "An Act Concerning Energy Storage," that PURA shall solicit input from DEEP, OCC, EDC's, and the Green Bank in developing energy storage system programs, and may select DEEP, EDC's, Green Bank, a third party, or any combination thereof to implement one or more programs for electric storage resources as directed by PURA.

After projects are fully operational, Green Bank staff will notify the BOD of their intent to issue Confirmation of Funds (COF) letters, highlighting any differences between the Board-approved incentive and the final incentive amount, and the reason for the difference.

B. About Scale Microgrid Solutions

Scale Microgrid Solutions, headquartered in New Jersey and founded in 2016, is a vertically integrated microgrid platform with the expertise to design, build, finance, operate, and maintain distributed energy projects. They rely on their team's expansive knowledge and experience inside energy markets to identify efficiencies and maximize savings.

Scale has been active in ESS since 2024 and they have approximately 13.5 MW of projects currently seeking to participate in the C&I program.

C. Request for Approval of New Upfront Incentives Under \$500,000

Table 1 below shows the five (5) non-residential projects seeking estimated upfront incentives for a total amount of \$2,002,000 and total capacity of 9.6 MW, which account for around 10% of the 100 MW of non-residential capacity available for Tranche 2 of the ESS Program. Although the projects described in this memorandum are individually below the \$500,000 threshold for staff authorization, the aggregate amount is greater than \$1,000,000 and requires Board authorization.

Project Number	Contractor Account	Utility Company	City	Annual Peak Demand (kW)	Total System Power (kW)	Total System Capacity (kWh)	Total Battery Cost	Estimated Upfront Incentive	Install Year
ESS-01031	Scale Microgrid Solutions LLC	Eversource	Windsor Locks	616	1,927.0	3,854.0	\$3,954,016	\$385,400	2027
ESS-01043	Scale Microgrid Solutions LLC	Eversource	Windsor	943	1,927.0	3,854.0	\$3,159,783	\$385,400	2027
ESS-01044	Scale Microgrid Solutions LLC	Eversource	Windsor	847	1,927.0	3,854.0	\$3,159,783	\$385,400	2027
ESS-01045	Scale Microgrid Solutions LLC	Eversource	Windsor	295	1,927.0	3,854.0	\$3,159,783	\$460,400	2027
ESS-01046	Scale Microgrid Solutions LLC	Eversource	Windsor	631	1,927.0	3,854.0	\$3,159,783	\$385,400	2027
					9,635.0	19,270.0		\$2,002,000	

Table 1. Estimated Upfront Incentives Above \$500,000

The attached Tear Sheets provide these and other details pertaining to the five new projects seeking estimated upfront incentives in the ESS Program.

Resolution

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; and,

WHEREAS, in its December 9, 2002 meeting the Board approved updated Procedures to better align with the Program process.

NOW, therefore be it:

RESOLVED, that the Green Bank Board hereby approves the estimated upfront incentives sought by Scale Microgrid Solutions for five non-residential projects individually under \$500,000, totaling \$2,002,000 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 effect the above-mentioned incentives consistent with the Procedures.

Energy Storage Solutions Program Upfront Incentive Application

Project Description	Installation of a 1927 kW / 3854 kWh battery storage system to reduce electric bills and provide backup power to the facility during power outages.
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Customer / Site information

Customer Name	Winstanley Enterprises
Address	500 N St, Windsor Locks
Business Purpose	Grocery Wholesaler Warehouse
Incentive Application No.	ESS-01031
Incentive Application Date	5/16/2024
Customer Peak Demand (kW)	616
Customer Class (S / M / L)	Large C&I
Project Developer / Installer	Scale Microgrid Solutions LLC

Program Eligibility

Critical Facility	No
Small Business	No
Onsite Fossil Fuel Generator	No
Grid Edge Customer	No
Participation in FCM Allowed	No
Participation in FCM Declared	No
Resiliency Plan on File (N/A if Grid Edge Customer)	N/A

Battery Energy Storage System (BESS) Characteristics

System Configuration	Standalone (not paired with any generating source)
Expected Program Participation	Active and Passive
BESS Make / Model	Tesla Megapack 2-XL
BESS Power Rating (kW)	1927
BESS Energy Capacity (kWh)	3854
BESS Technology Approval Status	Pre-Approved
Power Rating to Peak Demand Ratio	3.13
Interconnection Application Filed	Yes
Interconnection Study Required	Yes
Estimated Project Cost	\$3,954,016.00

Benefit / Cost Ratios

RIM – Ratepayer Impact Measure	3.5
PCT – Participant Cost Test	0.68
PACT – Program Administrator Cost Test	4.27
SCT – Societal Cost Test	1.38
TRC – Total Resource Cost Test	1.39
CTET – CT Efficiency Test	4.26

Upfront Incentive Information

Incentive Application Status	<ul style="list-style-type: none"> ▪ Application Submitted ▪ Approved Reservation of Funds Letter (ROF) ▪ Approved Confirmation of Funds Letter (COF)
Incentive Calculation Method	Tiered Incentive
Estimated Upfront Incentive	\$385,400.00

Energy Storage Solutions Program Upfront Incentive Application

Project Description	Installation of a 1927 kW / 3854 kWh battery storage system to reduce electric bills and provide backup power to the facility during power outages.
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Customer / Site information

Customer Name	Winstanley Enterprises
Address	200 Old Iron Ore Rd, Windsor
Business Purpose	Amazon Warehouse
Incentive Application No.	ESS-01043
Incentive Application Date	5/31/2024
Customer Peak Demand (kW)	943
Customer Class (S / M / L)	Large C&I
Project Developer / Installer	Scale Microgrid Solutions LLC

Program Eligibility

Critical Facility	No
Small Business	No
Onsite Fossil Fuel Generator	No
Grid Edge Customer	No
Participation in FCM Allowed	No
Participation in FCM Declared	No
Resiliency Plan on File (N/A if Grid Edge Customer)	N/A

Battery Energy Storage System (BESS) Characteristics

System Configuration	Standalone (not paired with any generating source)
Expected Program Participation	Active and Passive
BESS Make / Model	Tesla Megapack 2-XL
BESS Power Rating (kW)	1927
BESS Energy Capacity (kWh)	3854
BESS Technology Approval Status	Pre-Approved
Power Rating to Peak Demand Ratio	2.04
Interconnection Application Filed	Yes
Interconnection Study Required	Yes
Estimated Project Cost	\$3,159,783.00

Benefit / Cost Ratios

RIM – Ratepayer Impact Measure	3.5
PCT – Participant Cost Test	0.78
PACT – Program Administrator Cost Test	4.27
SCT – Societal Cost Test	1.71
TRC – Total Resource Cost Test	1.71
CTET – CT Efficiency Test	4.26

Upfront Incentive Information

Incentive Application Status	<ul style="list-style-type: none"> ▪ Application Submitted ▪ Approved Reservation of Funds Letter (ROF) ▪ Approved Confirmation of Funds Letter (COF)
Incentive Calculation Method	Tiered Incentive
Estimated Upfront Incentive	\$385,400.00

Energy Storage Solutions Program Upfront Incentive Application

Project Description	Installation of a 1927 kW / 3854 kWh battery storage system to reduce electric bills and provide backup power to the facility during power outages.
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Customer / Site information

Customer Name	Winstanley Enterprises
Address	200 Old Iron Ore Rd, Windsor
Business Purpose	Amazon Warehouse
Incentive Application No.	ESS-01044
Incentive Application Date	5/31/2024
Customer Peak Demand (kW)	847
Customer Class (S / M / L)	Large C&I
Project Developer / Installer	Scale Microgrid Solutions LLC

Program Eligibility

Critical Facility	No
Small Business	No
Onsite Fossil Fuel Generator	No
Grid Edge Customer	No
Participation in FCM Allowed	No
Participation in FCM Declared	No
Resiliency Plan on File (N/A if Grid Edge Customer)	N/A

Battery Energy Storage System (BESS) Characteristics

System Configuration	Standalone (not paired with any generating source)
Expected Program Participation	Active and Passive
BESS Make / Model	Tesla Megapack 2-XL
BESS Power Rating (kW)	1927
BESS Energy Capacity (kWh)	3854
BESS Technology Approval Status	Pre-Approved
Power Rating to Peak Demand Ratio	2.28
Interconnection Application Filed	Yes
Interconnection Study Required	Yes
Estimated Project Cost	\$3,159,783.00

Benefit / Cost Ratios

RIM – Ratepayer Impact Measure	3.5
PCT – Participant Cost Test	0.78
PACT – Program Administrator Cost Test	4.27
SCT – Societal Cost Test	1.71
TRC – Total Resource Cost Test	1.71
CTET – CT Efficiency Test	4.26

Upfront Incentive Information

Incentive Application Status	<ul style="list-style-type: none"> ▪ Application Submitted ▪ Approved Reservation of Funds Letter (ROF) ▪ Approved Confirmation of Funds Letter (COF)
Incentive Calculation Method	Tiered Incentive
Estimated Upfront Incentive	\$385,400.00

Energy Storage Solutions Program Upfront Incentive Application

Project Description	Installation of a 1927 kW / 3854 kWh battery storage system to reduce electric bills and provide backup power to the facility during power outages.
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Customer / Site information

Customer Name	Winstanley Enterprises
Address	200 Old Iron Ore Rd, Windsor
Business Purpose	Amazon Warehouse
Incentive Application No.	ESS-01045
Incentive Application Date	5/31/2024
Customer Peak Demand (kW)	295
Customer Class (S / M / L)	Medium C&I
Project Developer / Installer	Scale Microgrid Solutions LLC

Program Eligibility

Critical Facility	No
Small Business	No
Onsite Fossil Fuel Generator	No
Grid Edge Customer	No
Participation in FCM Allowed	No
Participation in FCM Declared	No
Resiliency Plan on File (N/A if Grid Edge Customer)	N/A

Battery Energy Storage System (BESS) Characteristics

System Configuration	Standalone (not paired with any generating source)
Expected Program Participation	Active and Passive
BESS Make / Model	Tesla Megapack 2-XL
BESS Power Rating (kW)	1927
BESS Energy Capacity (kWh)	3854
BESS Technology Approval Status	Pre-Approved
Power Rating to Peak Demand Ratio	6.53
Interconnection Application Filed	Yes
Interconnection Study Required	Yes
Estimated Project Cost	\$3,159,783.00

Benefit / Cost Ratios

RIM – Ratepayer Impact Measure	3.3
PCT – Participant Cost Test	0.8
PACT – Program Administrator Cost Test	4.09
SCT – Societal Cost Test	1.71
TRC – Total Resource Cost Test	1.71
CTET – CT Efficiency Test	4.08

Upfront Incentive Information

Incentive Application Status	<ul style="list-style-type: none"> ▪ Application Submitted ▪ Approved Reservation of Funds Letter (ROF) ▪ Approved Confirmation of Funds Letter (COF)
Incentive Calculation Method	Tiered Incentive
Estimated Upfront Incentive	\$460,400.00

Energy Storage Solutions Program Upfront Incentive Application

Project Description	Installation of a 1927 kW / 3854 kWh battery storage system to reduce electric bills and provide backup power to the facility during power outages.
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Customer / Site information

Customer Name	Winstanley Enterprises
Address	200 Old Iron Ore Rd, Windsor
Business Purpose	Amazon Warehouse
Incentive Application No.	ESS-01046
Incentive Application Date	5/31/2024
Customer Peak Demand (kW)	631
Customer Class (S / M / L)	Large C&I
Project Developer / Installer	Scale Microgrid Solutions LLC

Program Eligibility

Critical Facility	No
Small Business	No
Onsite Fossil Fuel Generator	No
Grid Edge Customer	No
Participation in FCM Allowed	No
Participation in FCM Declared	No
Resiliency Plan on File (N/A if Grid Edge Customer)	N/A

Battery Energy Storage System (BESS) Characteristics

System Configuration	Paired with existing on-site generation
Expected Program Participation	Active and Passive
BESS Make / Model	Tesla Megapack 2-XL
BESS Power Rating (kW)	1927
BESS Energy Capacity (kWh)	3854
BESS Technology Approval Status	Pre-Approved
Power Rating to Peak Demand Ratio	3.05
Interconnection Application Filed	Yes
Interconnection Study Required	Yes
Estimated Project Cost	\$3,159,783.00

Benefit / Cost Ratios

RIM – Ratepayer Impact Measure	3.5
PCT – Participant Cost Test	0.93
PACT – Program Administrator Cost Test	4.25
SCT – Societal Cost Test	2.09
TRC – Total Resource Cost Test	2.09
CTET – CT Efficiency Test	4.25

Upfront Incentive Information

Incentive Application Status	<ul style="list-style-type: none"> ▪ Application Submitted ▪ Approved Reservation of Funds Letter (ROF) ▪ Approved Confirmation of Funds Letter (COF)
Incentive Calculation Method	Tiered Incentive
Estimated Upfront Incentive	\$385,400.00



Memo

To: Connecticut Green Bank ("Green Bank") Board of Directors ("Board")

From: Fiona Stewart, Senior Manager, Investments

CC: Bryan Garcia, President and CEO; Sergio Carrillo, Managing Director of Incentive Programs, Brian Farnen, General Counsel and CLO; Jane Murphy, EVP of Finance & Administration, Eric Shrago, VP of Operations; Bert Hunter, EVP & Chief Investment Officer

Date: June 18, 2024

Re: Smart-E Loan Program: Linked Deposit Pilot – Request to Extend Program and Increase of Not-to-Exceed Amount

Background, Summary of Pilot Program & Request for Approval

In 2023, the Deployment Committee approved a pilot program allowing linked-deposits whereby the Connecticut Green Bank ("Green Bank") would place deposits with Mutual Security Credit Union ("MSCU") to fund the level of Smart-E loans it funds from January 1, 2023 to June 30, 2024. The arrangement would be extended at the mutual option of MSCU and Green Bank.

