



Board of Directors

MEETING DATE: FRIDAY, JANUARY 24, 2025 • 9:00AM



Increasing and accelerating investment
into Connecticut's green economy.



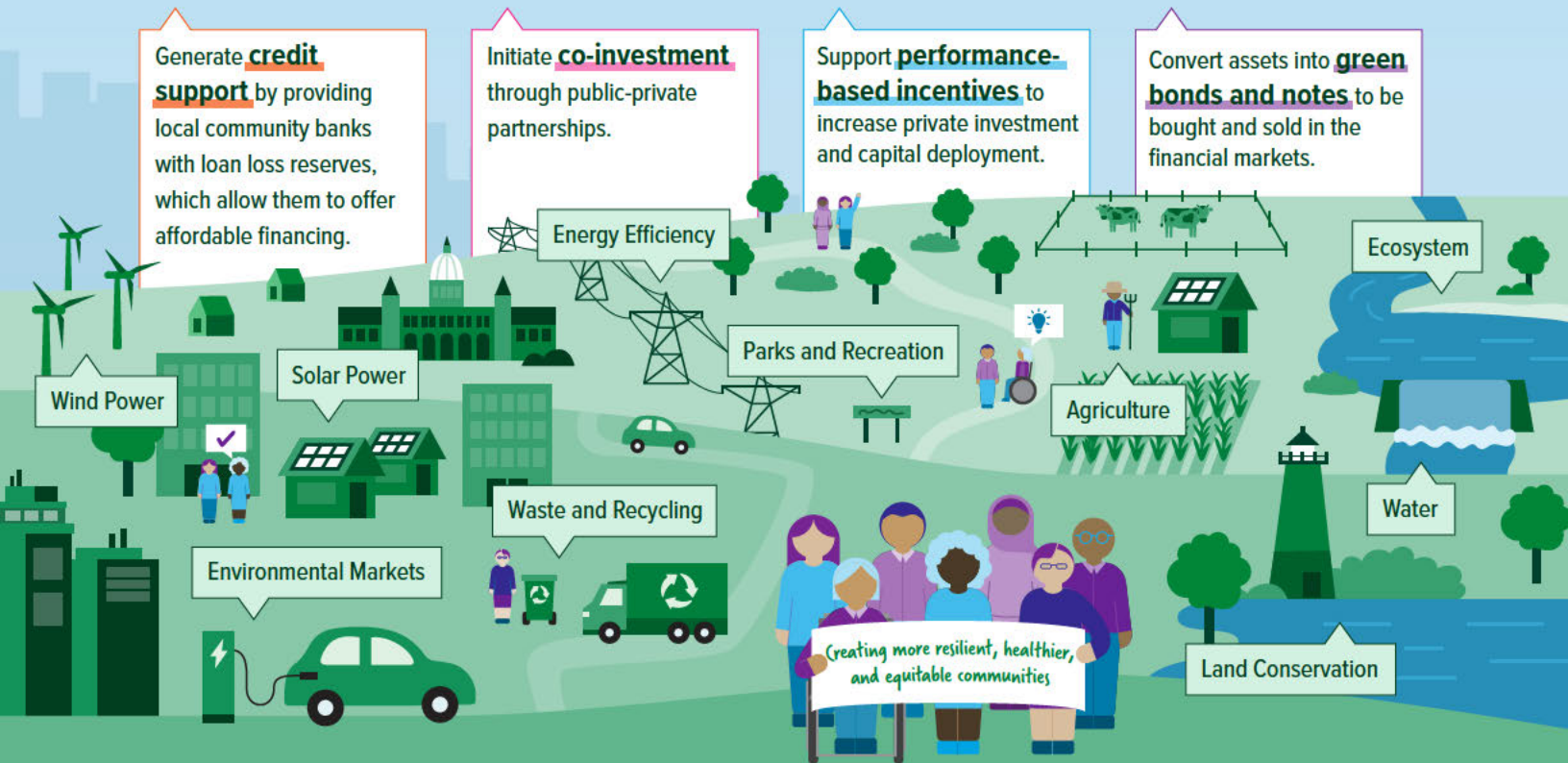
The Green Bank Model

A Planet Protected by the Love of Humanity

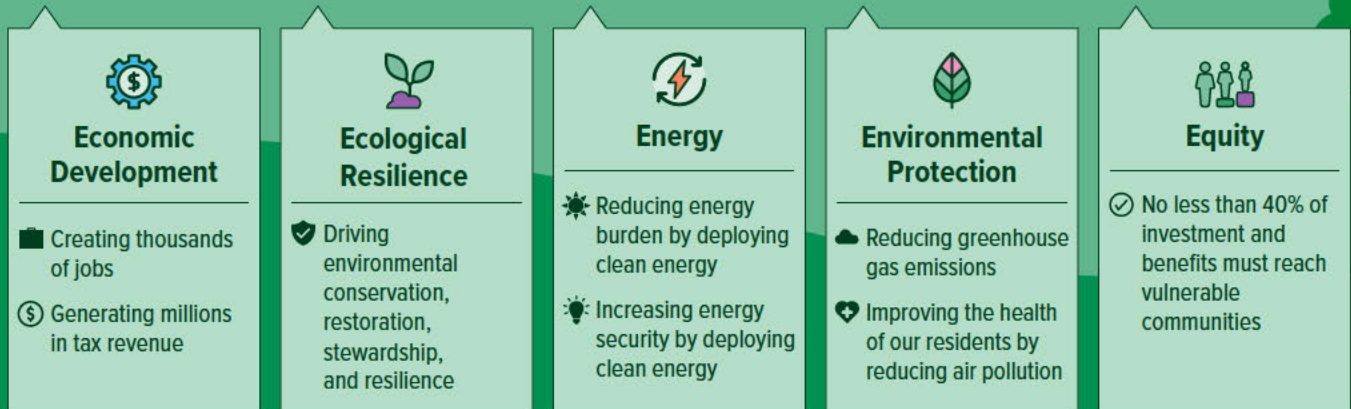
1 Attract Private Investment by Leveraging Public Funding



2 Apply Innovative Financial Tools to Deploy Investment Towards Our Mission



3 Deliver Benefits to Connecticut's Families, Businesses, and Communities



Societal Impact Report

FY12
FY24

Since the Connecticut Green Bank's inception through the bipartisan legislation in July 2011, we have mobilized more than **\$2.88 billion of investment** into the State's green economy. To do this, we used **\$409.4 million** in Green Bank dollars to attract \$2.47 billion in private investment, a leverage ratio of **\$7.00 for every \$1**. The impact of our deployment of renewable energy and energy efficiency to families, businesses, and our communities is shown in terms of economic development, environmental protection, equity, and energy (data from FY 2012 through FY 2024).*

ECONOMIC DEVELOPMENT

JOBS The Green Bank has supported the creation of more than **29,248** direct, indirect, and induced job-years.



TAX REVENUES

The Green Bank's activities have helped generate an estimated **\$148.0 million** in state tax revenues.



\$56.4 million
individual income tax

\$58.0 million
corporate taxes

\$32.0 million
sales taxes

\$1.5 million
property taxes

ENERGY

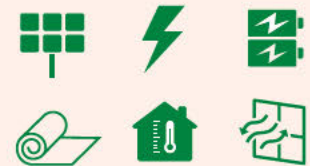
ENERGY BURDEN

The Green Bank has reduced the energy costs on families, businesses, and our communities.



DEPLOYMENT

The Green Bank has accelerated the growth of renewable energy to more than **707.2 MW** and lifetime savings of over **89.3 million MMBTUs** through energy efficiency projects.



ENVIRONMENTAL PROTECTION

POLLUTION The Green Bank has helped reduce air emissions that cause climate change and worsen public health, including **7.0 million pounds** of SOx and **8.7 million pounds** of NOx lifetime.



11.4 MILLION
tons of CO₂ :
EQUALS

172 MILLION
tree seedlings
grown for 10 years

OR

2.3 MILLION
passenger vehicles
driven for one year

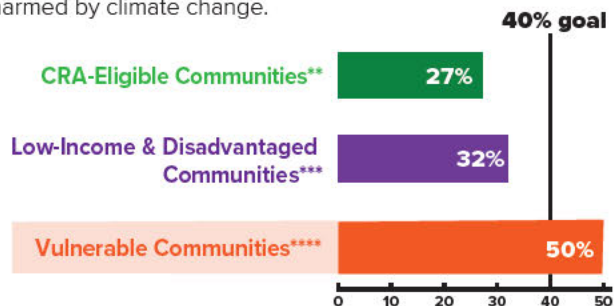
PUBLIC HEALTH The Green Bank has improved the lives of families, helping them avoid sick days, hospital visits, and even death.

\$218.9 – \$494.9 million of lifetime public health value created



EQUITY

INVESTING in vulnerable communities, The Green Bank has set **goals** to reach **40% investment** in communities that may be disproportionately harmed by climate change.



** Community Reinvestment Act (CRA) Eligible Communities – households at or below 80% of Area Median Income (AMI)

*** Low-Income and Disadvantaged Communities – those within federal Climate and Economic Justice Screening Tool and Environmental Justice Screening Tool

**** Vulnerable Communities – consistent with the definition of Public Act 20-05, including low- to moderate-income communities (i.e., less than 100% AMI), CRA-eligible communities, and environmental justice communities (e.g., including DECD distressed communities)



* Includes projects, deployment, and investments approved, but not yet interconnected under Energy Storage Solutions.

Learn more by visiting ctgreenbank.com/strategy-impact/societal-impact/

Winner of the 2017 Harvard Kennedy School Ash Center Award for Innovation in American Government, the Connecticut Green Bank is the nation's first green bank.

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Sources: Connecticut Green Bank Comprehensive Annual Financial Reports

Board of Directors

Lonnie Reed

Board Chair



E: Lonnie.Reed@ctgreenbank.com

P: 203-481-4474

Lonnie Reed serves as the Chair of the Green Bank's Board of Directors. Ms. Reed brings significant experience in environmental policy leadership, job creation, and a deep understanding of the climate challenges facing Connecticut. Reed served in the Connecticut State House of Representatives for five terms, from 2009 to 2019, before choosing not to run for reelection. She also served on the Bi-State NY & CT Long Island Sound Committee and helped lead the successful battle to stop Broadwater, a floating liquefied natural gas plant with a 22-mile pipeline proposed for Long Island Sound. Ms. Reed was appointed as Chair in October 2019 by Governor Ned Lamont.

Joseph DeNicola

Chair of Deployment
Committee



E: Joseph.Denicola@ct.gov

P: 203-561-2279

Joe DeNicola serves as the Deputy Commissioner of Energy at the Connecticut Department of Energy and Environmental Protection (DEEP), appointed in January 2024. As Deputy Commissioner, Joe leads DEEP's Energy Branch as Connecticut transitions to a zero-carbon electric grid by 2040 and economy-wide greenhouse gas (GHG) reductions of 80 percent below 2001 levels by 2050. He oversees development of Connecticut's Integrated Resources Plan and Comprehensive Energy Strategy, clean energy procurements, and policies and programs to achieve universal broadband access, energy affordability, energy efficiency, strategic electrification of the transportation and housing sectors, and efforts to reduce state agency emissions, waste, and water use.

Thomas M. Flynn

Chair of ACG Committee



E: Tom.Flynn@tomflynn.org

P: 203-209-0059

Thomas M. Flynn is the Managing Member of Coral Drive Partners LLC, a financial and operations consulting firm serving the Media and Information Services industry. He serves as Chairman of the Board of Finance for the Town of Fairfield, CT and as a member of the Board of Directors of Beardsley Zoo. Mr. Flynn is a graduate of Syracuse University with dual degrees in Accounting from the Whitman School of Business and Broadcast Journalism from the Newhouse School of Communications. Senator John McKinney appointed Mr. Flynn to the Board in July 2012.

Dominick Grant

Board Member



E: Dominick@dirtpartners.com

P: 518-225-4334

Dominick joined Dirt Capital Partners in 2021 as Director of Investment and manages the company's investment evaluation, due diligence and related reporting. Dominick has worked extensively in land-based investing, including for seven years at BioCarbon Group, a global private-equity impact investment firm backed by institutional investors. In addition to serving on the Connecticut Green Bank's Board of Directors, Dominick serves on the Board for the CT Department of Agriculture Diversity Equity and Inclusion Working Group.

Board of Directors

John Harrity

Chair of BOC Committee

E: iamjh@sbcglobal.net

P: 860-459-5381



John Harrity was the former President of the Connecticut State Council of Machinists – the electoral and legislative advocacy organization for more than 10,000 active and retired Machinists Union (IAM) members in Connecticut. The International Association of Machinists represents hourly workers at some of the state's largest industrial employers, including Pratt & Whitney, Hamilton Sundstrand, Electric Boat and Stanley Works, as well as a number of non-industrial worksites.

John is also the Chair of the [Connecticut Roundtable on Climate and Jobs](#).

Adrienne Farrar Houël

Board Member

E: houl@greenteambpt.com

P: 203-212-3860



Adrienne Farrar Houël is founder, President and CEO of Greater Bridgeport Community Enterprises, Inc. a nonprofit community development corporation that develops nonprofit sustainability enterprises to create jobs for disadvantaged area residents; researches trends in green business development; has trained and placed low and moderate- income residents in green jobs; and advocates for more green economy jobs in the Bridgeport area and throughout the State of Connecticut.

Allison Pincus

Board Member

E: Allison.Pincus@ct.gov

P: 914-815-0257



Allison Pincus brings extensive legal and policy experience, with a focus on economic development and social justice. Currently, she serves as the Federal Programs Director for the Connecticut Department of Economic and Community Development (DECD). In this role, Allison leads a team that pursues federal funding related to economic development in Connecticut on behalf of DECD, with a focus on clean energy initiatives, and manages federal program implementation once funding has been awarded. Allison serves on the Green Bank board as designee for DECD Commissioner Dan O'Keefe, and was designated by the commissioner in 2024.

Matthew Ranelli

Board Member

E: mranelli@goodwin.com

P: 860-251-5748



Matthew Ranelli is a partner in the Environment, Energy and Land Use Group at Shipman & Goodwin LLP. Mr. Ranelli represents municipalities, developers, schools, and other end-users regarding on-site renewable energy projects, green building standards, energy conservation and efficiency projects, and managing energy options. Mr. Ranelli is a LEED Accredited Professional. Mr. Ranelli was previously appointed to the Connecticut Clean Energy Fund board in 2009.

Board of Directors

Erick Russell

Board Member



E: Kimberly.Moores@ct.gov

P: 860-702-3101

Erick Russell was sworn in as Connecticut's 84th State Treasurer on January 4, 2023. He is currently serving his first term. As treasurer, Russell administers Connecticut's pension funds holding over \$40 billion in assets, oversees the state's debt and cash management, collects and returns unclaimed property, and manages the Connecticut Higher Education Trust (CHET), a 529 plan that helps students and families save for higher education. Russell continues to advocate for people traditionally left out of the political process and denied economic opportunity.

Brenda Watson

Chair of Joint Committee



E: bwatson@northhartfordpartnership.org

P: 860-967-2751

Brenda Watson is the newly appointed Executive Director of The North Hartford Partnership, a nonprofit organization dedicated to advancing equitable social and economic development in the North Hartford Promise Zone. The North Hartford Partnership's mission is to collaborate with neighborhood residents in efforts to close health, housing and economic opportunity gaps across North Hartford. Watson was appointed to the Board in February 2020 by Speaker of the House Joe Aresimowicz (D-Berlin/Southington).

Dr. Joanna Wozniak-Brown

Board Member



E: Joanna.Wozniak-Brown@ct.gov

P: 860-418-6252

Dr. Joanna Wozniak-Brown has nearly two decades of experience in environmental management and planning in Connecticut. Currently, she serves as the Climate & Infrastructure Policy Development Coordinator at the Connecticut Office of Policy & Management. Prior to this role, she was the Assistant Director of Resilience Planning at UConn CIRCA. She earned her Ph.D. in Environmental Studies from Antioch University New England, an M.Sc. from Johns Hopkins University in Environmental Planning, and a B.A. from Drew University in Political Science and Environmental Studies. Dr. Wozniak-Brown has been certified by the American Institute of Certified Planners (AICP) since 2021.

Meeting Schedules

Regular Board Meetings

Friday, January 24th 2025

Friday, March 21st 2025

Friday, April 25th 2025

Friday, June 20th 2025

Friday, July 25th 2025

Friday, October 24th 2025

Friday, December 19th 2025

*all meetings from 9am-11am

Audit, Compliance and Governance Committee

Tuesday, January 14th 2025

Tuesday, May 13th 2025

Tuesday, October 7th 2025

*all meetings from 8:30am-9:30am

Budget, Operations, & Compensation Committee

Wednesday, January 15th 2025

Wednesday, May 7th 2025

Wednesday, June 4th 2025

Wednesday, June 11th 2025

*all meetings from 2:00pm-3:30pm

Deployment Committee

Wednesday, February 19th 2025

Wednesday, May 21st 2025

Wednesday, September 10th 2025

Wednesday, November 12th 2025

*all meetings from 2:00pm-3:00pm

Joint Committee of the CT EE Board and the Connecticut Green Bank Board of Directors

Wednesday, March 19th 2025

Thursday, June 18th 2025

Wednesday, September 24th 2025

Wednesday, December 17th 2025

*all meetings from 1:30pm-3:30pm



January 17, 2025

Dear Connecticut Green Bank Board of Directors:

We have a **regular meeting** of the Board of Directors scheduled for **Friday, January 24, 2025, 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 December 13, 2024
- Employee Handbook Proposed Changes

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

- Under \$500,000 and No More in Aggregate than \$1,000,000 Staff Approved Transactions – Financing Programs and Energy Storage Solutions
 - Progress to Targets through Q2 of FY25
 - FY24 Annual Report
- **Greenhouse Gas Reduction Fund Update and Recommendations** – on January 16, 2025, we received \$93.5MM from the Coalition for Green Capital through the EPA’s Greenhouse Gas Reduction Fund’s (“GGRF”) National Clean Investment Fund (“NCIF”) competition. We are bringing several aspects of the GGRF-NCIF forward, including:
 - **Puerto Rico and New Hampshire** – we are bringing forward the proposal to support Puerto Rico and New Hampshire through the GGRF-NCIF allocation.
 - **Zero Emissions Transportation** – we are providing an update on the status of the electric school bus RFP.
 - **Committee Updates and Recommendations** – we have updates and recommendations from several committees, including:
 - **Audit, Compliance, and Governance Committee** – quick report out on legislative and regulatory policy process; and

- **Budget, Operations, and Compensation Committee** – recommendation by the committee to review and approve the proposed revisions to the FY25 targets and budget.
- **Financing Programs Updates and Recommendations** – we have several transactions, including:
 - **Plainville** – C-PACE project.
 - **Bloomfield** – C-PACE project.
 - **Small Business Energy Advantage** – an extension of our contract with Eversource to provide low-cost capital in support of the SBEA program.
- **Investment Updates and Recommendations** – including the following transactions:
 - **Cargill Falls** – facility modification (restructuring).
 - **PosiGen** – facility modification (3rd party participant).
 - **Sungage** – Green Bank Capital Solutions (Solar + Storage – Smart-E Loan).
 - **Scale Microgrids** – Green Bank Capital Solutions (Commercial – ESS Projects – KeyBank Facility).
- **Incentive Programs Updates and Recommendations** – including:
 - **Danbury** – Energy Storage Solutions project by CPower (Danbury Mission Technologies)
- **Other Business** – if time, we will discuss other business, including:
 - [Revolving Loan Fund – USDOE energy efficiency revolving loan fund request from DEEP](#)
 - [Rural Energy Savings Program – USDA program requiring Webster Bank line of credit](#)
 - **Revisions to Comprehensive Plan** – updates, including board approved targets and budget.

Please note, those items **underlined, italicized, and highlighted** above, are materials coming by the close of business on Tuesday, January 21, 2025.

Have a great weekend ahead.

Appreciatively,



Bryan Garcia
President and CEO



AGENDA

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

Friday, January 24, 2025
9:00 a.m.– 11:00 a.m.