Terms of the arrangement were agreed with MSCU (see **Appendix A.**) The cost of the program (which would start in May 2023 for loans funded by MSCU since January 1, 2023 and extend through June 30, 2024, subject to annual renewal) was expected to be about \$25,000 through June 2024 and approximately another \$25,000 if extended for an additional year. The 5-year cost (i.e., difference between CT Treasurer's "short term investment rate" ("STIF") rate earned by the Green Bank on excess cash held in the STIF account and the linked deposit rate (i.e., the "opportunity cost") was expected to be about \$60,000 (the maximum length of the program). If the pilot program had not been established, MSCU maintained that they would be unable to continue as a Smart-E lender as they needed to fund 100% of incremental loan volume via market rate deposits or borrowings from the Federal Home Loan Bank – both at rates of around 5% which would narrow margins on these loans considerably and consequently make them uneconomic since the Smart-E Loan has not to exceed rates of 6.99% for a 10-year loan for example. The linked deposits pilot would test whether margins could be sufficiently maintained to retain MSCU's participation and provide a possible pathway should other lenders find themselves in similar circumstances.

The pilot program has been a success with a total of \$2,092,535.98 in Smart-E loans funded through May with an average of approximately \$114,000 funded per month since August 2023.* The cost of the program over the past year (July 2023 to May 2024) has been \$43,116, based on an average

* Average does not include July 2023 funded amount as this amount covered all loans originated from January to June 2023.

quarterly interest rate of 2.283%. This program cost is \$20,755 higher than staff estimated, 79% of which is related to higher short term interest rates which the Federal Reserve at that time in May of 2023 estimated would stop increasing at the level then in effect and gradually decline commencing in January of 2024. As a result, staff estimates full year FY24 program cost of about \$47,000 vs the estimate from a year ago of \$25,000. Still, staff wants to continue the pilot, especially as a key lender, Capital for Change, has been out of the Smart-E program since December 2023 and is not expected to resume activity until August or September 2024. See cost assumptions in Appendix B. In May 2024, the Deployment Committee approved an increase to the original Not-to-Exceed Amount of the program from \$2,000,000 to \$2,500,000.

As we approach the end of the pilot program time period, staff met with MSCU to discuss extending the program. They requested a 12-month extension of the program with an increase to the Not-to-Exceed Amount to a total of \$3,500,000. Staff estimates that extending the program through FY25 at this level will result in an “opportunity cost” between what we expect to earn from MSCU deposits and what we otherwise would have earned from the STIF account (which is the program cost) of \$66,000. See cost assumptions in Appendix C. MSCU has estimated a monthly funded amount of \$135,000 for the next several months. An increased not-to-exceed amount of \$3,500,000 provides enough money to cover the anticipated volume.

Green Bank Financial Statements

How is the pilot program accounted for on the balance sheet?

Green Bank’s money market account advances remain as restricted cash invested with financial institutions, with a yield impact as explained in this memorandum.

Resolutions

WHEREAS, the Connecticut Green Bank (“Green Bank”) has established the Smart-E Loan program with financing agreements with various credit unions, community banks and a community development financial institution;

WHEREAS, pursuant to approval by the Green Bank Deployment Committee in May 2023, the Green Bank commenced a pilot linked deposits program (the “Linked Deposits Pilot”) with a Smart-E lender as described in the memorandum to the Deployment Committee dated May 19, 2023 (the “Linked Deposit Pilot Memo”);

WHEREAS, pursuant to the approval by the Green Bank Deployment Committee in May 2024, the Green Bank raised the Linked Deposit Pilot “not to exceed” amount from \$2,000,000 to 2,500,000;

WHEREAS, the Linked Deposits Pilot has been a success and per request by the participating institution, Green Bank staff recommends approval by the Green Bank Board of Directors (“Board”) to extend the Linked Deposit Pilot program to June 30, 2025 and raise the “not to exceed” amount from \$2,500,000 to 3,500,000;

NOW, therefore be it:

RESOLVED, that the Board approves of the extension of the Linked Deposit Pilot to June 30, 2025 and an increase in the “not to exceed” amount from \$2,500,000 to \$3,500,000, to be implemented as described in the Linked Deposit Pilot Memorandum dated June 18, 2024;

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 Linked Deposit Pilot on such terms and conditions as are materially consistent with the Linked Deposit Pilot Memorandum; 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 instruments.

Submitted by: Bryan Garcia, President and CEO and Bert Hunter, EVP and CIO

Appendix A

Linked Deposit Terms & Conditions

Deposits	On a monthly basis, Green Bank would make money market account deposits with MSCU in an amount that would match dollar-for-dollar the advances made by MSCU in the prior month for Smart-E loans. The Green Bank would commence with the advances made from January 1, 2023 – which based on the information MSCU supplied to the Green Bank is approximately \$340,000 (or more – subject to MSCU confirmation.)
Interest Rate	MSCU would pay to Green Bank (monthly) an interest rate determined by the difference (not less than 0%) of the average portfolio rate on loans made by MSCU in the prior month for Smart-E loans less 3%, rounded up or down to the nearest 0.05%. For the purposes of this determination, the standard “not to exceed” rates in existence as of April 2023 shall be used (or such higher rate if the Smart-E not-to-exceed rates are subsequently raised); i.e., lower IRB loan rates shall not be used.
Withdrawal of funds on deposit in the Money Market Account	Green Bank would commit to leave amounts deposited in the MSCU Money Market Account (MMA) in the account for a period to be mutually agreed on an annual basis (within one month either side of each June 30 commencing in 2024) but, subject to “Permitted Withdrawals” below and unless otherwise agreed, Green Bank (a) would not withdraw funds from the MMA prior to June 30, 2024 and (b) could withdraw all funds in the MMA by June 30, 2028.
Permitted Withdrawals	On a portfolio basis, within 30 days of the end of the availability period (defined below) and every calendar quarter thereafter, should the outstanding balance of the aggregate of deposits from Green Bank <u>exceed</u> the outstanding balance of the aggregate of Smart-E loans funded by this program (i.e., loans on or after 1/1/2023), MSCU would redeem within 30 days of request by Green

	Bank an amount of Green Bank deposits with MSCU to bring deposits and loans into balance (deposits to be redeemed would be from the shortest maturity deposits remaining.)
Optional Withdrawals	At any time, should MSCU desire Green Bank to terminate the linked deposit arrangement with the MMA, Green Bank will, upon MSCU's request with 1 day's notice, withdraw any portion of Green Banks MMA deposit so requested.
Availability Amount and Availability Period	Green Bank agrees to fund up to \$2,000,000 of Smart-E loans by deposits to the MMA until June 30, 2024, with a renewal option at the request of MSCU and agreement by Green Bank to extend. While it is the intention of this linked deposit arrangement to retain MSCU's participation in the Smart-E program at least through the availability period, MSCU would reserve all rights to suspend its participation at any time.
Reporting	Monthly reporting of funded loans and loan balances by MSCU to Green Bank to enable Green Bank to monitor the loan vs deposit position.
Deposit Monitoring	MSCU will provide an online method for the Green Bank to monitor its MMA deposits and interest accruals.

Appendix B

	Linked Deposit	Market Yield Assumption (*)	Linked Deposit Rate	Opportunity Cost %	Opportunity Cost \$
Jun-23	\$400,000	4.50%	2.25%	2.25%	\$750.00
Jul-23	\$533,333	4.50%	2.25%	2.25%	\$1,000.00
Aug-23	\$666,667	4.50%	2.25%	2.25%	\$1,250.00
Sep-23	\$800,000	4.50%	2.25%	2.25%	\$1,500.00
Oct-23	\$933,333	4.50%	2.25%	2.25%	\$1,750.00
Nov-23	\$1,066,667	4.50%	2.25%	2.25%	\$2,000.00
Dec-23	\$1,200,000	4.50%	2.25%	2.25%	\$2,250.00
Jan-24	\$1,333,333	4.25%	2.25%	2.00%	\$2,222.22
Feb-24	\$1,466,667	4.25%	2.25%	2.00%	\$2,444.44
Mar-24	\$1,600,000	4.00%	2.25%	1.75%	\$2,333.33
Apr-24	\$1,733,333	4.00%	2.25%	1.75%	\$2,527.78
May-24	\$1,866,667	3.75%	2.25%	1.50%	\$2,333.33
Jun-24	\$2,000,000	3.75%	2.25%	1.50%	\$2,500.00

\$24,861.11

Months Loans Originated	End of Period Deposit Balance	Amount Funded	STIF Interest Rate	Hypothetical STIF Interest Earned	MSCU Rate	MSCU Calculated Interest	Program Cost	May 2023 Memo Estimated Cost	May 2023 Estimated STIF Interest Rate
Jan-Jun 2023 loans originated	833,883.20	833,883.20	5.180%	591.71	2.200%	251.31	340.40	750.00	4.500%
July 2023 loans originated	952,937.33	119,054.13	5.340%	4,270.78	2.200%	1,759.50	2,511.28	1,000.00	4.500%
August 2023 loans originated	1,145,017.27	192,079.94	5.380%	4,958.82	2.200%	2,027.77	2,931.05	1,250.00	4.500%
September 2023 loans originated	1,277,255.10	132,237.83	5.410%	5,848.08	2.200%	2,378.15	3,469.93	1,500.00	4.500%
October 2023 loans originated	1,403,480.00	126,224.90	5.450%	6,278.11	2.200%	2,534.28	3,743.83	1,750.00	4.500%
November 2023 loans originated	1,536,476.87	132,996.87	5.440%	7,021.88	2.200%	2,839.73	4,182.15	2,000.00	4.500%
December 2023 loans originated	1,583,217.82	46,740.95	5.440%	7,363.22	2.200%	2,977.77	4,385.45	2,250.00	4.250%
January 2024 loans originated	1,583,217.82	-	5.430%	6,895.16	2.450%	3,111.08	3,784.08	2,222.22	4.250%
February 2024 loans originated	1,708,517.36	125,299.54	5.430%	7,868.52	2.450%	3,550.25	4,318.27	2,444.44	4.000%
March 2024 loans originated	1,833,479.13	124,961.77	5.420%	8,280.46	2.450%	3,743.01	4,537.45	2,333.33	4.000%
April 2024 loans originated	1,921,997.48	88,518.35	5.420%	8,552.48	2.450%	4,044.22	4,508.26	2,527.78	3.750%
May 2024 loans originated	2,092,535.98	170,538.50	5.420%	8,685.62	2.450%	4,281.91	4,403.71	2,333.33	3.750%
	2,092,535.98			76,614.84		33,498.98	43,115.86	22,361.10	
Maximum approved for Smart-e pilot program	2,500,000.00								
				60,195.94 (using May '23 estimated STIF)					
Hypothetical STIF earnings		76,614.84							
Estimated MSCU deposit earnings		33,498.98							
Program Cost		43,115.86							
May 2023 Memo Estimated Cost		22,361.10							
Additional Program Cost		20,754.76							
Additional Program Cost due to higher STIF		16,418.90	79%						
Additional Program Cost due to higher balance		4,335.86	21%						

Appendix C

Months Loans Originated	End of Period Deposit Balance	Amount Funded	STIF Interest Rate	# days	Hypothetical STIF Interest Earned	MSCU Rate	MSCU Calculated Interest	Program Cost
July 2024 loans originated	2,092,535.98	135,000.00	5.420%	31	9,632.55	2.500%	4,443.06	5,189.49
August 2024 loans originated	2,227,535.98	135,000.00	5.420%	31	10,253.99	2.550%	4,824.29	5,429.70
September 2024 loans originated	2,362,535.98	135,000.00	5.420%	30	10,524.61	2.600%	5,048.71	5,475.91
October 2024 loans originated	2,497,535.98	135,000.00	5.420%	31	11,496.88	2.650%	5,621.17	5,875.71
November 2024 loans originated	2,632,535.98	135,000.00	5.420%	30	11,727.41	2.700%	5,842.07	5,885.34
December 2024 loans originated	2,767,535.98	135,000.00	5.200%	31	12,222.65	2.750%	6,463.90	5,758.75
January 2025 loans originated	2,902,535.98	135,000.00	5.200%	31	12,818.87	2.800%	6,902.47	5,916.40
February 2025 loans originated	3,037,535.98	135,000.00	5.200%	28	12,116.86	2.850%	6,640.97	5,475.89
March 2025 loans originated	3,172,535.98	135,000.00	4.950%	31	13,337.69	2.900%	7,814.00	5,523.69
April 2025 loans originated	3,307,535.98	135,000.00	4.950%	30	13,456.69	2.950%	8,019.64	5,437.05
May 2025 loans originated	3,442,535.98	135,000.00	4.950%	31	14,472.80	3.000%	8,771.39	5,701.41
June 2025 loans originated	3,500,000.00	57,464.02	4.700%	30	13,520.55	3.050%	8,773.97	4,746.58
		1,542,464			145,581.53		79,165.64	66,415.89
Hypothetical STIF earnings		145,581.53						
Estimated MSCU deposit earnings		79,165.64						
Program Cost FY 25		66,415.89						



Memo

To: Connecticut Green Bank ("Green Bank") Board of Directors (the "Board")

From: Bert Hunter, EVP & Chief Investment Officer; Fiona Stewart, Senior Manager, Investments

CC: Bryan Garcia, President and CEO; Brian Farnen, General Counsel and CLO; Jane Murphy, EVP of Finance & Administration

Date: June 18, 2024

Re: Facility Refinancing Request - Capital 4 Change ("C4C") for \$25M Medium Term Revolving Loan (secured & subordinated) to CEEFCo (100%-owned subsidiary of C4C) or C4C for Funding CEEFCo's investment in Energy Efficiency Loans (including Smart-E Loans) in partnership with Webster Bank and M&T Bank

Background

At the October 20, 2023 meeting of the Connecticut Green Bank (the "Green Bank") Board of Directors (the "Board"), the Board approved a \$15M Medium Term Revolving Loan (secured & subordinated, the "New Revolving Loan") to CEEFCo (a 100%-owned subsidiary of Capital for Change ("C4C")) for Funding CEEFCo's investment in Energy Efficiency Loans (mostly Smart-E Loans) in partnership with Amalgamated Bank which has provided \$15 million in funding senior to Green Bank (for a total of \$30 million). The New Revolving Loan was a result of funding needed by C4C, historically the Green Bank's largest Smart-E lender to cope with expanding demand for the Smart-E Loan product. Unlike other Smart-E lenders, C4C is a Community Development Financial Institution, or CDFI as they are more commonly called, and is not a depository institution like the Green Bank's other Smart-E lenders. Unlike these other Smart-E lenders which can rely on consumer and commercial deposits, aside from its equity base, C4C must source nearly every dollar it lends from capital raised from private capital (typically banks) and public capital (such as the Green Bank and the CDFI Fund run by the US Treasury). The Community Development Financial Institutions Program under the United States Treasury actively works to provide access to the one quarter of American households that do not have a bank account or rely on costly payday lenders and check-cashing outlets. Also, this U.S. Treasury program seeks to supply capital to many small businesses and critical community development projects that lack access to the capital investment necessary to spark economic growth in their communities. By regulation, at least 60 percent of CDFI financing activities must be targeted to one or more low- and moderate-income (LMI) populations or underserved communities.¹ C4C is the largest

¹ <https://www.fdic.gov/resources/bankers/affordable-mortgage-lending-center/guide/part-1-docs/cdfi-overview.pdf> (page 80)

CDFI in the state of Connecticut and has been a program partner of the Green Bank for more than a decade.

Notwithstanding the increase in the Green Bank/Amalgamated facility to \$30 million approved by the Board, it was seen as a “stop gap” measure until a larger facility could be sourced. Amalgamated Bank, due to its credit limitations, is unable to offer a larger facility to C4C (hence the \$5 million stop-gap increase in the facility approved by the Board of the Green Bank in October 2023). After several months of discussion, two of the largest mid-tier regional banks, Webster Bank and M&T Bank, have teamed together with Green Bank to propose an additional \$25 million of capital: \$15 million in additional private capital together with \$10 million of additional Green Bank capital. The resulting \$55 million facility would provide enough capital to enable C4C to restart lending operations in this valuable Green Bank program and provide adequate time (at least 2 years) for C4C and Green Bank to explore longer term funding arrangements (such as a pooled loan bond issuance). Staff supports the proposal from Webster and M&T, and supports the requested increase in funding from Green Bank (an additional \$10 million) and is submitting this request to the Board for approval.

Summary of Request for Approval

CEEFCo requests a refinancing of CEEFCo's existing \$30 million credit facility with the Green Bank and Amalgamated Bank. Demand for SMART-E loans is growing beyond what was anticipated due to several factors outlined below. CEEFCo is requesting an additional \$10M from Green Bank, which would establish a new loan facility with a total capacity of public and private capital of \$55 million (see term sheet from Webster Bank and M&T Bank attached as Appendix A). Currently, Green Bank provides \$15 million (50%) of the overall \$30M facility with Amalgamated providing 50% (\$15 million). As proposed, at the closing of the loan facility, Webster Bank and M&T Bank would collectively advance \$18 million (\$9 million each) to repay Amalgamated its \$15 million loan outstanding and to provide additional capital to CEEFCo / C4C against the pool of eligible Smart-E loans. Thereafter, Webster Bank and M&T Bank would collectively provide approximately 54.55% of each advance request by CEEFCo / C4C , with a not to exceed amount of \$30 million and Green Bank would provide approximately 45.45%, with a not to exceed amount of \$25 million subordinated to Webster Bank and M&T Bank, for a total facility of \$55 million. The loans will be able to “revolve” with CEEFCo / C4C being able to pay down loans outstanding or draw or redraw against eligible collateral. CEEFCo has maintained a flawless interest payment and principal repayment record.

Looking forward to the Inflation Reduction Act incentives which would be implemented by the US government and CT state government in 2025, Green Bank and C4C agree it is reasonable to assume loan demand would increase further supported by incentives and rebates.

HEAT Loans vs. SMART-E Demand

A decline in EnergizeCT (Eversource & United Illuminating) HEAT Loans due to the 1:1 savings ratio calculation requirement has shifted higher demand for Smart-E loans. The Heat Loan, which is ending at the end of this calendar year, has a legislative mandate requiring the monthly loan payment to be offset by the expected monthly heating savings from the new system upgrade. This was originally designed primarily for oil to gas conversions, and the shift toward prioritizing heat pump technology that runs on electricity has resulted in less projects being able to meet the ratio. As explained by C4C, the recent increases in the cost of electricity in our state have been the primary driver in this - most heat pump projects do not have 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 since credit is not reviewed for this product. This volume shift overall has affected the demand for Smart-E in two ways - both in loan numbers as well as in volume. As heat pump projects often exceed the \$15,000 limit for the HEAT Loan, previously Smart-E would make up the difference. Recently, these projects are frequently not qualifying at all for HEAT Loans, the full projects are shifting to Smart-E rather than simply a portion. Demand shift to SMART-E is expected to continue once C4C restarts its participation in Smart-E.

CEEFCo Funding Background

- As of December 2023, CEEFCo's capital sources from Green Bank and Amalgamated have been fully drawn (\$30 million).
- Loan fundings before the pause averaged \$1 million to \$1.2 million per month. Therefore, the additional \$25 million in capital is expected to last about 2 years – to early 2026.

Connecticut Energy Efficiency Finance Company (CEEFCo)-Third Party Capitalization				
Non-Equity Loan Capital Sources	Original Amount	Cost of Funds (Existing)	Maturity	Recourse
Webster Bank & M&T Bank (Senior) – proposed	\$30,000,000	6.30%	364 days	Yes
Connecticut Green Bank (Subordinate) - proposed	\$25,000,000	4.00%	364 days	Yes
Total	\$55,000,000	Blended 5.25%		

As submitted, the facility will mature 364 days from the closing date, but with the expectation that the lenders will consider (but are not required) to renew the facility for additional 364 day periods. Having a facility that matures in less than one year affords the private capital lenders favorable capital reserve requirements which enables the lenders to offer an interest rate that is less than otherwise would be charged, in this case the Secured Overnight Financing Rate (SOFR) plus 1% (in recent weeks SOFR has been 5.30% for a total rate of 6.30% at present). Green Bank would continue the existing rate on its loan at 4%. This results in a blended cost of funds to CEEFCo of 5.25% (previously 5% (blended) with Amalgamated and Green Bank funding).

As a refresher, C4C (formerly, the Connecticut Housing Investment Fund), in partnership with the Green Bank, provides loans to Connecticut single family property owners seeking to finance solar PV and other clean energy systems and energy efficiency upgrades under Green Bank's Smart-E loan program.² C4C is Green Bank's largest and most active Smart-E lender with over 3,300 loans outstanding with an original originated amount of over \$55 million (remaining balance \$38.5 million).

² Pursuant to the Green Bank Sustainability Plan passed by the Board in December 2017 and to a Professional Services Agreement, beginning August 3, 2018, certain aspects of the Smart-E Loan program are being managed by Inclusive Prosperity Capital, Inc. ("IPC")

C4C Financial Condition

C4C is in good financial health. Represented below is the parent-level company on a consolidated basis. CEEFCo loan quality is good with approximately 1.0% of loans outstanding in the >90 days past due category – roughly in line with energy efficiency loans more generally, and lower than the rate of 1.1% one year ago. These delinquencies are more than supported by the level of C4C equity (approximately \$14.3 million).

CAPITAL FOR CHANGE, INC. AND AFFILIATES

Combined Statements of Financial Position
March 31, 2023 and 2022

Assets	2023	2022
Current Assets:		
Cash	\$ 2,721,951	\$ 3,001,296
Accounts receivable, net	1,730,029	1,541,191
Interest receivable	454,870	462,592
Current portion of loans receivable	8,126,831	17,291,952
Other current assets	86,671	94,863
Total current assets	13,120,352	22,391,894
Other Assets:		
Restricted cash	14,273,182	13,332,088
Investments	1,294,294	1,151,275
Loans receivable, net	76,652,926	60,588,929
Total other assets	92,220,402	75,072,292
Property and Equipment		
Land	241,686	241,686
Building and improvements	3,368,023	3,297,153
Furniture and equipment	1,525,228	1,449,340
	5,134,937	4,988,179
Less - accumulated depreciation	1,657,866	1,453,602
Net property and equipment	3,477,071	3,534,577
Total assets	\$ 108,817,825	\$ 100,998,763
Liabilities and Net Assets		
Current Liabilities:		
Current portion of notes payable	\$ 3,893,076	\$ 5,232,741
Current portion of equity equivalent notes payable	1,300,000	-
Accounts payable and accrued expenses	549,830	763,223
Accrued interest payable	90,305	90,467
Total current liabilities	5,833,211	6,086,431
Long-Term Liabilities:		
Conditional advances	5,007,167	5,082,920
Loan escrows liability	2,960,276	3,303,972
Funds held for others	994,703	962,566
Deferred interest and other revenue	1,721,491	1,997,353
Notes payable, net	52,638,353	43,816,518
Equity equivalent notes payable	4,850,000	6,100,000
Total long-term liabilities	68,171,990	61,263,329
Total liabilities	74,005,201	67,349,760
Net Assets:		
Without donor restrictions:		
Operating	11,181,032	10,814,185
Equity in property and equipment	2,068,652	2,075,437
Board designated	1,030,804	1,077,563
Total without donor restrictions	14,280,488	13,967,185
With donor restrictions	20,532,136	19,681,818
Total net assets	34,812,624	33,649,003
Total liabilities and net assets	\$ 108,817,825	\$ 100,998,763

CAPITAL FOR CHANGE, INC. AND AFFILIATES

Combined Statements of Activities Without Donor Restrictions
For the Years Ended March 31, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Revenues:		
Earned revenue:		
Financial revenue:		
Interest on loans	\$ 4,013,333	\$ 3,924,269
Investment return, net	(45,000)	(27,177)
Less - net loan loss provision	(1,072,650)	(1,068,188)
Less - interest expense	(2,265,657)	(1,750,576)
Net financial revenue	630,026	1,078,328
Loan servicing fees	1,487,484	1,417,508
Loan origination and other fees	1,129,579	1,005,996
Total earned revenue	<u>3,247,089</u>	<u>3,501,832</u>
Public support:		
Government grants and contracts	925,897	4,637,566
Other grants and contributions	38,911	133,995
Net assets released from purpose restrictions	2,083,435	534,826
Total public support	<u>3,048,243</u>	<u>5,306,387</u>
Total revenues	<u>6,295,332</u>	<u>8,808,219</u>
Expenses:		
Program	5,131,425	5,059,197
General and administrative	627,262	895,602
Fundraising	223,342	251,722
Total expenses	<u>5,982,029</u>	<u>6,206,521</u>
Changes in net assets without donor restrictions	<u>\$ 313,303</u>	<u>\$ 2,601,698</u>

Strategic Selection

This transaction falls within the parameters of a strategic selection, subject to Board approval, for the reasons outlined below.

- **Special Capabilities** – CEEFCo has nearly a decade of experience as a Smart-E lender and is the largest Smart-E lender by number of loans and dollar value outstanding. It has deep experience in the Connecticut market with Smart-E contractors across several energy efficiency products in addition to the Smart-E Loan, such as the Heat Loan.
- **Strategic Importance** – The revolving loan facility represents a continuation of a business relationship with a counterparty that Green Bank has successfully and smoothly transacted with in the past and in partnership with Webster, who has teamed with M&T Bank. M&T Bank is known to the Green Bank through the PosiGen transaction and our C-PACE program where they have provided consent for C-PACE.
- **Urgency and Timeliness** – Green Bank seeks to deploy capital in mission-driven transactions with appropriate levels of risk and return. This transaction meets this criteria and C4C has expressed the need to close as soon as possible so it may restart Smart-E lending activities; and
- **Multiphase Project** - Successful execution of the revolving loan would represent a follow-on transaction from that which closed originally in Q2 of FY2020 (albeit with a different senior lender) and will make use of the loan documentation previously agreed between parties.