Dial (860) 924-7736
Phone Conference ID: 423 457 990#
[+1 860-924-7736,,423457990#](tel:+18609247736)

Staff Invited: Sergio Carrillo, Mackey Dykes, Brian Farnen, Bryan Garcia, Sara Harari, 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 Updates and Recommendations – 20 minutes
 - a. Audit, Compliance, and Governance Committee – 5 minutes
 - i. Legislative and Regulatory Policy Process and Update
 - b. Budget, Operations, and Compensation Committee – 15 minutes
 - i. FY25 Targets and Budget – Proposed Revisions
5. Greenhouse Gas Reduction Fund – Update and Recommendations – 20 minutes
 - a. National Clean Investment Fund – Puerto Rico and New Hampshire
 - b. National Clean Investment Fund – Zero Emissions Transportation (Update)
6. Financing Programs Updates and Recommendations – 20 minutes
 - a. C-PACE Transaction – Plainville – 5 minutes
 - b. C-PACE Transaction – Bloomfield – 5 minutes
 - c. SBEA Extension – 10 minutes
7. Investment Programs Updates and Recommendations – 35 minutes

- a. Cargill Falls – Facility Modification (Restructuring) – 10 minutes
 - b. PosiGen – Facility Modification (3rd Party Participant) – 5 minutes
 - c. Sungage – Green Bank Capital Solutions (Solar + Storage and Smart-E Loan) – 10 minutes
 - d. Scale Microgrids – Green Bank Capital Solutions (Commercial – ESS Projects – KeyBank Facility) – 10 minutes
8. Incentive Programs Updates and Recommendations – 5 minutes
- a. Energy Storage Solutions – CPower / Danbury Mission Technologies – 5 minutes
9. Other Business – 5 minutes
10. Adjourn

[Click here to join the meeting](#)

Meeting ID: 284 814 897 906

Passcode: hfDcgt

Dial In: [+1 860-924-7736,,423457990#](#)

Phone Conference ID: 423 457 990#

***Next Regular Meeting: Friday, March 21, 2025 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, January 24, 2025
9:00 a.m.– 11:00 a.m.

Dial (860) 924-7736
Phone Conference ID: 423 457 990#
[+1 860-924-7736,,423457990#](tel:+18609247736,423457990#)

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

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

Resolution #1

Motion to approve the meeting minutes of the Board of Directors for December 13, 2024.

Resolution #2

WHEREAS, Budget, Operations, & Compensation Committee recommend the above noted revisions to the Green Bank Employee Handbook.

NOW, therefore be it:

RESOLVED, that the Board of Directors hereby approves of the revisions to the Green Bank Employee Handbook presented on January 24, 2025.

4. Committee Updates and Recommendations – 20 minutes
 - a. Audit, Compliance, and Governance Committee – 5 minutes
 - i. Legislative and Regulatory Policy Process and Update
 - b. Budget, Operations, and Compensation Committee – 15 minutes

i. FY25 Targets and Budget – Proposed Revisions

Resolution #3

WHEREAS, pursuant to Section 5.2.2 of the Bylaws, the Connecticut Green Bank’s Budget, Operations, and Compensation Committee has reviewed and recommended to the Board of Directors to approve (1) the revised FY2025 Targets and Budget and (2) the direction to staff to create an incentive compensation plan that incentivizes staff to optimize the deployment of the Greenhouse Gas Reduction Fund award for the National Clean Investment Fund consistent with the aforementioned goals.

NOW, therefore be it:

RESOLVED, that the Board of Directors of the Connecticut Green Bank approve: (1) the revised FY2025 Targets and Budget, and (2) the direction to staff to create an incentive compensation plan that incentivizes staff to optimize the deployment of the Greenhouse Gas Reduction Fund award for the National Clean Investment Fund consistent with the aforementioned goals.

5. Greenhouse Gas Reduction Fund – Update and Recommendations – 20 minutes

a. National Clean Investment Fund – Puerto Rico and New Hampshire

Resolution #4

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 memos to the Board of Directors of the Green Bank (“the Board”) date June 14, 2024 and July 19, 2024;

WHEREAS, at the June 21, 2024, meeting of the Board, the Board approved of the Green Bank negotiating terms with the Participants with the intention to bring back such contract or term sheet back to the Board for approval as a Strategic Selection; and,

WHEREAS, on January 3, 2025, the Green Bank entered into an NCIF Subgrant Agreement with CGC totaling \$93.53 million, and on January 16, 2025, CGC transferred the total funding amount to the Green Bank’s account at Citibank in accordance with the Account Control Agreement the Green Bank executed with CGC and Citibank on January 14, 2025.

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 definitive documentation with the Participants as Financial Intermediary Subrecipients and Technical Assistance Subrecipients to CGC’s

winning GGRF NCIF award as outlined in this memo dated January 21, 2025 and materially consistent with the attached draft Loan and Security Agreement & Subgrant Agreement for Technical Assistance, 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 the Participants as a Financial Intermediary Subrecipients and Technical Assistance Subrecipients to CGC's winning GGRF NCIF award as a Strategic Selection and Award pursuant to the Green Bank Operating Procedures Section XII given the special capabilities, uniqueness, strategic importance, urgency and timeliness, and multi-phase characteristics of contracts with the Participants; 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.

b. National Clean Investment Fund – Zero Emissions Transportation (Update)

6. Financing Programs Updates and Recommendations – 20 minutes

a. C-PACE Transaction – Plainville – 5 minutes

Resolution #5

WHEREAS, pursuant to Connecticut General Statute Section 16a-40g (the "Statute"), the Connecticut Green Bank (Green Bank) has established a commercial sustainable energy program for Connecticut, known as Commercial Property Assessed Clean Energy ("C-PACE");

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

WHEREAS, the Green Bank seeks to provide a \$892,315 construction and term loan under the C-PACE program to Kalart Associates, LLC, the building owner of 20 Hultenius Street, Plainville, Connecticut (the "Loan"), to finance the construction of specified clean energy measures in line with the State's Comprehensive Energy Strategy and the Green Bank's Strategic Plan as more particularly described in the memorandum submitted to the Green Bank Board of Directors dated January 21, 2025 (the "Memo").

NOW, therefore be it:

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

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

RESOLVED, that the duly authorized Green Bank officers are authorized and empowered to do all other acts and execute and deliver all other documents and instruments as they shall deem necessary and desirable to effect the above-mentioned legal instruments.

b. C-PACE Transaction – Bloomfield – 5 minutes

Resolution #6

WHEREAS, pursuant to Connecticut General Statute Section 16a-40g (the "Statute"), the Connecticut Green Bank ("Green Bank") has established a commercial sustainable energy program for Connecticut, known as Commercial Property Assessed Clean Energy ("C-PACE");

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

WHEREAS, the Green Bank seeks to provide a \$667,722 construction and term loan under the C-PACE program to mk NORTH AMERICA, INC., the building owner of 105 Highland Park Drive, Bloomfield, Connecticut (the "Loan"), to finance the construction of specified clean energy measures in line with the State's Comprehensive Energy Strategy and the Green Bank's Strategic Plan as more particularly described in the memorandum submitted to the Green Bank Board of Directors dated January 17, 2025 (the "Memo").

NOW, therefore be it:

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

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

RESOLVED, that the duly authorized Green Bank officers are authorized and empowered to do all other acts and execute and deliver all other documents and instruments as they shall deem necessary and desirable to effect the above-mentioned legal instruments.

c. SBEA Extension – 10 minutes

Resolution #7

WHEREAS, the purchase commitments under the CEFIA Holdings LLC (a Connecticut Green Bank subsidiary), Eversource Energy and Amalgamated Bank Small Business Energy Advantage (SBEA) financing facility, pursuant to that certain Third Amended and Restated Master Purchase and Servicing Agreement dated March 20, 2020 (as amended, the "MPA"), expired on December 31, 2024; and,

WHEREAS, the parties have agreed on terms in principle as set forth in a memorandum to the Connecticut Green Bank Board of Directors (the "Board") dated January 17, 2025 (the "MPA Memo") to renew and extend the MPA.

NOW, therefore be it:

RESOLVED, that the Board authorizes the Connecticut Green Bank to renew and extend the MPA to December 31, 2027 substantially in accordance with the terms of the existing MPA with modifications as set forth in the MPA Memo; and,

RESOLVED, that the proper Connecticut Green Bank officers are authorized and empowered to do all other acts and negotiate and deliver all other documents and instruments as they shall deem necessary and desirable to effect the above-mentioned legal instruments.

7. Investment Programs Updates and Recommendations – 35 minutes

a. Cargill Falls – Facility Modification (Restructuring) – 10 minutes

Resolution #8

WHEREAS, pursuant to Conn. Gen. Stat. 16a-40g, the Connecticut Green Bank (“Green Bank”) has established a commercial sustainable energy program for Connecticut, known as Commercial Property Assessed Clean Energy (“C-PACE”);

WHEREAS, the Board of Directors (“Board”) of the Green Bank previously approved a construction and term financing, secured by a C-PACE benefit assessment lien, not-to-exceed amount of \$8,100,000 (the “Current Lien”) to Historic Cargill Falls Mill, LLC (“HCFM”), the property owner of 52 and 58 Pomfret Street, Putnam, Connecticut, to finance the construction of specified clean energy measures (the “Project”) in line with the State’s Comprehensive Energy Strategy and the Green Bank’s Strategic Plan;

WHEREAS, the Project includes numerous energy conservation measures that align with the goals and priorities of the Green Bank’s multifamily housing program; and,

WHEREAS, Green Bank staff now seeks approval to defer C-PACE loan payments from HCFM (“Loan Deferral”) until July 1, 2025 as explained in the memorandum in respect of this matter submitted to the Board on January 21, 2025 (the “Board Memo”).

NOW, therefore be it:

RESOLVED, that the President of the Green Bank and any other duly authorized officer of the Green Bank is authorized to execute and deliver the Loan Deferral consistent with the Board Memo and the Green Bank’s Loan Loss Decision Process; 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 effect the above-mentioned legal instrument.

b. PosiGen – Facility Modification (3rd Party Participant) – 5 minutes

Resolution #9

WHEREAS, the Connecticut Green Bank (“Green Bank”) has an existing partnership with PosiGen, PBC. (together with its affiliates and subsidiaries, “PosiGen”) to support PosiGen in delivering a solar lease (including battery storage) and energy efficiency finance offering to low to moderate income households in Connecticut;

WHEREAS, in October 2024, Brookfield Asset Management (“Brookfield”) provided PosiGen with an increase under the First Lien Credit Facility (“FLCF”) in the amount of \$200 million (the “2nd Upsize”) which enabled PosiGen to repay Green Bank and its participants \$12 million loaned to PosiGen to bridge receipt of federal investment tax

credit funds, and such 2nd Upsize was consented to by staff by executing an intercreditor agreement (the “Intercreditor Agreement”) with PosiGen, Brookfield and other parties;

WHEREAS, the Green Bank Board of Directors (the “Board”) previously authorized approval for the impact investing firm ImpactAssets’ participation in an Investment Tax Credit Bridge Loan with a participant contribution of \$2.875 million on June 7, 2023; and,

WHEREAS, staff has analyzed the current financial condition of PosiGen in relation to the proposed incremental 2nd lien upsize and related financing and has concluded that the additional exposure risk is reasonable and appropriate, and recommends the Board approve the addition of ImpactAssets as a participant with a capital contribution not to exceed \$6,000,000 as more fully explained in the memorandum to the Board dated January 21, 2025 (the “Board Memo”).

NOW, therefore be it:

RESOLVED, that the Board authorizes the Green Bank to upsize the SLCF, adding ImpactAssets, or an alternative investor, as a participant to the 2nd lien facility for PosiGen, not to exceed an additional capital commitment of \$6,000,000, and to extend the availability period accordingly to allow for draws against this facility, as outlined in the Board Memo; and,

RESOLVED, that the Board authorizes the 2nd Upsize provided by Brookfield in October 2024, and approves and ratifies staff’s consent to the 2nd Upsize and related documentation executed by staff in October 2024;

RESOLVED, that the proper Green Bank officers are authorized and empowered to do all other acts and negotiate and deliver all other documents and instruments as they shall deem necessary and desirable to effect the above-mentioned legal instruments.

- c. Sungage – Green Bank Capital Solutions (Solar + Storage and Smart-E Loan) – 10 minutes

Resolution #10

WHEREAS, the Connecticut Green Bank (“Green Bank”) developed the Smart-E Loan program with financing agreements with various credit unions and community banks,

WHEREAS, the Smart-E Loan continues to be a tool for Connecticut homeowners to finance clean energy measures to reduce their energy burdens;

WHEREAS, the Sungage Financial has applied to the Capital Solutions Open Request for Proposals in order to enter the Smart-E Loan program as a solar and storage lender; and,

WHEREAS, Sungage and Green Bank have had a history of successful collaboration dating back to 2013 with the original solar loan.

NOW, therefore be it:

RESOLVED, that the Board approves a loan in an amount not to exceed \$10 million dollars from the Green Bank balance sheet in support of Smart-E Loans in partnership with Sungage

generally consistent with this memorandum dated January 21, 2025 as a Capital Solutions Project;

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 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 negotiate and deliver all other documents and instruments as they shall deem necessary and desirable to effect the above-mentioned legal instruments.

- d. Scale Microgrids – Green Bank Capital Solutions (Commercial – ESS Projects – KeyBank Facility) – 10 minutes

Resolution #11

WHEREAS, Microgrid Solutions LLC (“Scale”) has requested financing in support of private capital from the Connecticut Green Bank (“Green Bank”) to finance and construct a solar and battery energy storage portfolio (the “Portfolio”), including 8 battery energy storage projects in Connecticut;

WHEREAS, Scale and KeyBank have structured credit facilities whereby the Green Bank would participate on an equivalent security basis with other senior lenders; and,

WHEREAS, staff has considered the merits of the credit facilities and the ability of the project and finance stakeholders to construct, operate and maintain the Portfolio, support the obligations under the credit facilities throughout their respective terms, and as set forth in the due diligence memorandum dated January 21, 2025 (the “Board Memo”), has recommended this support be in the form of funding not to exceed \$10,000,000, secured by all project assets, contracts and revenues as described in the Board Memo.

NOW, therefore be it:

RESOLVED, that the Green Bank Board of Directors (the “Board”) hereby approves the applicants Capital Solutions Proposal for Green Bank’s participation in the credit facilities in an amount not to exceed \$10,000,000;

RESOLVED, that the President of the Green Bank and any other duly authorized officer is authorized to take appropriate actions to participate in the credit facilities in an amount not to exceed \$10,000,000 in with terms and conditions consistent with the Board Memo, and as he or she shall deem to be in the interests of the Green Bank and the ratepayers no later than 180 days from the date of authorization by the Board; 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 effect the above-mentioned Term Loan and participation.

8. Incentive Programs Updates and Recommendations – 5 minutes

- a. Energy Storage Solutions – CPower / Danbury Mission Technologies – 5 minutes

Resolution #12

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; and,

WHEREAS, as part of the approved Procedures, Green Bank staff shall present Program projects via the consent agenda utilizing a standard form Tear Sheet process described in the memorandum to the Board dated June 24, 2022.

WHEREAS, in its December 9, 2022 meeting the Board approved updated Procedures to better align with the Program process.

NOW, therefore be it:

RESOLVED, that the Deployment Committee hereby approves the estimated upfront incentives sought by CPower for one non-residential project individually under \$500,000, totaling a not-to-exceed amount of \$905,996 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.

9. Other Business – 5 minutes

Resolution #13

WHEREAS, the State of Connecticut has been awarded funding under the Energy Efficiency Revolving Loan Fund Capitalization Grant Program; and,

WHEREAS, the Connecticut Department of Energy and Environmental Protection has engaged the Connecticut Green Bank (“Green Bank”) as a subgrantee to develop and implement a program to support the deployment of energy efficiency loans into the affordable multifamily housing sector;

NOW, therefore be it:

RESOLVED, that the Green Bank may enter into with and deliver to the State of Connecticut Department of Energy and Environmental Protection, any and all documents which it deems to be necessary or appropriate to enter into a contract for approximately \$1,269,190 titled Energy Efficiency Revolving Loan Fund Subgrant; and,

RESOLVED, that Bryan Garcia as President and CEO of the Connecticut Green Bank or other 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.

Resolution #14

WHEREAS, consistent with its Comprehensive Plans, the Connecticut Green Bank (“Green Bank”) has been seeking opportunities to access low-cost and long-term federal funding from the United States Department of Agriculture (“USDA”) to support its mission;

WHEREAS, on April 2, 2020, the Rural Utilities Service (“RUS”) of the USDA issued within the Federal Register (Vol. 85, No. 64), an “Announcement of Funding Availability, Loan Application Procedures, and Deadlines for the Rural Energy Savings Program (“RESP”);

WHEREAS, on April 29, 2020, the American Green Bank Consortium, a membership organization for green banks, informed the Green Bank of the RESP, and provided technical assistance resources to the Green Bank through the Environmental and Energy Study Institute;

WHEREAS, on May 14, 2020, the Green Bank filed a Letter of Intent (“LOI”) with the RUS for a RESP Loan, including an overview of the organization, proposed program descriptions consistent with its Comprehensive Plan, evaluation, measurement, and verification framework, balance sheet, eligible Connecticut towns, and performance measures and indicators; and

WHEREAS, on July 1, 2020 the USDA notified the Green Bank that it had received and reviewed its LOI, and invited it to proceed with a full application for a \$10 million RESP Loan; and

WHEREAS, on July 24, 2020 the Green Bank Board of Directors (the “Board”) approved a resolution to empower staff to approve and submit to USDA application documents as needed in pursuit of a RESP Loan USDA; and

WHEREAS, on September 11, 2020 the Connecticut Green Bank submitted to USDA ahead of USDA’s September 28, 2020 deadline a full RESP Loan application package.

WHEREAS, in September 2024, the Connecticut Green Bank entered into a commitment with the USDA for the RESP Loan;

WHEREAS, staff is in the process of closing the RESP Loan and the RESP Loan requires a letter of credit to support the borrowing by the Green Bank;

WHEREAS, Webster Bank is willing to provide a letter of credit in the amount of \$500,000 collateralized by cash of the Green Bank to facilitate the Green Bank closing the RESP Loan with the USDA;

NOW, therefore be it:

RESOLVED, that the Board of the Green Bank, pursuant to the information provided by the Staff in a memo dated January 22, 2025, has determined that it is in the best interests of Green Bank to close the RESP Loan and to obtain a letter of credit from Webster Bank in the amount of \$500,000 collateralized by cash of the Green Bank to facilitate the Green Bank closing the RESP Loan with the USDA; and

RESOLVED, that the proper Green Bank officers are authorized and empowered to do all other acts and negotiate and deliver all other documents and instruments as they shall deem necessary and desirable to effect the above-mentioned legal instruments.

10. Adjourn

[Click here to join the meeting](#)

Meeting ID: 284 814 897 906

Passcode: hfDcgt

Dial In: [+1 860-924-7736,,423457990#](#)

Phone Conference ID: 423 457 990#

***Next Regular Meeting: Friday, March 21, 2025 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

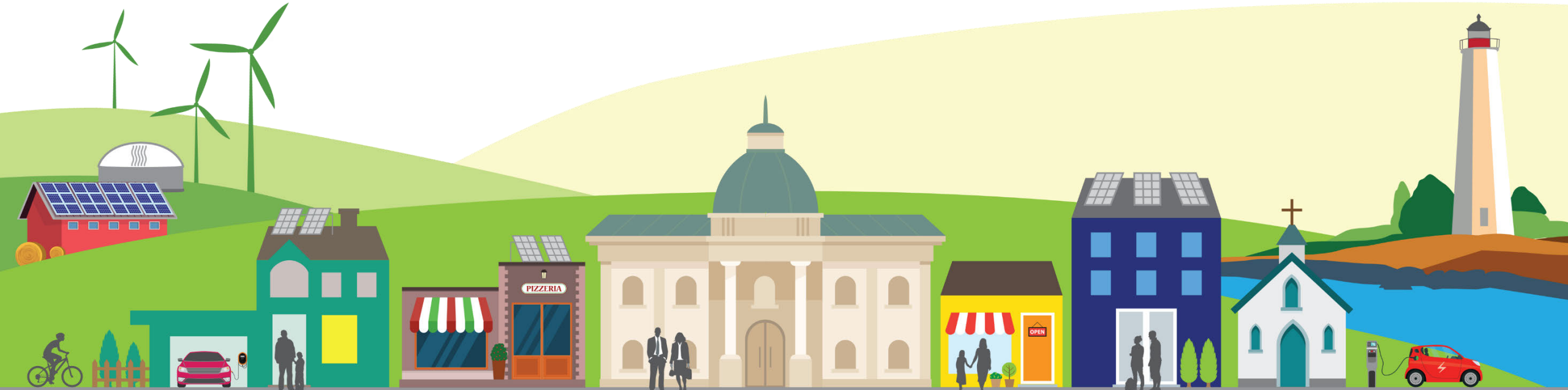
January 24, 2025



Board of Directors



Agenda Item #1 Call to Order



Board of Directors



Agenda Item #2 **Public Comments**



Board of Directors



Agenda Item #3 Consent Agenda



Consent Agenda

Resolutions #1 and #2



1. **Meeting Minutes** – approve meeting minutes of December 13, 2024
2. **Employee Handbook** – remove unintended proposed changes (i.e., vacation and bereavement leave policies) in the prior Board-approved intended changes (i.e., telecommuting policy, parental leave) to the Employee Handbook
 - **Under \$500,000 and No More in Aggregate than \$1,000,000** – staff approved transactions of about \$350,000 in total for one (1) ESS project (i.e., South Windsor)
 - **Progress to Targets** – through Q2 of FY25
 - **FY24 Annual Report** – submitted to CGA



Agenda Item #4ai **Audit, Compliance, and Governance Committee** Legislative and Regulatory Policy Process and Update



STATUTORY REPORTING:

- Green Bank in compliance with all 2024 statutory reporting.