Request

Green Bank staff requests:

Approval for an increase in Green Bank's existing revolving credit facility relationship with C4C's CEEFCo subsidiary from a maximum of up to \$15 million to a maximum of \$25 million secured and subordinated short term revolving loan in partnership with Webster Bank and M&T Bank (with Green Bank funding approximately 45.45% of advances and Webster Bank and M&T Bank funding approximately 54.55% of advances) which will satisfy C4C/CEEFCo's funding needs for energy efficiency and Smart-E loans booked by CEEFCo ("CEEFCo Revolving Loan"). The CEEFCo Revolving Loan will be a 364 day short term revolving loan facility. As proposed, while the primary source of repayment for the CEEFCo Revolving Loan will be the proceeds from consumer loan payments of the CEEFCo loan portfolio and CEEFCo equity, the facility will benefit from a lien on all unrestricted assets of C4C and CEEFCo.

Green Bank Financial Statements

How is the project investment accounted for on the balance sheet?

Green Bank's advances lead to a reduction in cash and cash equivalents on the asset side of the Green Bank's balance sheet and a concomitant increase in short-term loans.

Resolutions

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 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 a refinancing of said facility as explained in the memorandum dated June 18, 2024 to the Green Board (the “Revolving Facility Memo”); and

WHEREAS, Green Bank staff recommends approval by the Board for an new short term revolving loan facility for C4C/ CEEFCo (the “CEEFCo Revolving Loan”) in order to refinance existing indebtedness from Amalgamated Bank and Green Bank in partnership with Webster Bank and M&T Bank as explained in the Revolving Facility Memo.

NOW, therefore be it:

RESOLVED, that the Board approves the CEEFCo Revolving Loan in an amount of up to \$25 million in capital from the Green Bank balance sheet in support of energy efficiency and Smart-E Loans in partnership with Webster Bank and M&T Bank generally consistent with the Revolving Facility 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 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.

Submitted by: Bryan Garcia, President; CEO and Bert Hunter, EVP and CIO and Fiona Stewart, Senior Manager, Investments

Appendix A



June 3, 2024

Capital for Change, Inc. Summary of Terms and Conditions

This letter provides an outline of the terms and conditions under which Webster Bank, National Association ("Webster Bank") would consider providing up to \$15,000,000 in revolving credit facilities in a total \$55,000,000 revolver led by Webster Bank to Capital for Change, Inc. ("C4C") and/or its 100%-owned subsidiary, CEEFCo ("CEEFCo"). The terms and conditions summarized below are provided for discussion purposes only. They do not represent an offer, agreement, or commitment from Webster Bank, National Association to provide financing, nor are they all-inclusive. The terms and conditions contained herein are subject to satisfactory completion of due diligence, internal credit approval and such other conditions as may be required by Webster Bank.

Borrowers: C4C and CEEFCo

Lender(s): Webster Bank and M&T Bank ("M&T Bank"), as Senior Lenders and The Connecticut Green Bank ("CGB"), as Subordinated Lender.

**Lead Arranger/
Administrative Agent:** Webster Bank.

Credit Facility: Up to total \$55,000,000 Revolver, as described below: Webster Bank, as Lead Arranger and Administrative Agent in a \$55,000,000 364-day revolving line of credit facility to C4C and CEEFCo.

- 0% Loans limited to no greater than 5% of total outstanding loans.
- "Eligible Accounts" shall include SMART-E loans which are outstanding and less than 90 days past due from their invoice date, and shall exclude any account deemed ineligible by the Required Lenders in their sole discretion.

Senior Loan Amount: \$15,000,000 commitment each from Webster Bank, and M&T Bank, for a 364-day, interest only, Senior Revolving Line of Credit to the Borrower.

**Subordinated
Loan Amount:** \$25,000,000 commitment from CGB for subordinated financing.

- Subordinated Lender to pay the first 1.5% of Loan Loss from the SMART-E program.

Use of Proceeds: Loan proceeds shall be used by the Borrowers solely to (i) refinance existing indebtedness of CEEFCo and (ii) make loans under Connecticut Green Bank's SMART-E energy loan program to make energy efficiency improvements to owner occupied Connecticut 1-4 family residences.

Required Lenders:	Webster Bank and M&T Bank (together, "Required Lenders")
Amortization:	Bullet Maturity. Interest Only prior to maturity.
Maturity:	364-days from closing.
Interest Rate:	1-month Term SOFR plus 100bps or Base Rate. <i>Base Rate is defined as the higher of The Wall Street Journal Prime Rate or the Federal Funds Rate plus 100 bps.</i>
	SWAP Option: TBD <ul style="list-style-type: none"> • Interest calculated on 360 Actual Days.
Commitment Fee:	100 bps of the Total Commitment of \$30,000,000 to be shared equally by Webster Bank and M&T Bank.
Unused Facility Fee:	50bps, payable quarterly.
Security:	(i) assignment of C4C's and CEEFCo's respective rights and remedies under and with respect to all SMART-E loans made using proceeds of this loan and (ii) lien on all unrestricted assets of C4C and CEEFCo.
Debt Service Reserves:	The greater of a minimum of \$1.5M or 9 mos. of the maximum annual interest due in the next 12 mos. Reserve account to be held at M&T Bank
Depository Operating Accounts:	The prior operating accounts held with Amalgamated Bank, N.A. and any operating accounts related to this facility to be held at Webster Bank.
Eligible Loan Pool:	SMART-E loans to Borrowers meeting the criteria of the loan program and its guidelines. <ul style="list-style-type: none"> • Minimum FICO score of 580 for loans of \$25,000 or less and 640 for loans of \$26,000 or greater. • Maintenance of a Minimum Weighted Average FICO score of 675 or better for the Eligible Loan pool.
Disbursement Requests:	The Administrative Agent must receive Disbursement Requests at least 5 days before the requested date of disbursement. <ul style="list-style-type: none"> • Each Lender to disburse their equal and proportionate share of any Borrowing Request to the Administrative Agent for disbursement to the Borrower pursuant to customary funding mechanisms.

Covenants:	<ol style="list-style-type: none"> 1. Minimum Net Unrestricted Assets: Borrower will not permit unrestricted net assets of C4C to fall below \$10,000,000 at any time. 2. Minimum Days Cash-On-Hand: \geq 90 days. 3. Maximum Charge-off limit not to exceed 4% for SMART-E loan pool.
Other Covenants:	Usual and customary affirmative and negative covenants regarding maintenance of corporate existence, payment of taxes (if any), additional indebtedness limitations, operating leases, liens, distributions and dividends, capital expenditures, mergers, dispositions and acquisitions of assets, investments, maintenance of appropriate insurance, etc.
Other:	Legal opinion satisfactory to the Administrative Agent and the Required Lenders
Loan Documents:	Standard and customary for a transaction of this nature and as required by the Required Lenders.
Financial Reporting:	Standard and customary for a transaction of this nature and as required by the Required Lenders.
Borrower	
Covenant Certificate:	Standard and customary for a transaction of this nature and as required by the Administrative Agent.
	All financial statements shall be accompanied by a covenant compliance certificate.
Expenses:	Standard and customary for a transaction of this nature and as required by the Administrative Agent.
Governing Law:	State of Connecticut.

MARKETING RELEASE: The Borrower acknowledges and agrees that Webster Bank may share certain information relating to the transaction contemplated hereby with standard industry database companies (such as Thompson, Reuters Loan Pricing Corporation, Standard Poor's LCD and Portfolio Management Data) in accordance with customary industry practice.

In connection with the transaction, Webster Bank may wish to create a tombstone advertisement, a brief press release as well as certain promotional materials describing the details of this transaction in written, electronic or other medium. The Borrower will have the opportunity to review, edit and approve the tombstone, advertisement and /or press release prior to publication.

We appreciate the opportunity to present this term sheet to you. If these terms and conditions are acceptable to you, please sign this letter in the space provided below and return a signed original to Webster Bank by June 28, 2024.

Sincerely,

Webster Bank, National Association

By: 

Title: Managing Director

M&T Bank, National Association

By: Ken Ngoopes

Title: Vice President



Capital Solutions RFP

A Funding Facility for Connecticut Green Bank

Issuance of Short Term Mini-Bonds

Via the Raise Green Crowd Investing Portal Expansion Request

June 21, 2024



Document Purpose: This document contains background information and due diligence on the expansion of the Green Liberty Notes funding facility for the Connecticut Green Bank via the Raise Green crowd investing portal. The information herein is provided to the Connecticut Green Bank Board of Directors for the purposes of reviewing and approving recommendations made by the staff of the Connecticut Green Bank.

In some cases, this package may contain, among other things, trade secrets and commercial or financial information given to the Connecticut Green Bank in confidence and should be excluded under C.G.S. §1-210(b) and §16-245n(D) from any public disclosure under the Connecticut Freedom of Information Act. If such information is included in this package, it will be noted as confidential.

Memo

To: Connecticut Green Bank Board of Directors

From: David Beech, Senior Manager, Clean Energy Finance; Bert Hunter, EVP and CIO

Cc: Bryan Garcia, President and CEO; Brian Farnen, General Counsel and CLO; Mackey Dykes, VP Financing Programs and Officer, Jane Murphy, EVP Finance & Administration

Date: June 21, 2024

Re: Raise Green Capital Solutions RFP – Program Extension

Summary

At the July 2021 meeting of the Connecticut Green Bank (“Green Bank”) Board of Directors (the “Board”), the Board authorized staff to enter into an agreement (the “Issuer Agreement”) with Raise Green, Inc. an entity registered with and approved by the Securities and Exchange Commission (the “SEC”) as a crowdfunding funding portal, to issue bonds in an amount not to exceed \$2,000,000 under the SEC’s Regulation Crowdfunding. This was the first project approved by the Board that was submitted via the Open RFP for Capital Solutions. After a one-year extension and expansion approved by the Board a year ago, staff returns to the Board to request permission to extend this successful program for an additional year to June 30, 2024.

Program Update

In December of 2021, the Green Bank issued the country’s first Green Bond Designated, one-year crowdfunded offering, named “Green Liberty Notes”. In the two and a half years since, the Green Bank has issued 9 additional Green Liberty Note offerings. After the first two issuances successfully surpassed Green Bank’s goal of \$100,000, each successive raise has sold out, having received signed investment requests totaling more than the investment maximum. Over 10 issuances, more than 392 unique investors have purchased \$2,704,735 of Green Liberty Notes to support the Green Bank’s fight against climate change. Of those investors, more than 50% live in Connecticut, and more than 60% originally invested \$1,000 or less.

Issuance	Date of Launch	Amount Raised	GLNs Interest Rate	SBEA Tranche Interest Rate
1	December 14 th , 2021	\$190,400	1.00%	3.26% (average 12/20/18 – 11/17/21)
2	April 13 th , 2022	\$114,335	1.50%	2.36% (3/17/22)
3	July 7 th , 2022	\$250,000	2.50%	4.88% (6/14/22)
4	September 29 th , 2022	\$250,000	3.50%	4.88% (6/14/22)
5	January 9 th , 2023	\$250,000	4.75%	6.39% (10/29/22 and 12/22/22)
6	April 17 th , 2023	\$250,000	4.50%	5.83% (3/20/23)

7	June 26, 2023	\$350,000	5.00%	6.39% (6/30/23)
8	September 27, 2023	\$350,000	5.25%	6.91% (10/6/23)
9	January 8, 2024	\$350,000	5.25%	6.19% (12/21/23)
10	April 15, 2024	\$350,000	5.25%	6.46% (3/28/24)

Reinvestment

For the ninth issuance (launched on January 8th of this year), some investors in the issuance that was maturing (GLNs #5) had the opportunity to automatically reinvest their principal and interest into the current issuance for a second time, taking advantage of compound interest. To encourage continued investment in the program, the Green Bank has offered a small interest rate “boost” to re-investors and made sure that their reinvestment would be honored if the raise was oversubscribed.

Proposed Extension

To continue building on the success of the program, staff is requesting approval of four additional issuances of the same maximum quarterly amount of \$350,000 to be closed in FY 2025, totaling \$1,400,000.

Issuance Costs

Green Bank currently pays Raise Green a fee of 1.5% of the raised amount per issuance, along with a flat \$1,000 fee that covers escrow and other services. Under this pricing scheme, the current issuance costs for the Green Bank are \$6,250 when an issuance is fully subscribed.

Coverage Ratio

Staff has performed an analysis of expected SBEA revenues and the expected investment size. Even if no SBEA loan tranches are purchased in FY 24. The expected loan repayments from previously purchased tranches are enough to comfortably maintain the minimum 2.0x Debt Service Coverage Ratio for four fully subscribed \$350,000 issuances.

Post Close Operations

Investor Relations and Communications – Green Bank staff will continue to manage communications with investors including messaging out impact, keeping them aware of Green Bank news, responding to requests, and answering questions.

Capitalization Table Management – The Green Bank will continue to maintain the list of investors and track transfers internally. There have been no investment transfers to date.

Taxes and Payments – The Green Bank has now repaid the investors of the first six Green Liberty Note issuances. In FY 2024, staff pursued new solutions to improve the repayment process for the Green Bank and investors. That process has become easier, though areas for improvement remain. Investors no longer need to use a third-party website to receive or send investment repayment into a bank account. Now, investors can keep their banking information securely within their Raise Green account where they can also view and monitor their current and prior investments. In January 2024, staff issued 1099-INT tax forms for the first time to investors that received interest payments in excess of \$10 in 2023. Staff was able to include the data in the normal 1099 process without significant additional cost.

Conclusion

The Green Liberty Note program has provided a unique opportunity for the Green Bank to achieve our goals of equity and market transformation. On June 12th, the Clean Energy States Alliance (“CESA”) announced that the Green Liberty Note program won a State Leadership In Clean Energy (“SLICE”) award. According to the independent panel of five distinguished judges “The Connecticut Green Bank’s Green Liberty Notes Program is innovative and opens the rewards of the clean energy economy to a new community, extending the benefits so everyone can participate. The threshold to entry is low and the return on investment is good. Other states could adopt this highly replicable and cost-effective program.” After eight consecutive oversubscribed issuances, with most investments coming in original increments of \$1,000 or less, it is clear there is strong demand from retail investors for climate-related investments. This series of issuances would build off of that success and give more investors the opportunity to get involved. Approval is recommended.

Resolutions:

WHEREAS, at the July 2021 meeting of the Connecticut Green Bank (“Green Bank”) Board of Directors (“Board”), the Board authorized staff to enter into an agreement (the “Issuer Agreement”) with Raise Green, Inc. an entity registered with and approved by the Securities and Exchange Commission (the “SEC”) as a crowdfunding funding portal, to issue bonds in an amount not to exceed \$2,000,000 under the SEC’s Regulation Crowdfunding;

WHEREAS, subsequently, the Green Bank launched and closed 6 Crowdfunding issuances named “Green Liberty Notes”;

WHEREAS, at the June 2023 meeting of the Green Bank Board, the Board authorized staff to issue four additional bonds in quarterly issuances not to exceed \$350,000 and in a total program amount not to exceed \$2,705,000 under the SEC’s Regulation Crowdfunding regulations;

WHEREAS, subsequently, the Green Bank launched and closed 4 additional Crowdfunding issuances named “Green Liberty Notes”;

WHEREAS, staff has cultivated investor demand and managed investor relations, principal and interest repayment and reinvestment, capitalization table management, accounting, and all other operational and legal requirements of the program; and,

WHEREAS, staff wishes to build on the successes of the program, which include eight consecutive oversubscribed issuances, and ensure that new investors have the opportunity to invest in the Green Bank’s efforts to fight climate change in Connecticut.

NOW, therefore be it:

RESOLVED, that the Green Bank is authorized to modify its existing agreement (the “Issuer Agreement”) with Raise Green, Inc. an entity registered with and approved by the SEC as a crowdfunding funding portal, to issue bonds in an amount not to exceed \$4,105,000, in quarterly issuances not to exceed \$250,000 for the first six issuances and \$350,000 for the subsequent eight issuances (the “Bonds”) under the SEC’s Regulation Crowdfunding regulations. The Bonds shall be issued by a subsidiary of CEFIA Holdings and shall be issued by and for the sole purposes of the subsidiary, and shall not be issued by or on behalf of the Green Bank. The proceeds of the Bonds shall be used by the subsidiary to acquire certain loans under the Small Business Energy Advantage program (the “Loans”), and to pay the costs of issuance on the Bonds;

RESOLVED, that the payment of debt service on the Bonds shall be made solely from the revenues from the Loans and other revenues available to the subsidiary. CEFIA Holdings and/the Green Bank are

authorized to assign and transfer all or any portion of their rights in the Loans to the subsidiary as security for the payment of the Bonds and the interest thereon. The Green Bank shall not guarantee or pledge any other revenues for the payment of debt service on the Bonds;

RESOLVED, that in connection with the Bonds, the President and any Officer of Green Bank (each, an "Authorized Representative") be, and each of them acting individually hereby is, authorized and directed in the name and on behalf of the Green Bank, to prepare and deliver, or cause to be prepared and delivered, the Issuer Agreement with Raise Green and any other documents required under the SEC's Regulation Crowdfunding, including a Form C, a Subscription Agreement, a Note and any other documents or instruments necessary to complete the Bond issuance, in such form and with such changes, insertions and omissions as may be approved by an Authorized Representative, as he or she deems advisable for the purpose of issuing the Bonds (collectively, the "Financing Documents") and the execution and delivery of said Financing Documents shall be conclusive evidence of any approval required by this Resolution; and,

RESOLVED, that to the extent that any act, action, filing, undertaking, execution or delivery authorized or contemplated by this Resolution has been previously accomplished, all of the same are hereby ratified, confirmed, accepted, approved and adopted by the Board as if such actions had been presented to the Board for its approval before any such action's being taken, agreement being executed and delivered, or filing being effected.

Memo

To: Connecticut Green Bank Board of Directors

From: Leigh Whelpton, Director of Environmental Infrastructure, Larry Campana, Associate Director, Investment Programs; Desiree Miller, Associate Director, Investments; and Bert Hunter, EVP & CIO

CC: Bryan Garcia, President and CEO; Brian Farnen, General Counsel and CLO; Jane Murphy, EVP Finance and Administration

Date: June 14, 2024

Re: Expanded process proposed for Green Bank Capital Solutions Open Rolling RFP to include Environmental Infrastructure

Background & Purpose

The passage of Connecticut Public Act 21-115 ("the Act") in June 2021 enabled a new phase of the Connecticut Green Bank's ("Green Bank") efforts to carry out our mission, signaling a broadened scope and deepened commitment to environmental infrastructure¹ in addition to our focus on clean energy. This legislation has enabled us to assess policies and develop financing strategies for environmental infrastructure, to explore 50-year bond potential, to expand financing products, and to deepen our commitment to benefitting vulnerable communities² by improving their resiliency³ in addition to their clean energy needs. Specifically, the Act has provided a framework for us to innovate and mobilize investment in projects that confront climate change by

¹ Per the Act, "Environmental infrastructure" means structures, facilities, systems, services and improvement projects related to (A) water, (B) waste and recycling, (C) climate adaptation and resiliency, (D) agriculture, (E) land conservation, (F) parks and recreation, and (G) environmental markets, including, but not limited to, carbon offsets and ecosystem services.

² Per PA 20-05, "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 DEEP in consultation with community representatives.

³ Per PA 20-05, "resilience" means 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.

addressing the urgent need for climate adaptation and resilience inclusive of human health and equity considerations.

As we continue our development of financing products and programs for environmental infrastructure, our strategy is to expand existing program offerings to include environmental infrastructure measures, as with Smart-E Loan and C-PACE climate adaptation and resilience and water measures, to pursue bespoke opportunities through Green Bank Capital Solutions Open Rolling RFP, and to determine longer-term strategic program design opportunities.

The majority of projects considered and approved at the Green Bank are programmatic (e.g., C-PACE, Energy Storage Solutions). For projects that do not meet programmatic criteria, Green Bank Capital Solutions (“Capital Solutions”) was approved by the Green Bank Board of Directors (the “Board”) to allow for review, competitive selection, and award through an Open RFP process. Proposals are accepted on a rolling basis for financing through an evaluation process conducted by the Investments team and approved by the Board. Successful project examples through the Capital Solutions Open RFP are PosiGen and Budderfly.

The Financing Opportunity

The breadth of financing needs and opportunities related to Environmental Infrastructure as per the Act do not fit within existing programs and programmatic criteria. While the Green Bank is exploring strategic project finance and program design opportunities, staff have determined that project finance opportunities through Capital Solutions will help to demonstrate proof points for Environmental Infrastructure transactions that are important to inform future program design opportunities, including processes for due diligence and underwriting, impact reporting, and monitoring and evaluation.

Capital Solutions criteria are currently written exclusively for clean energy projects. Expanding the RFP would permit the Green Bank to consider projects for environmental infrastructure in a manner similar to how we consider clean energy projects, with similar objectives:

- Receive proposals for Green Bank investment on an open and rolling basis, as received;
- Evaluate such proposals in accordance with objective and transparent criteria;
- To be “market responsive” and adaptable – meaning that the Green Bank will endeavor to render preliminary responses to proposals in days and weeks rather than months and to offer guidance to those proposals that fall short of our criteria where the proposals offer the promise of significant market potential; and
- To have a sufficient budget for investment in order to deliver significant impact quickly.

Strategic Plan

The proposed revision of the Open RFP operates in support of Green Bank’s Comprehensive Plan for Fiscal Year 2024.

Capital Expended

The revision of the Open RFP makes no changes to the existing budget allocation. Currently, Capital Solutions make use of ratepayer and other capital under management by the Green Bank

(e.g. interest and earnings). However, most environmental infrastructure projects will not be eligible for the use of ratepayer funds. As such, ratepayer funds will not be drawn upon for non-energy related environmental infrastructure projects.⁴ Only eligible funds that the Green Bank manages (e.g., Environmental Infrastructure Fund, Greenhouse Gas Reduction Fund resources from the federal government, interest, earnings and other non-ratepayer resources) will be used for non-energy related environmental infrastructure projects.

Financial Statements

Program investment is expected to be accounted for on the balance sheet and profit and loss statements in keeping with the existing Open RFP.

Target Market & Eligible Proposers

As with the existing Open RFP, there are multiple potential proposers throughout the State of Connecticut, to be determined based upon transactions submitted to the Open RFP. Proposers can apply on a standalone basis or as part of a team, such as a developer/sponsor, lead equipment provider, lead equity and/or debt provider. Regardless of whether the proposal comes from a standalone entity or as part of a team, proposers must have directly relevant experience in the transaction/project type being submitted, and the relevant technologies or methods.

Green Bank Role, Financial Assistance & Selection/Award Process

The Green Bank expects to award the capital in keeping with the existing RFP evaluation process. Additional aspects of the evaluation process specific to environmental infrastructure are to be determined.

Risks and Mitigation Strategies

As with the existing Open RFP, risks and mitigation strategies are to be determined based upon transactions submitted to the Open RFP.

Requirement for Environmental Infrastructure and Financial Impact

In keeping with the Open RFP, it will be of considerable importance to the program to achieve leverage of private capital with its limited public resources as the Green Bank seeks to act in furtherance of our expanded mission for environmental infrastructure inclusive of water, waste and recycling, climate adaptation and resiliency, agriculture, land conservation, parks and recreation, and environmental markets, including, but not limited to, carbon offsets and ecosystem services, as well as Connecticut's ambitious environmental / GHG and CO2 reduction goals, Green Bank clean energy deployment objectives, and in support of public health outcomes, jobs, and economic development.

⁴ For the purpose of clarification, certain projects related to environmental infrastructure may be eligible for the use of ratepayer funds depending on the clean energy benefits of a project. The prior Capital Solutions investment in Quantum Biopower represents an investment which has both clean energy and environmental infrastructure related benefits.

As with the existing Open RFP, the most successful proposals to a revised Open RFP inclusive of environmental infrastructure will demonstrate the ability to make significant impact across all of these desired outcomes and the ability to measure and track such performance over time.

Request

Given that the original Capital Solutions program was approved by the Board, expanding the program to include environmental infrastructure requires going back to the Board for approval. Accordingly, staff request the Deployment Committee recommend approval of this expansion to the Board to be considered at a future meeting.

Resolutions

WHEREAS, on December 17, 2019, the Connecticut Green Bank (“Green Bank”) Board of Directors (“Board”) approved of an Open RFP (a.k.a., Green Bank Capital Solutions) to provide access by project developers and capital providers / investors to Green Bank capital that will catalyze investment which – but for the Green Bank’s participation – would either not happen or be realized at a much slower pace or with less impact;

WHEREAS, the mission of Green Bank was expanded through Connecticut Public Act 21-115 in June 2021 to include “environmental infrastructure” as defined in statute as structures, facilities, systems, services and improvement projects related to (A) water, (B) waste and recycling, (C) climate adaptation and resiliency, (D) agriculture, (E) land conservation, (F) parks and recreation, and (G) environmental markets, including, but not limited to, carbon offsets and ecosystem services;

WHEREAS, the FY22, FY23, and FY24 Comprehensive Plans of the Green Bank outline successive processes to develop its environmental infrastructure business unit and recognizes the needed intermediary role for the Green Bank between capital markets and public policy related to environmental infrastructure;

WHEREAS, the FY24 Comprehensive Plan of the Green Bank set a target to “launch or expand existing products inclusive of key outcomes” to support environmental infrastructure measures;

WHEREAS, in implementing the Operating Procedures of the Green Bank, staff has developed, and the Board has approved, Green Bank Capital Solutions as an Open Request for Proposals (“Open RFP”) to solicit project developers for consideration of financing by the Green Bank;

WHEREAS, the staff of the Green Bank have drafted a Capital Solutions Open RFP as it would expand from “Clean Energy” to also include “Environmental Infrastructure” Investment which it presented to and received a recommendation of approval from the Deployment Committee of the Green Bank; and;

WHEREAS, that the Deployment Committee recommended for approval to the Green Bank Board the Capital Solutions Open RFP for Clean Energy and Environmental Infrastructure on May 22, 2024.