Legislative Policy Update:

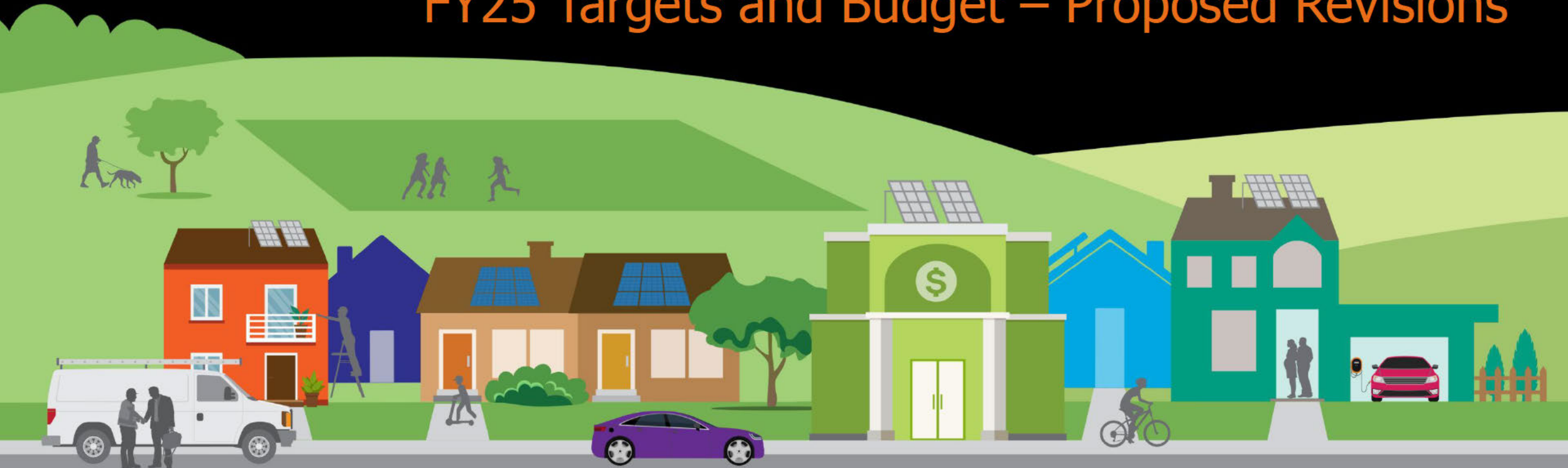
- Green Bank did not initiate a legislative proposal this session

2025 Legislative Session:

- Green Bank will be supporting **Governor Lamont's legislation** pertaining to Climate & Resilience (SB 9)
 - POCD plans to incorporate climate change planning
 - Flood Disclosure Requirements
 - Resilience Improvement Districts (RID's)



Agenda Item #4bi **Budget, Operations, and Compensation Committee** FY25 Targets and Budget – Proposed Revisions



FY25 Targets and Budget

Proposed Revisions



- **Targets** – decrease by 10 projects and \$14.7 Million in capital deployment coming from timing issues with PPA/State Solar Projects
- **Revenues** – \$10.3M increase in Revenues stemming from inclusion of subsidiaries and increased NCIF draws
- **Expenses** – \$6M OpEx increase stemming from inclusion of subsidiaries, New R&D/Consulting efforts as well as increased ESS incentives
- **Incentive Compensation** – an alignment of staff to opportunities for growing the organization's impact while achieving federal requirements

Resolution #3



NOW, therefore be it:

RESOLVED, that the Board of Directors of the Connecticut Green Bank approve: (1) the revised FY2025 Targets and Budget, and (2) the direction to staff to create an incentive compensation plan that incentivizes staff to optimize the deployment of the Greenhouse Gas Reduction Fund award for the National Clean Investment Fund consistent with the aforementioned goals.

Agenda Item #8a **Greenhouse Gas Reduction Fund** National Clean Investment Fund Puerto Rico and New Hampshire



Greenhouse Gas Reduction Fund

Strategic Selection of Subawardees



- **Puerto Rico Green Energy Trust (PRGET)** – \$37.8MM subaward
- **New Hampshire Community Loan Fund (NHCLF)** – \$14.9MM subaward

Subgrant Agreement for Technical Assistance

- Funds available until Dec. 31, 2025

Loan and Security Agreement

- Funds available until Dec. 31, 2026
- Includes Green Bank protections and oversight

- **Special Capabilities:** PRGET and NHCLF will assist the Green Bank in meeting CGC's targets for deployment in Low-Income and Disadvantaged Communities (LIDACs), Rural & Tribal Communities
- **Uniqueness:** Reinforces the strong ties between PR & CT and acknowledges a large Puerto Rican community in CT
- **Strategic Importance:** Demonstrates state leadership in supporting NCIF participation more broadly and facilitates cross-learning
- **Urgency and Timeliness:** CGC requirement to disburse funds by Dec. 31, 2025
- **Multiphase Project:** Supports the expansion of a national network of green banks

Resolution #4



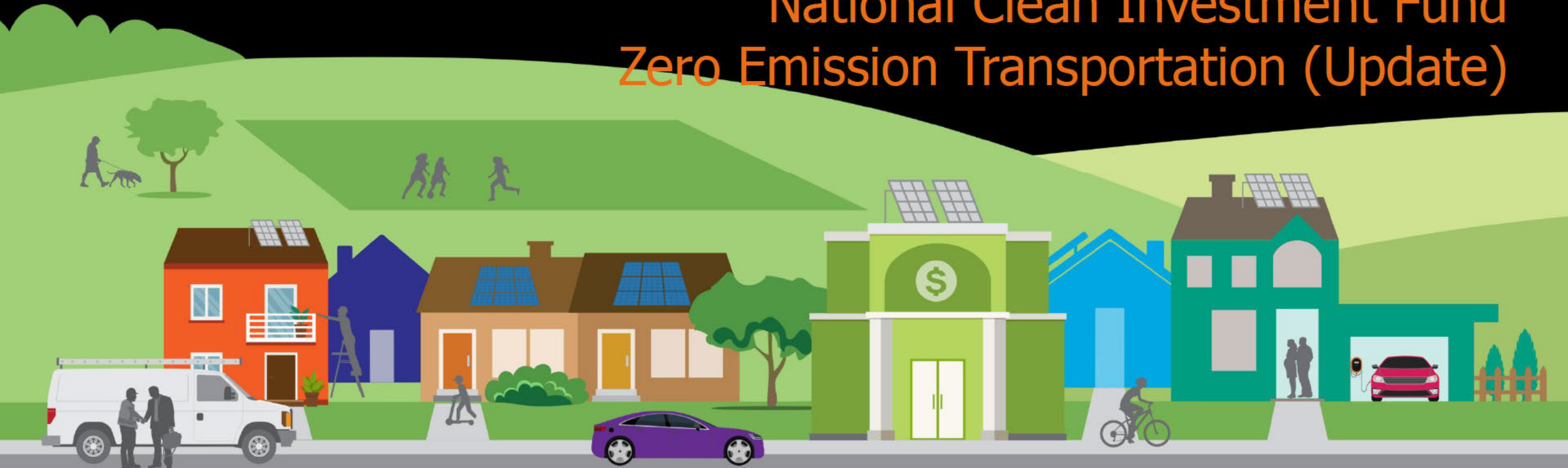
NOW, therefore be it:

RESOLVED, that the President of the Green Bank and any other duly authorized officer of the Green Bank is authorized to execute and deliver definitive documentation with the Participants as Financial Intermediary Subrecipients and Technical Assistance Subrecipients to CGC's winning GGRF NCIF award as outlined in this memo dated January 21, 2025 and materially consistent with the attached draft Loan and Security Agreement & Subgrant Agreement for Technical Assistance, 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 the Participants as a Financial Intermediary Subrecipients and Technical Assistance Subrecipients to CGC's winning GGRF NCIF award as a Strategic Selection and Award pursuant to the Green Bank Operating Procedures Section XII given the special capabilities, uniqueness, strategic importance, urgency and timeliness, and multi-phase characteristics of contracts with the Participants; 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.

Agenda Item #5b **Greenhouse Gas Reduction Fund** National Clean Investment Fund Zero Emission Transportation (Update)



Electric School Bus Solicitation Updates



- **Solicitations** – Green Bank issued RFP on 12/6/24 to deploy NCIF capital through financing. DEEP issued corresponding RFA on 12/19/24 to deploy \$6M of bond funding through grants. Both closed on 1/10/25.
- **Response Overview:**
 - Received six bids totaling 217 buses and 254 chargers (DEEP grant request \approx \$16M, Green Bank financing request \approx \$15M)
 - Each bidder is located or serves a community that must transition their fleet to electric by 2030 (a Connecticut environmental justice community).
 - Each bidder has been awarded EPA grant funding, primarily through EPA's Clean School Bus Program.
 - Bidders have a wide range of experience deploying electric school buses and of financial sophistication.
- **Request** – bring back recommendations to the Board on February 19, 2025 (i.e., change Deployment Committee meeting to Board meeting)

Agenda Item #6a **Financing Programs Updates and Recommendations** C-PACE Transaction – Plainville



20 Hultenius St., Plainville

Introduction & Overview



Overview

Property Owner:
Kalart Associates, LLC

Property Type:
Industrial

Contractor:
[REDACTED]

Project Description:
299.7 kw Solar PV system

Year Built:
1947



20 Hultenius St., Plainville

Transaction Summary

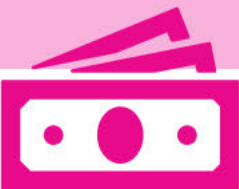
Loan Terms

Benefit Assessment:
\$892,315

Loan Term:
20 Year

Term Loan Interest:
5.75%

Construction Interest:
5%



Financial Metrics

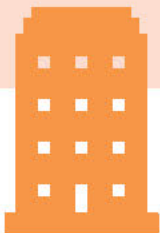
Property Value:
\$[REDACTED]

Loan to Value: [REDACTED]

Lien to Value: [REDACTED]

DSCR: [REDACTED]

Mortgage Lender:
[REDACTED]
[REDACTED]



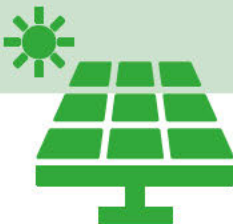
Energy Metrics

SIR: [REDACTED]