NOW, therefore be it:

RESOLVED, that the Green Bank Board approves of the Capital Solutions Open RFP for Clean Energy and Environmental Infrastructure as described in the June 14, 2024 memorandum to the Green Bank Board.

Submitted by: Bryan Garcia, President and CEO; Bert Hunter, EVP and CIO; Larry Campana, Associate Director, Clean Energy Investments; Desiree Miller, Associate Director, Clean Energy Investments; Leigh Whelpton, Director, Environmental Infrastructure

Additional Resources

Connecticut Green Bank “Lunch & Learn” on Environmental Infrastructure (permissions available upon request)

[Expanding Finance for Nature-Based Solutions to Achieve Climate, Environment, and Community Goals: An Introduction for Green Banks and Community Lenders](#)⁵

⁵ Mason, S., and L. Olander, eds. 2023. Expanding Finance for Nature-Based Solutions to Achieve Climate, Environment, and Community Goals: An Introduction for Green Banks and Community Lenders. NI PB 23-03. Durham, NC: Nicholas Institute for Energy, Environment & Sustainability, Duke University. <https://nicholasinstitute.duke.edu/publications/expanding-finance-nature-based-solutions-achieveclimate-environment-and-community>

OPEN REQUEST FOR PROPOSALS FOR CLEAN ENERGY & ENVIRONMENTAL INFRASTRUCTURE INVESTMENT

I. PURPOSE

Through the Open Request for Proposals (“Open RFP” Program), the Connecticut Green Bank (“Green Bank”) seeks to provide access by project developers and capital providers / investors to Green Bank capital that will catalyze investment which – but for the Green Bank’s participation – would either not happen or be realized at a much slower pace or with less impact. This Open RFP for clean energy and environmental infrastructure investment is targeted towards proposals with financing requirements which are not met by existing Green Bank financing programs. Since inception, the Green Bank has demonstrated its ability to work with a variety of developers and capital providers to accelerate investment in clean energy, including energy efficiency as well as commercially deployed renewable technologies like solar PV, on-shore wind, run-of-the-river hydroelectric power, fuel cells and anaerobic digesters. The Green Bank Open RFP will:

- Receive proposals for Green Bank investment on an open and rolling basis, as received;
- Evaluate proposals in accordance with objective and transparent criteria;
- Be “market responsive” and adaptable – meaning that the Green Bank will endeavor to render preliminary responses to proposals in days and weeks rather than months and to offer guidance to those proposals that fall short of our criteria where the proposals by a commercially sophisticated counterparty offer the promise of significant market potential; and
- Have sufficient budget for investment in order to deliver significant impact quickly.

This Open RFP will support a variety of developers and capital providers – from emerging developers of commercially established technologies, to well-established manufacturers of emerging technologies, to lenders and investors of all types. It is important to note that the Open RFP is not intended to be a venture capital program, nor will it seek to assume risks that are more appropriate for other elements of a project’s or business’s capital stack. At its core, the Green Bank is a special purpose financial institution, with a responsibility to be good stewards of funds committed to it by statute to promote the clean energy and environmental infrastructure goals of the state.

II. GREEN BANK BACKGROUND

The Green Bank is a quasi-public state agency. As the nation's first full-scale green bank, it is leading both the clean energy and environmental finance movements by leveraging public and private funds to scale-up projects to confront climate change by reducing greenhouse gas emissions and increasing climate adaptation and resilience across Connecticut. The Green Bank's success in increasing and accelerating private investment in clean energy and environmental infrastructure is helping Connecticut create jobs, increase economic prosperity, promote energy security, and address climate change. In 2017, the Green Bank received the Innovations in American Government Award from the Harvard Kennedy School Ash Center for Democratic Governance and innovation for their "Sparkling the Green Bank Movement" entry. And in 2020, the Green Bank was named Bond Buyer's Deal of the Year for Innovative Financing for the Green Liberty Bonds modelled after the Series-E War Bonds of the 1940's. For more information about the Green Bank, please visit www.ctgreenbank.com.

III. ELIGIBLE TECHNOLOGIES AND METHODS

In order to not limit access to promising technologies or business models, some of which may be on the verge of becoming commercially established, this Open RFP is available to any technology, method, or business model that is able to help the Green Bank achieve its statutory mandate as voiced through its Comprehensive Plan which staff reasonably determines: (a) is either already commercially viable (based on success in markets other than Connecticut or even other than the United States) and (b) has demonstrated clear potential for commercial viability through, for instance, well-documented feasibility studies and pilot programs where there is clear evidence of a viable business model and demonstrable cash flows as well as a path to substantial impact.

In June 2021, the green bank model was expanded beyond clean energy to include environmental infrastructure. The Green Bank's investment focus on "clean energy" and "environmental infrastructure" is statutorily defined in Section 16-245n of the General Statutes of Connecticut and set forth below.

Clean Energy – "clean energy" means solar photovoltaic energy, solar thermal, geothermal energy, wind, ocean thermal energy, wave or tidal energy, fuel cells, landfill gas, hydropower that meets the low-impact standards of the Low-Impact Hydropower Institute, hydrogen production and hydrogen conversion technologies, low emission advanced biomass conversion technologies, alternative fuels, used for electricity generation including ethanol, biodiesel or other fuel produced in Connecticut and derived from agricultural produce, food waste or waste vegetable oil, provided the Commissioner of Energy and Environmental Protection determines that such fuels provide net reductions in GHG emissions and fossil fuel consumption, usable electricity from combined heat and power systems with waste heat recovery systems, thermal storage systems, other energy resources and emerging technologies which have significant potential for commercialization and which do not involve the combustion of coal, petroleum or petroleum products, or nuclear fission, financing of energy efficiency

projects, projects that seek to deploy electric, electric hybrid, natural gas or alternative fuel vehicles and associated infrastructure, any related storage, distribution, manufacturing technologies or facilities and any Class I renewable energy source, as defined in CGS 16-1(a)(2).

Environmental Infrastructure – “environmental infrastructure” means structures, facilities, systems, services, and improvement projects related to (A) water, (B) waste and recycling, (C) climate adaptation and resiliency, (D) agriculture, (E) land conservation, (F) parks and recreation, and (G) environmental markets, including, but not limited to carbon offsets and ecosystem services. Carbon offsets means an activity that compensates for the emission of carbon dioxide or other greenhouse gases by providing for an emission reduction elsewhere. Ecosystem services means benefits obtained from ecosystems, including, but not limited to, (A) provisioning services such as food and water, (B) regulating services such as floods, drought, land degradation and disease, and (C) supporting services such as soil formation and nutrient cycling.

IV. REQUIREMENT FOR CLEAN ENERGY OR ENVIRONMENTAL INFRASTRUCTURE AND FINANCIAL IMPACT

Of considerable importance to the program will be achieving leverage of private capital with its limited public resources as the Green Bank seeks to act in furtherance of Connecticut’s ambitious environmental / GHG and CO₂ reduction goals, Green Bank clean energy or environmental infrastructure deployment objectives to “scale up” to achieve the market potential, and in support of public health outcomes, jobs and economic development.

V. FINANCING ARRANGEMENTS AND CAPITAL SUPPORT

The Green Bank does not intend for its role to be prescriptive, but to be determined in a manner that maximizes the potential for leverage of Green Bank resources while balancing the need for risk containment and Green Bank sustainability (i.e., the Green Bank’s financial returns vs. the potential for financial losses). As such, the Green Bank expects investments to take the usual forms, such as:

- Senior and Subordinate loans
 - Bridge loans
 - Construction loans
 - Term loans
 - Working capital loans
- Loan loss reserves
- Loan guarantees
- Other forms of credit enhancement
- Participation in other lender’s loans
- Equity (including participation as a member of a limited liability company, holder of preferred stock or other instruments that could be a hybrid of debt and equity, debt with conversion rights, debt with warrants for equity, etc.)

- Access to federal tax-exempt Private Activity Bonds for qualified private activities

All the above is to be considered in accordance with Green Bank operating procedures and its enabling statute.

The most successful proposals to this Open RFP will demonstrate the ability to make a significant impact across the desired outcomes and the ability to measure and track such performance over time. Examples of clean energy performance-tracking metrics are renewable kWh produced, CO2 equivalent avoided, number of jobs created, public health savings, state and local revenues and private investment generated. Examples of environmental infrastructure performance-tracking metrics are CO2 equivalent avoided, number of jobs created, acreage preserved or restored, ecosystem service benefits such as water quality or quantity benefits, public health savings, state and local revenues and private investment generated.

VI. GREEN BANK CAPITAL COMMITMENT

All staff recommended proposals to this open RFP are subject to all necessary approvals, including but not limited to the board of directors of the Green Bank or other governing body approval, bylaws, and Section 16-245n of the Connecticut General Statutes. Please see the Comprehensive Plan and Budget for further details on the type and scale of previously approved proposals.

VII. ELIGIBLE PROPOSERS

The Open RFP will accept proposals from:

- 1) Private sector financial institutions or other third-party capital providers that finance, or intend to finance, clean energy or environmental infrastructure projects in State of Connecticut (although proposals that are part of a “multi-state” concept whereby the competitive procurement benefits reside with Connecticut ratepayers or there is a demonstrable benefit to Connecticut communities and ecological systems will also be welcomed and encouraged); and/or
- 2) Industry participants including project developers, energy service companies ("ESCOs"), building and facility owner/operators, equipment manufacturers, or others that provide equipment, materials and/or services where the object of the activity being proposed is entirely or meaningfully related to the State of Connecticut.

Proposers can apply on a standalone basis or as part of a team, such as a developer/sponsor, lead equipment provider, lead equity and/or debt provider.

Regardless of whether the proposal comes from a standalone entity or as part of a team, proposers must have directly relevant experience in the transaction/project type being submitted, and the relevant technologies or project design.

VIII. PROPOSAL REQUIREMENTS

Each Proposer shall carefully examine the RFP and all amendments, exhibits, revisions, and other data and materials provided with respect to this RFP process. Proposers should familiarize themselves with all requirements in that contract prior to submitting their proposal. Should a Proposer have any questions or require clarifications or wish to request interpretations of any kind, the Proposer shall submit a written request to RFP@ctgreenbank.com. Green Bank shall respond to such written requests in kind and may, if it so determines, disseminate such written responses to other prospective Proposer(s) or post to Green Bank's website, subject to section H of Article XII.

A. Investment Focus

List the primary category of investment focus, either clean energy or environmental infrastructure. List and describe all applicable categories of investment (e.g., solar photovoltaic energy, water).

B. Proposer Qualifications

The Proposer shall include the following:

Corporate:

- Company overview and relevant experience, which shall include at a minimum (A) the number of employees, (B) the office locations, (C) and an outline of any clean energy or environmental infrastructure operational projects showing (as relevant) project locations, technology or technologies involved, project design, system output, host/offtaker, utility service area, whether such projects were developed under a state energy or environmental infrastructure program (and if so, a description of that program or webpage/URL).

Team:

- Highlight key personnel and (if known) subcontractors who will be assigned to the project.
- Describe their respective experiences and skills with the development, engineering and installation of similar projects.
- Highlight the relevant licenses and certifications held by these key personnel.
- Highlight any initiatives or partnerships with disadvantaged business enterprises as defined under 40 CFR Part 33 for the U.S. Environmental Protection Agency or whether the Proposer is certified as a small or minority business enterprise per the Connecticut Department of Administrative Services.

Project Experience:

- Provide track record of actual annual generation relative to projected generation for proposed clean energy project or actual annual carbon offset or ecosystem service to projected for environmental infrastructure project within the Proposer's operational projects (if applicable).

- Outline approach Proposer takes to ensure the installed Systems meets the projected generation or environmental market values.
- Experience, if any dealing with prevailing wage requirements or the federal Davis-Bacon Act. This is not a requirement under this RFP, but such experience could provide access to even lower cost federal capital for the Proposer's consideration.

Preferred qualifications

- Years of experience – five years minimum in the proposed project's field of expertise.

C. Project Scope and Schedule

Include a general scope of the Project the Proposer intends to provide upon selection and execution of Green Bank financing arrangements. The scope narrative shall outline (as relevant) all major tasks and milestones necessary to design and obtain permits to construct, coordinate with utility company and/or landowner, mobilize, construct and commission the project. Proposals should include a complete project schedule indicating major project milestones and durations, such as engineering, construction, and siting council approval, where applicable. Indicate if the project requires the award of any other Federal or State grants or financing awards (e.g., USDA financing, ZREC award, DECD brownfield remediation program award, etc.)

This Open RFP is geared towards projects requiring a financing requirement of \$250,000 or greater from the Green Bank, though smaller sized projects could be considered on a case-by-case basis.