Savings / EUL:
\$1,788,180

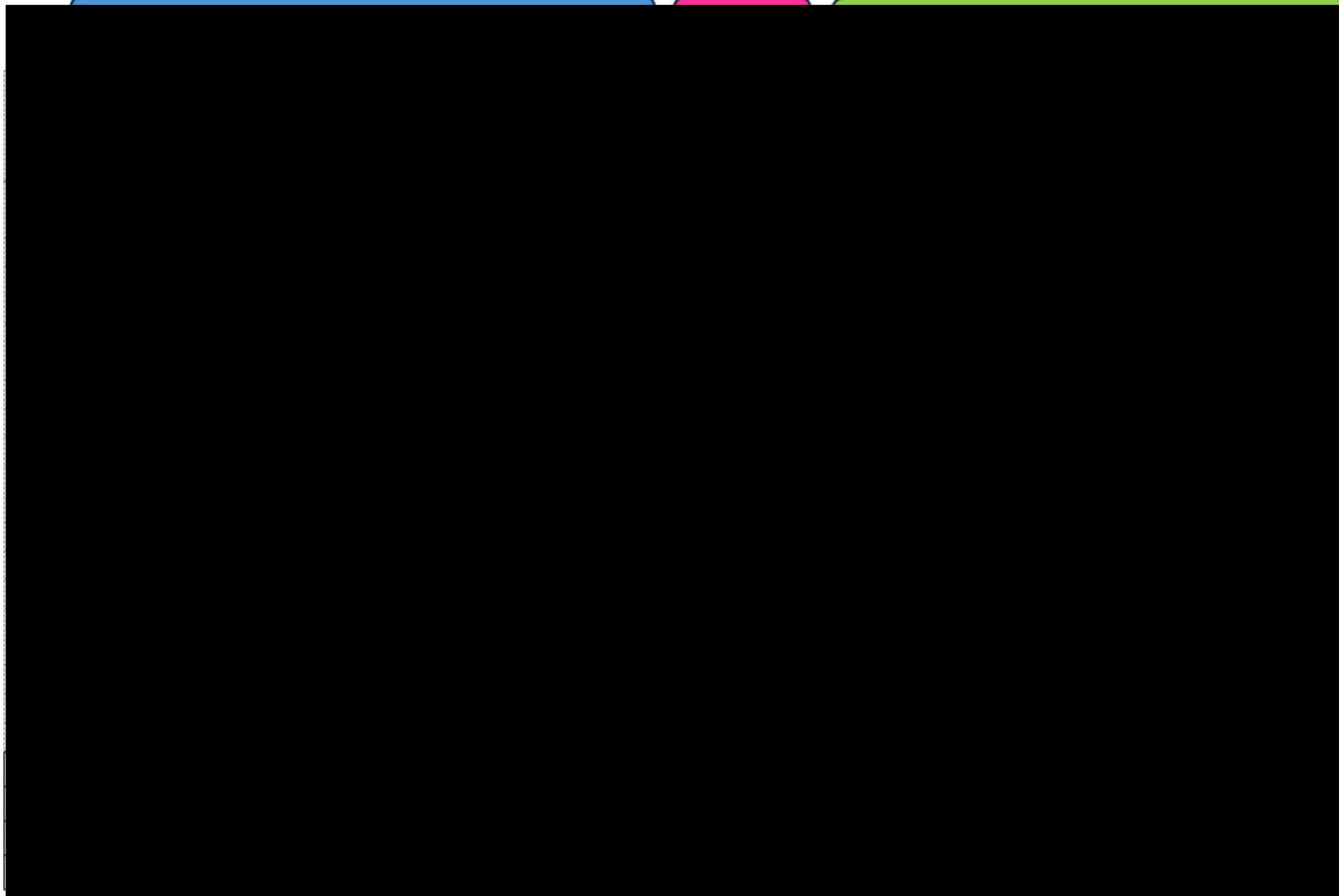
Annual Savings:
\$68,639

Incentives:
NRES, ITC



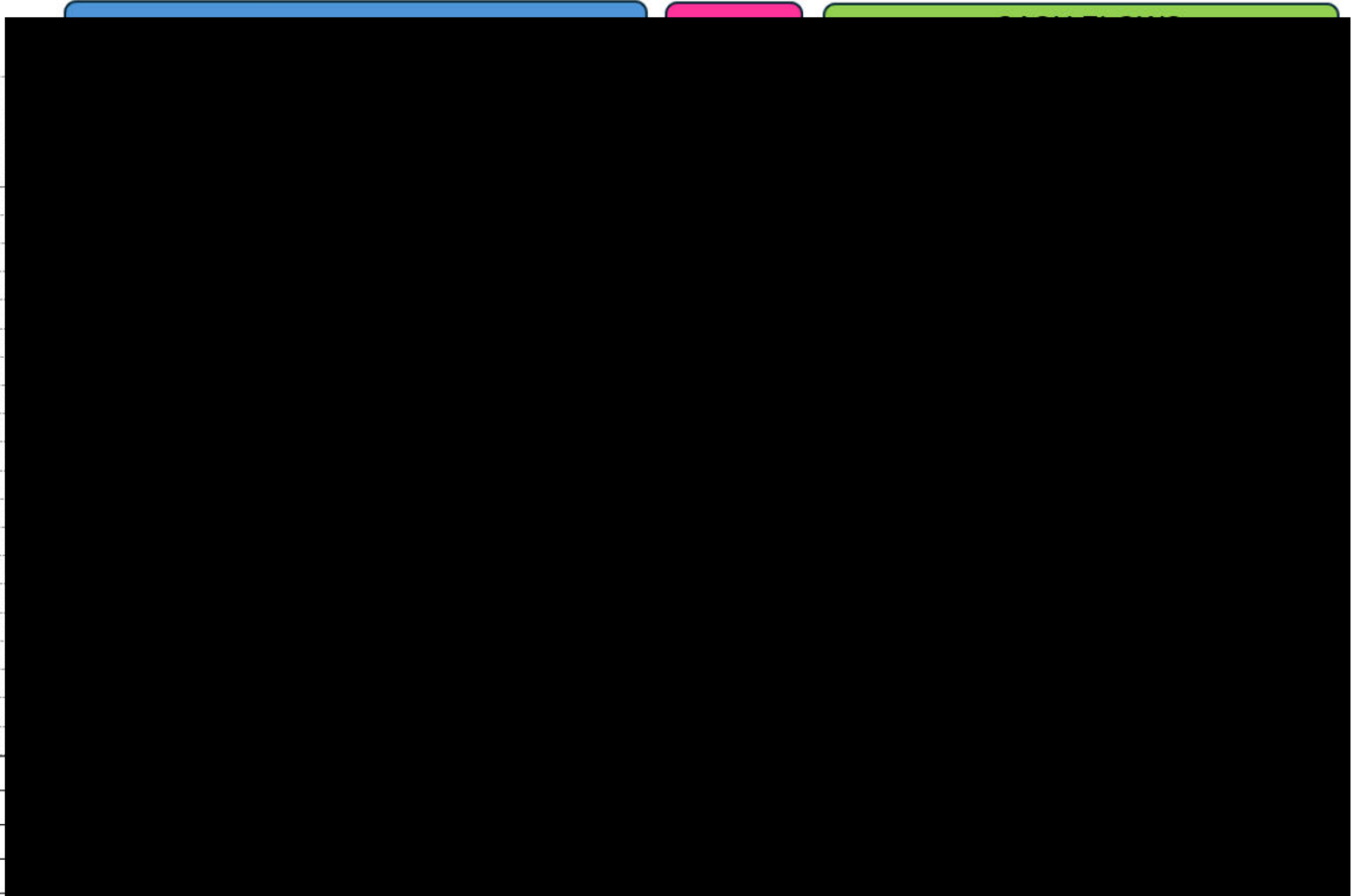
20 Hultenius St., Plainville

Cash Flows - Standard



20 Hultenius St., Plainville

Cash Flows - Sculpted



Resolution #5



NOW, therefore be it:

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

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

RESOLVED, that the duly authorized Green Bank officers are authorized and empowered to do all other acts and execute and deliver all other documents and instruments as they shall deem necessary and desirable to effect the above-mentioned legal instruments.

Agenda Item #6b

Financing Programs Updates and Recommendations

C-PACE Transaction – Bloomfield



105 Highland Park Dr., Bloomfield

Introduction & Overview



Overview

Property Owner:
mK North America, Inc

Property Type:
Industrial

Contractor:
[REDACTED]

Project Description:
296.48 kw Solar PV system

Year Built:
1997



105 Highland Park Dr., Bloomfield

Transaction Summary



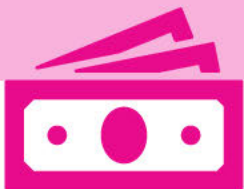
Loan Terms

Benefit Assessment:
\$667,722

Loan Term:
20 Year

Term Loan Interest:
5.75%

Construction Interest:
5%



Financial Metrics

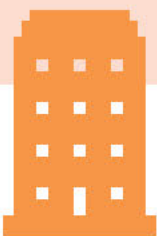
Property Value:
\$ [REDACTED]

Loan to Value: [REDACTED]

Lien to Value: [REDACTED]

DSCR: [REDACTED]

Mortgage Lender:
[REDACTED]
[REDACTED]
[REDACTED]



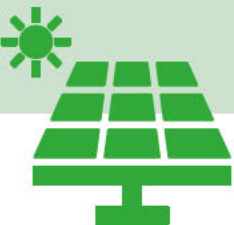
Energy Metrics

SIR: [REDACTED]

Savings / EUL:
\$1,639,135

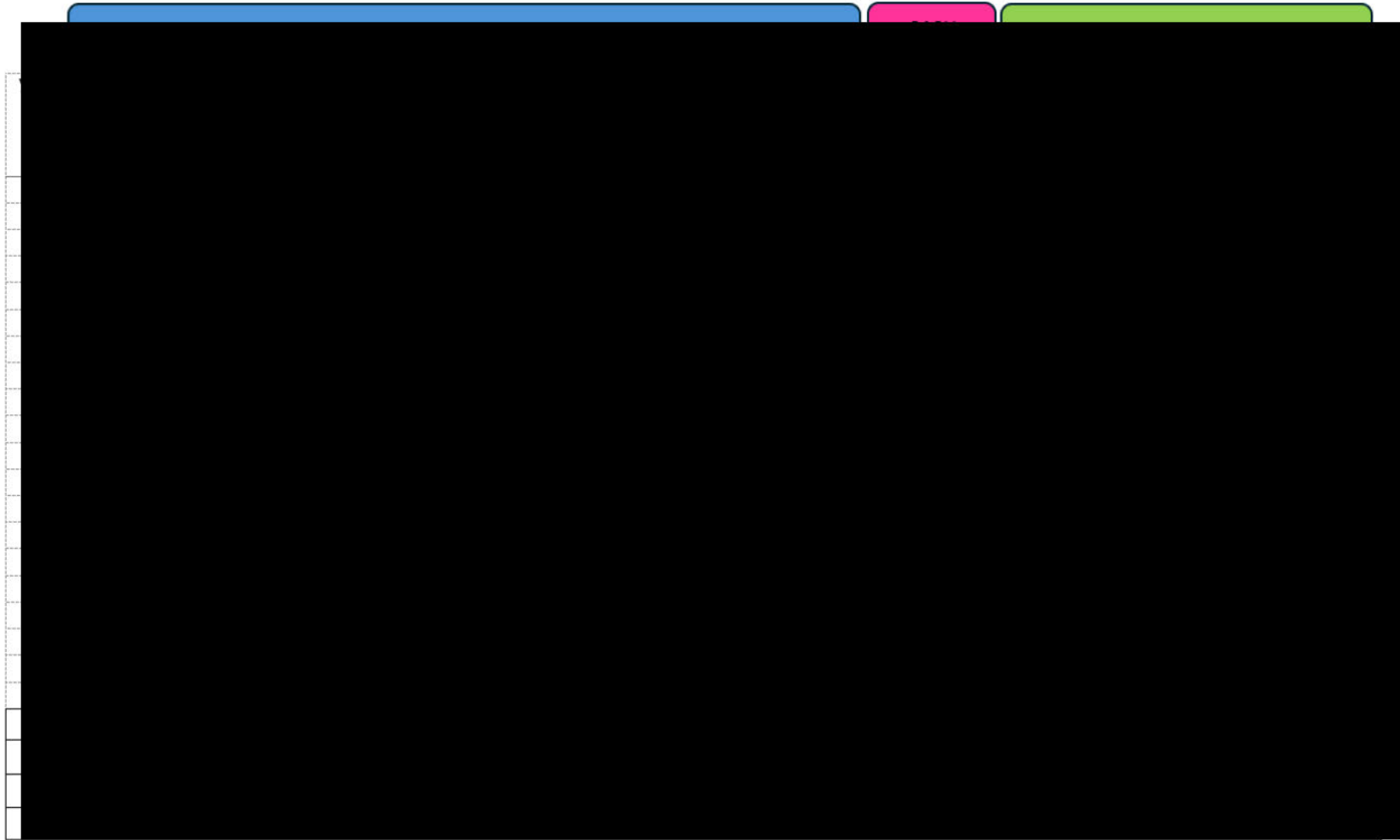
Annual Savings:
\$81,957

Incentives:
NRES, ITC



105 Highland Park Dr., Bloomfield

Cash Flows



Resolution #6



NOW, therefore be it:

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

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

RESOLVED, that the duly authorized Green Bank officers are authorized and empowered to do all other acts and execute and deliver all other documents and instruments as they shall deem necessary and desirable to effect the above-mentioned legal instruments.

Agenda Item #6c

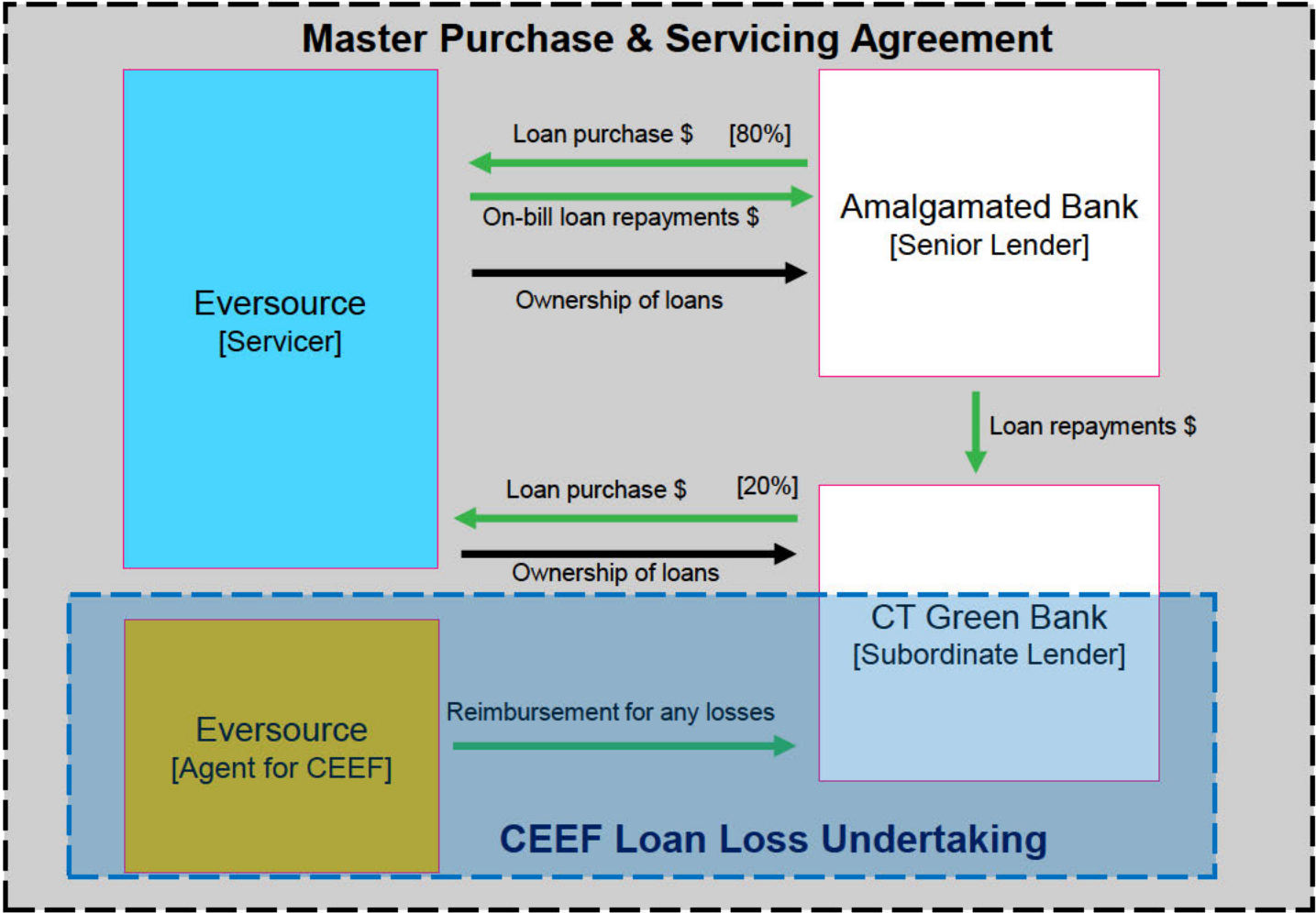
Financing Programs Updates and Recommendations

Small Business Energy Advantage (SBEA) – Extension



Small Business Energy Advantage Extension

Structure Diagram



Small Business Energy Advantage Extension Extension Request



- \$113 million in capital provided for nearly 7,600 projects
- Three-year extension to align with Conservation and Load Management Plan
- Key terms remain the same
 - Interest/discount rate
 - 4 year or less term – greater of 3% or two-year Treasury plus 2.10%
 - Greater than 4-year term – greater of 3% or five-year Treasury plus 2.10%
 - Amalgamated purchase commitment reduced from \$50 million in outstanding principal to \$30 million
 - Green Bank purchase commitment remains at \$20 million with ability to purchase any loans that Amalgamated cannot

Resolution #7



NOW, therefore be it:

RESOLVED, that the Board authorizes the Connecticut Green Bank to renew and extend the MPA to December 31, 2027 substantially in accordance with the terms of the existing MPA with modifications as set forth in the MPA Memo; and,

RESOLVED, that the proper Connecticut Green Bank officers are authorized and empowered to do all other acts and negotiate and deliver all other documents and instruments as they shall deem necessary and desirable to effect the above-mentioned legal instruments.

Agenda Item #7a

Investment Updates and Recommendations

Cargill Falls – Facility Modification



Historic Cargill Falls Mill Loan Restructure Update & Loan Deferral



- **Key Updates:**
 - 2025 project budget completed.
 - Stakeholder negotiations ongoing (Enhanced Capital, Haynes Construction).
- **Next Steps:** Present full restructuring plan in 2025 to secure repayment and maintain first lien.
- **Loan Payment Deferral Request:** Approve deferral of C-PACE payments to July 1, 2025.

Resolution #8



NOW, therefore be it:

RESOLVED, that the President of the Green Bank and any other duly authorized officer of the Green Bank is authorized to execute and deliver the Loan Deferral consistent with the Board Memo and the Green Bank's Loan Loss Decision Process; 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 effect the above-mentioned legal instrument.

Agenda Item #7b

Investment Updates and Recommendations

PosiGen— Facility Modification



PosiGen 1L & 2L Upsize



Strong Growth in CT

- Has now installed **over 6,300 residential systems** (plus energy efficiency upgrades) in the state
- 15% of PosiGen's employees live in Connecticut

Has secured additional capital for growth

- Raised \$150M debt facility with Brookfield Asset Management in May 2023
- Increased 1L by \$150M to \$400M in April 2024. 2L “matched” up to \$24M.

Board requests

- Second Lien Credit Facility (“SCLF” or “2L”). Upsize from \$34M to \$40M from new investment with ImpactAssets or alternate investor(s).
 - Green Bank (2nd lien) position unchanged (\$17.25M total 2L exposure, excluding PBI).
- First Lien Credit Facility (“FLCF” or “1L”). October 2024 upsize from \$400M to \$600M.

Resolution #9



NOW, therefore be it:

RESOLVED, that the Board authorizes the Green Bank to upsize the SLCF, adding ImpactAssets, or an alternative investor, as a participant to the 2nd lien facility for PosiGen, not to exceed an additional capital commitment of \$6,000,000, and to extend the availability period accordingly to allow for draws against this facility, as outlined in the Board Memo;

RESOLVED, that the Board authorizes the 2nd Upsize provided by Brookfield in October 2024, and approves and ratifies staff's consent to the 2nd Upsize and related documentation executed by staff in October 2024;

RESOLVED, that the proper Green Bank officers are authorized and empowered to do all other acts and negotiate and deliver all other documents and instruments as they shall deem necessary and desirable to effect the above-mentioned legal instruments.