D. Project Design and Equipment

Depending upon the nature of the financing request for a clean energy project, proposals shall provide a design layout for each project (e.g., a solar project would include the make/model, wattage and quantity for both inverters and modules, racking product, azimuth, tilt and system size kW-AC and kW-DC, and DC:AC ratio), or typical design layout for a portfolio of projects seeking financing. Proposals shall provide specified equipment manufacturer data sheets, warranties, pricing, etc. All equipment shall be new with warranties that meet industry standards and (as appropriate) be UL Listed.

Depending upon the nature of the financing request for an environmental infrastructure project, proposals shall provide a project or transaction design layout (e.g., a land conservation project by a land trust would include the organization's service area, parcel data, borrowing history and track record, takeout strategy, and development plan if applicable to loan repayment), or typical project or transaction design layout for a portfolio of projects seeking financing.

E. Project Production

Where relevant, clean energy proposals shall provide details about the estimated kWh-AC to be generated by the project, or a portfolio of projects, including all necessary assumptions. A solar project, for example, would include: Insolation (or sunlight availability), maintenance down time, soiling losses, shading losses, efficiency losses, AC losses, etc. Copies of PVSyst or Helioscope reports used to estimate production for each proposed solar system design should be included with the proposal.

Where relevant, environmental infrastructure proposals shall provide details about the estimated conservation outcomes to be generated by the project, or a portfolio of projects, including all necessary assumptions. A land conservation project, for example, could include: acreage protection, habitat protection, public access and outdoor recreation opportunities, ecosystem services, water quality and/or quantity benefits, carbon sequestration or avoided emissions benefits, and threats to related conservation benefits if the project is not completed.

F. Project Model

Proposer shall submit a project model setting for the entirety of the project's economics, feasibility and stress-testing. Capital sourcing will include: the Proposer's cash financial commitment; other financing sourced (or to be sourced) – identifying any preferred/mezzanine equity, senior capital, tax equity, grants, as well as identifying each stakeholder providing such capital support and the nature of their commitment (i.e., committed, proposed, likely, or “initial feasibility stage”).

G. Other Relevant Information

Depending on the nature of the proposal, Proposer may be required to submit additional supporting information, such as audited financial statements, energy audits or project feasibility studies.

H. Clean Energy or Environmental Infrastructure Impact and Need for Green Bank Funding

The Proposer's proposal must demonstrate how the Green Bank's investment will leverage additional private capital and support the Green Bank's ambitious environmental / GHG and CO reduction goals, clean energy deployment objectives, public health outcomes, incremental jobs and economic development as outlined in its Comprehensive Plan.

I. Statement on Proposers Financial Strength

Preference is for Proposer to provide three years of audited financial statements and/or last 3 years tax returns.

J. Operations, Maintenance and Management Approach

The proposal should include approach to asset management, billing, preventative and corrective operations and management as is relevant to the project for the expected duration of the project's estimated useful life.

IX. Indicative Green Bank Financing Terms

Green Bank financing terms, including financial product type, interest rate and payback period can be tailored to suit each individual project. Green Bank financial terms will be the result of project need as determined by the Green Bank and will follow a satisfactory assessment and due diligence of the following indicative and non-exhaustive areas of review:

- Project and technology or method type
- Risk (technical, financial, delivery and implementation, and credit)
- Life of the project
- Anticipated energy and carbon savings or environmental infrastructure benefits
- Amount of finance being requested from the Green Bank
- Amount of finance sourced from parties external to the Green Bank

X. PROPOSAL PROCESS

A. Timeline

This is an Open RFP – submissions are to be accepted on a rolling basis until the program is withdrawn.

B. Submittal Process

In submitting a proposal, the following requirements should be observed:

- i. Proposals shall be submitted electronically to RFP@ctgreenbank.com. The subject line should be identified as: either "OPEN RFP FOR CLEAN ENERGY INVESTMENT" or "OPEN RFP FOR ENVIRONMENTAL INFRASTRUCTURE INVESTMENT".
- ii. Proposers may be required to interview with Green Bank staff if deemed necessary.
- iii. Transactions which involve financing or investment by the Green Bank require approval by (a) the Deployment Committee of the Board (up to \$2,500,000) or (b) by the Board (over \$2,500,000).

C. Q&A

Respondents can submit questions to RFP@ctgreenbank.com.

XI. EVALUATION

Proposals will be evaluated on the following criteria:

A. Meeting Green Bank Goals – Will the potential activity achieve a meaningful level of energy efficiency, renewable energy deployment, resiliency goals, or environmental infrastructure goals, especially in vulnerable communities?

B. Green Bank Essentiality – to what extent is participation by the Green Bank essential to the success of the project? Please be explicit here – Proposers are expected to have sought out other capital (submit which capital providers were contacted, names and e-mail addresses and the response by the capital provider(s) (can be written or a summary of meeting notes)).

C. Project Feasibility – How feasible is the project to achieve its stated goals? What is the basis for this assessment? Has the proposed project been completed elsewhere? If so, provide project location and relationship of the project to the proposer. Provide details of any system performance guarantees.

D. Project Replicability – Could a similar project be replicated in Connecticut or elsewhere, or is this a unique opportunity?

E. Project timetable – total development and construction (or project execution) timeline

F. Relevant Experience – Does the proposer offer relevant and sufficient experience for the type of project being proposed?

G. References – List of three (3) clients for reference use for whom proposer has performed similar services as those contemplated by proposer's project. Include the name, e-mail address and telephone number(s) of the contact person at each reference.

H. Pending Litigation – Description of any litigation, pending judgments, etc., which could affect the proposer's ability to enter into an agreement with Green Bank. A description of the circumstances involved in any defaults by the proposer. If you have been subjected to any outside performance or financial audits in the past three years, state by whom the audit was performed, for whom, the facility involved, and the results of the audit.

XII. GENERAL TERMS AND CONDITIONS

Submission of your proposal assumes the acceptance of the following understandings:

- A. Green Bank reserves the right to reject any or all of the proposals received in response to the Open RFP, to waive irregularities or to cancel or modify the Open RFP in any way,

and at any Green Bank chooses, in its sole discretion, if Green Bank determines that it is in the interest of Green Bank.

- B. Green Bank further reserves the right to make selections under this Open RFP without discussion of the proposals received. Proposals should be submitted on the most favorable terms from a technical, qualifications, and price standpoint.
- C. Submissions must be signed by an authorized officer of the Proposer. Submissions must also provide name, title, address and telephone number for individuals with authority to negotiate and contractually bind Proposer, and for those who may be contacted for the purpose of clarifying or supporting the information provided in the proposal.
- D. Green Bank will not be responsible for any expenses incurred by any Proposer in conjunction with the preparation or presentation of any proposal with respect to this Open RFP. Legal fees of the Green Bank for the drafting of definitive loan documentation will be the responsibility of the Applicant.
- E. Green Bank's selection of a Proposer through this Open RFP is not an offer and Green Bank reserves the right to continue negotiations with the selected Proposer until the parties reach a mutual agreement.
- F. **Submission of Proposal by Proposer and Acceptance of Proposal by Green Bank does not constitute an agreement:** The actual terms and conditions under which the Green Bank may be willing to provide a financing facility or investment to the Proposer shall be subject to, inter alia, (i) satisfactory completion by the Green Bank of its due diligence process in scope and with results satisfactory to the Green Bank in the Green Bank's sole and absolute discretion, (ii) the accuracy and completeness of all representations that Proposer makes to the Green Bank, (iii) obtaining necessary internal credit approvals and Green Bank Board of Director authorization and the negotiation, execution and delivery of definitive documentation consistent with the terms ultimately agreed with Proposer and otherwise satisfactory to the Green Bank (iv) no change, occurrence or development shall occur or shall have occurred that has had or could reasonably be expected to have a material adverse effect on the Proposer, their respective businesses or any contemplated collateral for the proposed financing facility or investment (v)(1) all financial projections concerning the Proposer that have been or are hereafter made available to the Green Bank by the Proposer (the "Projections") have been or will be prepared in good faith based upon reasonable assumptions and (2) all information, other than Projections, which has been or is hereafter made available to the Green Bank by the Proposer in connection with any aspect of the proposed project(s) contemplated in the proposal, as and when furnished, is and will be complete and correct in all material respects and does not and will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements contained therein not misleading.
- G. **State Contracting Obligations.** Consultant understands and agrees that the Green Bank will comply with Conn. Gen. Stat. Sections 4a-60 and 4a-60a and all other applicable state contracting requirements as a quasi-public state agency.
- H. **Confidentiality** – All proposals and associated information are treated as commercially confidential to the extent possible. Applicants supplying information to the Green Bank should be aware that we are subject to the provisions of the CT Freedom of Information Act (CT-FOIA) and information provided to us may become the subject of a CT-FOIA access request.

- I. GREEN BANK IS SUBJECT TO THE REQUIREMENTS OUTLINED IN SECTIONS 16-245N OF THE CONNECTICUT GENERAL STATUTES. GREEN BANK SHALL HAVE NO LIABILITY OR OBLIGATION OF ANY SORT HEREUNDER, INCLUDING, WITHOUT LIMITATION, IF FOR ANY REASON OR NO REASON A BINDING AGREEMENT IS NOT ENTERED INTO WITH ANY PROPOSER. IN MAKING ITS SELECTION OF A SUCCESSFUL RESPONDENT, GREEN BANK MAY CONSIDER ANY AND ALL FACTORS AND CONSIDERATIONS WHICH GREEN BANK, IN ITS SOLE DISCRETION, DEEMS RELEVANT, THE RELATIVE IMPORTANCE OF WHICH SHALL BE IN THE SOLE DISCRETION OF GREEN BANK.**



Memo

To: Board of Directors of the Connecticut Green Bank

From: Brian Farnen (General Counsel and Chief Legal Officer), Bryan Garcia (President and CEO), Sara Harari (Associate Director of Innovation and Strategic Advisor to the President and CEO), Bert Hunter (EVP and CIO), Stefanie Keohane (Associate Director of the Greenhouse Gas Reduction Fund), and Eric Shrago (VP of Operations)

CC: Sergio Carrillo (Managing Director of Incentive Programs), Mackey Dykes (VP of Financing Programs and Officer), and Leigh Whelpton (Director of Environmental Infrastructure)

Date: June 14, 2024

Re: Greenhouse Gas Reduction Fund – National Clean Investment Fund: Subgrantee Agreement with the Coalition for Green Capital

Overview

This memo provides an update on the work undertaken by the Connecticut Green Bank ("Green Bank") to indirectly apply to the Greenhouse Gas Reduction Fund ("GGRF") as a subgrantee (i.e., indirect recipient) of the \$5B award allocated to Coalition for Green Capital ("CGC") within the nearly \$14B National Clean Investment Fund ("NCIF") competition (the "Award").

It should be noted that Bryan Garcia is the Chair of the Board of Directors of CGC.

This memo is a request to approve of the Green Bank (as subgrantee of a subgrant) engaging in a contract with CGC under the Award for Connecticut, including administering such funds on behalf of the New Hampshire Community Loan Fund ("NHCLF") and Puerto Rico Green Energy Trust ("PRGET"). Capitalized terms used but not defined herein shall have the meaning ascribed to them in the NCIF program materials.

As presented to the Green Bank Board of Directors ("Board") on prior occasion,¹ the GGRF is a federal initiative as part of the Inflation Reduction Act ("IRA") and is administered by the Environmental Protection Agency ("EPA") to provide \$27 billion in funding through three competitions:

1. **National Clean Investment Fund** ("NCIF") - approximately \$14B for 3 national nonprofit financing institutions² to support green banks and community lenders across the United States to partner with the private sector to provide accessible, affordable financing for tens of thousands of clean technology projects across the country;

¹ See memos dated December 8, 2023 and April 26, 2024.

² Climate United (i.e., ~\$7B), CGC (i.e., \$5B), and Power Forward (i.e., \$2B).

2. **Clean Communities Investment Accelerator** (“CCIA”) - \$6B for 5 hub nonprofits³ to provide up to \$10MM to community lenders (e.g., credit unions, community development financial institutions (“CDFIs”)), along with some technical assistance (i.e., up to \$1MM), to start a new financial institution and/or capitalize and support programs to build the clean financing capacity of these local community lenders working in low-income and disadvantaged communities (“LIDAC”) to deploy clean technology projects; and
3. **Solar for All** - \$7B for 60 awards⁴ to provide financial assistance and technical assistance to support residential solar, community solar, associated storage, and enabling upgrades (e.g., energy efficiency) in LIDACs.

As a result of CGC’s success with the NCIF, and DEEP’s success with Solar for All, the Green Bank has begun a series of public engagement sessions (e.g., affordable housing, municipal, contractors) and hired staff to support our successful investment in and deployment of GGRF projects.⁵

This memo focuses on the NCIF aspects of the GGRF.

Coalition for Green Capital

On October 12, 2023, CGC submitted a \$10B NCIF application to the EPA, including eighteen (18) Subgrantees.⁶⁷ On April 4, 2024, the EPA officially announced that CGC was a \$5B winner under NCIF – a 50% reduction from the original application.

Since the announcement, CGC has been working to revise its workplan and budget to meet the reduction in resources originally requested. The following is a brief breakdown of some of the substantive changes to the revised workplan and budget:

- **Impact** – given the three (3) key objectives of the EPA,⁸ CGC will invest \$5B of NCIF resources in two years, to mobilize \$42-\$63B of private investment (i.e., 10-15 mobilization ratio after seven years) in no less than 55% of LIDACs to avoid 95-104 MTCO₂e by 2030. This investment will create over 780,000 job-years, \$18B of cost savings, and improvement of public health of over 180,000 people.

³ Opportunity Finance Network (i.e., \$2.3B), Inclusiv (i.e., \$1.9B), Justice Climate Fund (i.e., \$0.9B), Appalachian Community Capital (i.e., \$0.5B), and Native CDFI Network (i.e., \$0.4B).

⁴ Including 49 states (i.e., including DEEP’s winning proposal “Project SunBridge” for \$62.5MM), 6 tribes, and 5 multistate (i.e., including Inclusive Prosperity Capital’s winning proposal for \$249.3MM).

⁵ Associate Director of GGRF and Senior Manager of Clean Transportation.

⁶ It should be noted that CGC used an allocation formula within its original \$10B proposal to the EPA that included (a) population data from the Climate and Economic Justice Screen Tool (“CEJST”), (b) less 25% for regional and national projects of significance, and (c) less 0.5% administrative fee to make an equitable allocation to states, territories, and tribes.

⁷ Subgrantees include California Infrastructure Bank, City First Enterprises, Colorado Clean Energy Fund, Community Development Venture Capital Alliance, Connecticut Green Bank, District of Columbia Green Bank, Efficiency Maine Trust, Elemental Excelsior, Illinois Climate Bank, Michigan Saves, Minnesota Climate Innovation Finance Authority, Missouri Environmental Improvement and Energy Resources Authority, Montgomery County Green Bank, New Jersey Green Bank, New York City Energy Efficiency Corporation, New York Green Bank, Ohio Air Quality Development Authority, and the Solar and Energy Loan Fund.

⁸ EPA GGRF objectives include: (1) reduce emissions of greenhouse gases and other air pollutants, (2) deliver benefits of GHG- and air pollution-reducing projects to American communities, particularly low-income and disadvantaged communities, and (3) mobilize financing and private capital investment to stimulate additional deployment of qualified projects.

- **Portfolio Allocation** – the expected share of deployment to qualified project categories includes:
 - **Distributed Energy Generation and Storage** – from 25% in the original proposal to 30-40% in the revised workplan;
 - **Net Zero Emissions Buildings** – from 34% in the original proposal to 10-20% in the revised workplan;
 - **Zero Emissions Transportation** – from 14% in the original proposal to 10-20% in the revised workplan; and
 - **Other**⁹ – from 26% in the original proposal to 30-40% in the revised workplan.
- **Financial Instruments** – investments in qualified projects, especially in LIDACs, will include financial instruments such as equity (i.e., less than 10%), loan loss reserves and credit enhancements (i.e., 20-30%), junior (i.e., subordinated) loans (i.e., 40-50%), and senior loans (i.e., 20-30%).
- **Subgrantee Reallocation** – as noted in the memo of April 26, 2024, each Awardee (e.g., CGC) received a reduced amount compared to their applications (i.e., \$5 billion vs. \$10 billion). Subsequently, CGC determined a pro rata proportional reduction of 50% to the Subgrantees, including Connecticut (i.e., from approximately \$188MM to approximately \$94.0MM).¹⁰¹¹

Following the revisions to the workplan, CGC will engage in a contract with the EPA, that will also include, but not be limited to, Terms and Conditions, Project Pipeline (including from Subgrantees), and Budget (collectively, the “Award Documents”). CGC expects to finalize and sign the Award Documents with the EPA in early July as all funding from the EPA through the GGRF must be obligated by statute by September 30, 2024.

Subsequent to the signing of the Award Documents, the EPA intends to make a few additional modifications to the Award Documents (i.e., payments, performance reporting) with the Awardees prior to November 1, 2024.

In addition to the Award Documents, there will be contracts between CGC and the Subgrantees, and between the Subgrantees and their partners (e.g., New Hampshire and Puerto Rico in the case of the Green Bank) to be developed.

Connecticut Green Bank and Partners (i.e., New Hampshire and Puerto Rico)

In the summer of 2023, as CGC worked on its application to the EPA under the NCIF competition, the Green Bank supported the preparation of the proposal, including, but not

⁹ Includes, but is not limited to transmission, nature-based solutions (i.e., green infrastructure), etc.

¹⁰ Inclusive of Connecticut (i.e., \$40.8MM), New Hampshire (i.e., \$15.4MM) and Puerto Rico (i.e., \$37.8MM).

¹¹ It should be noted that the EPA put the Awardees of the NCIF (i.e., 3 Awardees) and CCIA (i.e., 5 Awardees) on notice that there are legal disputes from applicants that didn't win awards. The EPA will obligate 50% of the value of the awards to the Awardees in July of 2024, and, depending upon the legal disputes, subsequently allocate the remaining portions appropriately.

limited to, establishing a participatory governance structure¹² and engaging with various nascent green banks. Since the Green Bank's founding in July of 2011, it has been a role model for green banks across the country, winning the Innovations in American Government Awards from Harvard University's Kennedy School in 2017 for "Sparking the Green Bank Movement". As a result, many green banks look to Connecticut for leadership and support in setting up their own green banks. Such is the case for New Hampshire's and Puerto Rico's green banks:

- **New Hampshire Community Loan Fund** – is a community development financial institution ("CDFI") established in 1983 to serve as a catalyst, leveraging financial, human, and civic resources to enable traditionally underserved people to participate more fully in New Hampshire's economy by providing loans, capital, and technical assistance, extending the reach of conventional lenders and public institutions, and bringing people and institutions together to solve problems. NHCLF was introduced to the Green Bank by Michael Swack with the Center for Impact Finance at the Carsey School of Public Policy at the University of New Hampshire. He has been consulting with the Connecticut Hospital Association to establish a fund that would invest in preventative health care through community assets (e.g., brownfields to parks, urban food deserts, affordable housing). The NHCLF serves as a valuable model for the Green Bank, demonstrating how investments in environmental infrastructure (e.g., agriculture) can significantly enhance public health.

As of 2023, NHCLF has \$190MM in assets and \$41MM in net assets.

For more information on the NHCLF, visit their website - <https://communityloanfund.org/>

- **Puerto Rico Green Energy Trust** – enabled as part of the Puerto Rico Energy Public Policy Act (Chapter 3 of PR Law No. 17-2019), PRGET was created as a nonprofit organization by the Government of Puerto Rico in 2019 to foster and fund research, development, and infrastructure projects that promote clean and renewable energy. Having recently hired its first President and CEO, Nellie Gorbea-Diaz,¹³ the PRGET is in the process of establishing a 501(c)3 nonprofit organization. Puerto Rico has the fastest growing residential market for solar + storage in the United States. Sergio Carrillo, Managing Director of Incentive Programs for the Green Bank, serves on the Board of Directors of the PRGET. The Green Bank stands to gain valuable insights from PRGET's strategies, particularly in achieving a high 'connection rate' for solar + storage systems, as well as their ability to implement these systems at low costs and successfully deploy them in communities of color.

Currently, PRGET is in its start-up stage as a financial institution and doesn't have a balance sheet, although they are an instrumental part of Puerto Rico's successful \$156.1MM Solar for All application.

For more information on PRGET, visit their website - <https://www.prgreenenergytrust.org/>

¹² Regional Advisory Councils and a National Advisory Board, both Advisory Committees of CGC, was established around the ten (10) EPA regions (e.g., Region 1 is New England) and a Tribal Region to provide localized governance within the proposal.

¹³ Nellie Gorbea-Diaz was the former Secretary of State of Rhode Island.

The Green Bank expects to receive approximately \$94.0MM as a Subgrantee from CGC, including \$40.8MM for Connecticut, \$14.9MM for New Hampshire, and \$37.8MM for Puerto Rico to support the respective pipelines of qualified projects for each jurisdiction. New Hampshire and Puerto Rico's pipelines support EPA's distributed energy generation and storage, and net zero emissions buildings priority funding areas and focus on deployment in LIDACs. Table 1 summarizes the Green Bank's NCIF program portfolio with Year 1 deployment targets.

Table 1. Connecticut Green Bank Project Portfolio and Year 1 Pipeline Targets

Program	Priority Funding Areas				Year 1 Targets (\$MM)	Justice 40	Target Mobilization Ratio
	Distributed Energy Generation and Storage	Net Zero Emissions Buildings	Zero Emissions Transportation	Other			
Environmental Infrastructure				X	\$5.00	40%	2.0x
Green School Buses			X		\$10.00	100%	8.5x
Green Resilience Hubs	X	X			\$5.00	40%	2.5x
Green School Buildings	X	X			\$3.75	60%	8.5x
Green Municipal ¹⁴ Buildings	X	X			\$6.25	40%	6.5x
Green Homes	X	X			\$10.00	100%	5.0x
Total					\$40.00	80%	5.75x

Beyond the Green Bank executing a contract with CGC for approximately \$94.0MM, inclusive of the Connecticut, New Hampshire, and Puerto Rico equitable allocations, the Green Bank will separately engage in contracts with NHCLF and PRGET to provide capital through the NCIF in local eligible projects and support the development of their green banks. Within those contracts, the Green Bank will be seeking to include, but not limited to the following:

- Protecting Connecticut ratepayer and Green Bank dollars from the risk of malfeasance / non-compliance;
- Flow down requirements from the EPA, including federal requirement obligations and responsibilities, and ways the Green Bank can be indemnified; and
- Ensuring Green Bank staff time for non-Connecticut deployment if compensated (even if it is simply at cost), including, but not limited to:
 - Creating separate time codes
 - Estimating percentage of staff time (i.e., preferred approach)
 - Allocating software and compliance costs

The Green Bank staff will come back to a future Board meeting with a strategic investment recommendation for the NHCLF and PRGET partners.

Budget Timeline

As detailed above, CGC intends to commit their full award (\$5B) within 2 years of receiving funds from the EPA. To support this target, CGC has determined that funds allocated to Subgrantees should be obligated within one year of receiving funding. As of now, any funds obligated by the Green Bank within this one year window will be treated as a grant by CGC. Any outstanding funds (up to the \$94.0MM allocation) that are not obligated by Connecticut (up to

¹⁴ And commercial (e.g., nonprofit)

\$40.8MM), New Hampshire (up to 14.9MM), or Puerto Rico (up to \$37.8MM) within the first year will be treated as a low-cost loan from CGC.

To maximize building the balance sheet of the Green Bank, staff intend to obligate the full \$40.8MM for Connecticut within the first year of the NCIF (as budgeted in the proposed FY25 budget and targets), and support New Hampshire and Puerto Rico. Staff intend to closely track the obligations of this funding over time, and in the later part of the fiscal year may seek board approval for larger investments to ensure we maximize our NCIF subaward contribution to the balance sheet of the Green Bank as opposed to borrowing from CGC.

Resolutions

WHEREAS, on July 6, 2021, Governor Lamont signed the passage of Public Act 21-115 “An Act Concerning Climate Change Adaptation,” which includes the expansion of scope of the Connecticut Green Bank (“Green Bank”) beyond clean energy to include environmental infrastructure, as well as the creation of an Environmental Infrastructure Fund, that may receive federal funds as may become available to the state for environmental infrastructure investments;

WHEREAS, within the Inflation Reduction Act of 2022 (“IRA”) there is a \$27 billion Greenhouse Gas Reduction Fund “GGRF” inclusive of a \$14 billion National Clean Investment Fund (“NCIF”) modelled after the Green Bank;

WHEREAS, the Coalition for Green Capital (“CGC”), a 501(c)3 nonprofit organization, applied for a grant through the GGRF NCIF on October 12, 2023 in the amount of \$10 billion, and inclusive of eighteen (18) Subgrantees, including the Green Bank;

WHEREAS, the Green Bank’s part of the CGC application included resources in support of financing projects in Connecticut, as well as additional resources that would be administered by the Green Bank on behalf of the New Hampshire Community Loan Fund and Puerto Rico Green Energy Trust (“the Participants”) as outlined in the memo to the Board of Directors of the Green Bank (“the Board”) on June 14, 2024;

WHEREAS, the EPA officially notified CGC of its winning application on April 4, 2024 in the amount of \$5 billion – a 50% reduction from its original application – and CGC subsequently submitted to the EPA a revised workplan and budget;

WHEREAS, CGC applied a pro rata reduction of 50% from the original application submitted to the EPA to the Subgrantee allocation in the revised workplan and budget; and,

WHEREAS, some the funds received by Green Bank from CGC under its NCIF award, may be deposited (if permitted under applicable rules and regulations) within the Environmental Infrastructure Fund or otherwise used to fund Environmental Infrastructure project;

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 contract with CGC as a Subgrantee to the

winning GGRF NCIF award as outlined in this memo dated June 14, 2024, and as he or she shall deem to be in the interests of the Green Bank;

RESOLVED, that the Board hereby approves of the Green Bank executing a contract with CGC as a Subgrantee to the winning GGRF NCIF award;

RESOLVED, that the Board hereby approves of the Green Bank negotiating contracts with the Participants and are instructed to bring such contracts back to the Board for approval as a Strategic Selection; 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.