Agenda Item #7c

Investment Updates and Recommendations

Sungage – Green Bank Capital Solutions



Sungage Financial

Capital Solutions: New Smart-E Lender



- **Background:**

- Capital for Change's exit from Smart-E in December 2023 left a gap in the market, particularly for larger projects

- **Open Search for New Lenders:**

- Investments & Smart-E team were engaging various community banks, credit unions, and other lenders to join program, including Sungage Financial

Sungage Financial

Capital Solutions: New Smart-E Lender



■ **Sungage Financial**

- First online solar loan provider designed for residential solar and storage projects
- Green Bank & Sungage launched the successful CT Solar Loan program in 2013
- Sungage is interested in expanding their footprint in CT through the Smart-E program with a focus on solar and storage projects

- **Smart-E & Sungage: Program Description**
 - Sungage would lend to CT residents under Smart-E for solar & storage projects with the following rates & terms

Term	Rate	
25	7.99%	
25	6.99%	
25	5.99%	
20	7.99%	
20	6.99%	
20	5.99%	
15	7.99%	
15	6.99%	
15	5.99%	
10	6.99%	
10	5.99%	
5	6.99%	
5	5.99%	

- **Smart-E & Sungage: Loan Request Details**
 - \$10 Million Loan secured to \$33.3 Million initial pool of loans
 - Repayment through consumer loan payment of the Sungage CT loan portfolio and Sungage equity
 - Green Bank to fund purchase at 4% to enable Sungage to loan at the Smart-E Rates
 - Green Bank would be on equal security footing as Sungage's capital partner

Resolution #10



NOW, therefore be it:

RESOLVED, that the Board approves a loan in an amount not to exceed \$10 million dollars from the Green Bank balance sheet in support of Smart-E Loans in partnership with Sungage generally consistent with this memorandum dated January 21, 2025 as a Capital Solutions Project;

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 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 negotiate and deliver all other documents and instruments as they shall deem necessary and desirable to effect the above-mentioned legal instruments.

Agenda Item #7d

Investment Updates and Recommendations

Scale Microgrids – Green Bank Capital Solutions



Scale Microgrids – Solar and Storage

Capital Solutions – Credit Facilities



- Scale Microgrids is developing a portfolio of 33 distributed generation assets, projects are split between community solar, battery energy storage, and microgrid.
- 8 Projects are in Connecticut. All 8 are battery energy storage projects participating in the energy storage solutions program. The Connecticut projects total 33MWs and [REDACTED]



Scale Microgrids – Solar and Storage

Structure of Credit Facilities



- KeyBanc has structured credit facilities to finance and construct the portfolio. Staff is seeking approval to participate at a total, not to exceed, of \$10M in aggregate.
- A [REDACTED] Construction Loan [REDACTED] and [REDACTED] Tax Equity Bridge Loan [REDACTED] will fund up to 89% of project costs during construction.
- When projects achieve commercial operations, the Construction Loan will convert into the Term Loan, which will total [REDACTED] [REDACTED]). The Bridge Loan will be repaid by proceeds from the tax equity commitment.

Sources & Uses

Scale Microgrids – Solar and Storage

Risks and Mitigants



- **Development/Siting Risk**: Scale has site control for the community solar and battery-only projects. For the microgrid projects, site control is executed along with the signing of the microgrid service agreement ("MSA"). Four remaining projects are in process to sign MSA's in the first half of 2025.
- **Production Risk**: Black & Veatch analyzed the production estimates of the portfolio. Additionally, the Portfolio reduces production risk through diversification of projects and technologies. A 6-month debt service reserve offers a cushion for unexpected drops in production.
- **Credit Risk**: Not all offtakers are investment grade. To mitigate this risk, the DSCR applied to different revenue streams is adjusted for the credit risk of the offtaker. Scale has also purchased credit insurance to cover the risk from non-investment grade offtakers.
 - **Credit Insurance**: Scale has secured a 10-year credit insurance policy. This policy covers default risk for payments made by commercial and other non-residential customers who purchase electricity through long-term PPAs. Offtakers covered are deemed investment grade equivalent. Scale is required to maintain an insurance reserve to cover the deductible.

Resolution #11



NOW, therefore be it:

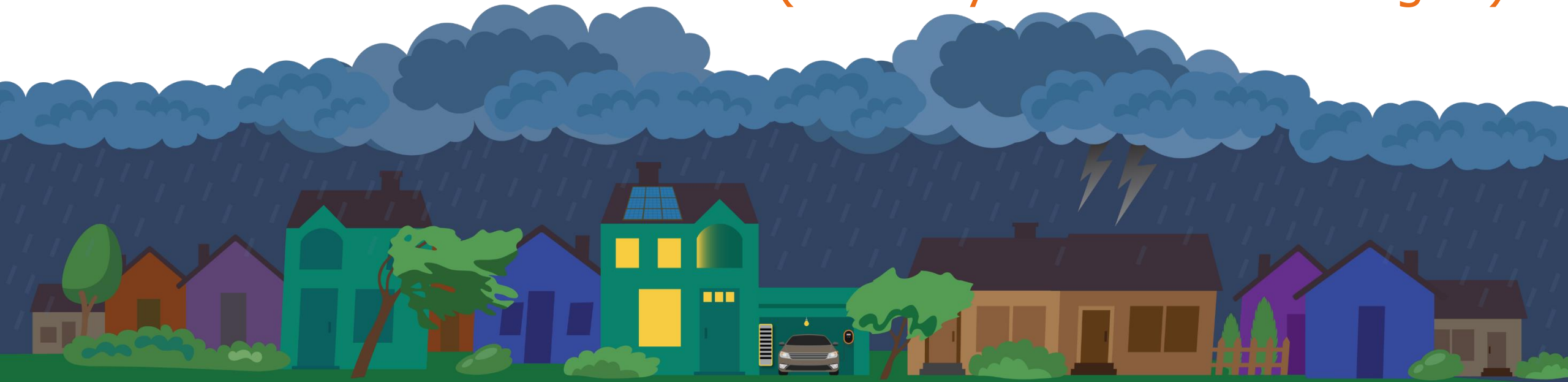
RESOLVED, that the Green Bank Board of Directors (the “Board”) hereby approves the applicants Capital Solutions Proposal for Green Bank’s participation in the credit facilities in an amount not to exceed \$10,000,000;

RESOLVED, that the President of the Green Bank and any other duly authorized officer is authorized to take appropriate actions to participate in the credit facilities in an amount not to exceed \$10,000,000 in with terms and conditions consistent with the Board Memo, and as he or she shall deem to be in the interests of the Green Bank and the ratepayers no later than 180 days from the date of authorization by the Board; 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 effect the above-mentioned Term Loan and participation.

Board of Directors

Agenda Item #8a **Incentive Programs Updates and Recommendations** Energy Storage Solutions C-POWER (Danbury Mission Technologies)



ESS-01039 – Danbury Mission Technologies C-Power



Business Operations High-precision optics for ground, air and space missions

Annual Peak Demand 3,508 kW (Large C&I)

System Size 4.98 MW / 9.96 MWh

System Design Tesla Megapack 2XL:
(2) x 1,927 kW / 3,854 kWh
(1) x 1,124 kW / 2,248 kWh

Installation Timeline 2027-2028

Total Installed Cost \$3,984,376 (Estimated)

Upfront Incentive \$905,996



Resolution #12



NOW, therefore be it:

RESOLVED, that the Board of Directors hereby approves the estimated upfront incentives sought by C-Power for one non-residential project totaling a not-to-exceed amount of \$905,996 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.

Board of Directors

Agenda Item #9 **Other Business**



Energy Efficiency Revolving Loan Fund

DEEP Subgrant



- **DOE Formula Grant** – Connecticut (DEEP) awarded \$1.29M to capitalize a revolving loan fund specific to energy efficiency
- **Green Bank Deployment** – DEEP engaged the Green Bank to deploy the funds. Intended for use in multifamily affordable housing.

Resolution #13



NOW, therefore be it:

RESOLVED, that the Green Bank may enter into with and deliver to the State of Connecticut Department of Energy and Environmental Protection, any and all documents which it deems to be necessary or appropriate to enter into a contract for approximately \$1,269,190 titled Energy Efficiency Revolving Loan Fund Subgrant; and

RESOLVED, that Bryan Garcia as President and CEO of the Connecticut Green Bank or other 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.

Webster Bank Letter of Credit USDA Rural Energy Savings Program



Resolution #14

NOW, therefore be it:

RESOLVED, that the Board of the Green Bank, pursuant to the information provided by the Staff in a memo dated January 22, 2025, has determined that it is in the best interests of Green Bank to close the RESP Loan and to obtain a letter of credit from Webster Bank in the amount of \$500,000 collateralized by cash of the Green Bank to facilitate the Green Bank closing the RESP Loan with the USDA; and

RESOLVED, that the proper Green Bank officers are authorized and empowered to do all other acts and negotiate and deliver all other documents and instruments as they shall deem necessary and desirable to effect the above-mentioned legal instruments.

Comprehensive Plan (FY23-FY25) Revisions



- **Introduction** – Presidential transitions (e.g., from IIJA-IRA to “all of the above” energy strategy) and tone
- **Targets and Budget** – board approved changes to FY25 targets and budget, including R&D (e.g., community engagement)
- **Various Updates** – data (e.g., private investment interests – bonds), transitions (e.g., Raise Green to Honeycomb), USDA RESP, links (e.g., annual reports), etc.
- **Immaterial Clean-Ups** – footnotes, fine-tuning (e.g., RSIP to RRES), acronyms, spacing, etc.

Board of Directors



Agenda Item #10 Adjourn





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

Friday, December 13, 2024
9:00 a.m. – 11:00 a.m.

A regular meeting of the Board of Directors of the **Connecticut Green Bank** (the “Green Bank”) was held on December 13, 2024.

Board Members Present: Joseph DeNicola, Adrienne Farrar Houël, Thomas Flynn, Dominick Grant, John Harrity, Kimberly Mooers, Allison Pincus, Lonnie Reed, Brenda Watson, Joanna Wozniak-Brown

Board Members Absent: Matthew Ranelli

Staff Attending: Stephanie Attruia, David Beech, Priyank Bhakta, Joe Boccuzzi, Larry Campana, Sergio Carrillo, Shawne Cartelli, Louise Della Pesca, Catherine Duncan, Mackey Dykes, Emma Ellis, Brian Farnen, Bryan Garcia, Sara Harari, Bert Hunter, Stefanie Keohane, Alex Kovtunencko, Alysse Lembo-Buzzelli, Cheryl Lumpkin, Kevin Moss, Jane Murphy, Tyler Rubega, Ariel Schneider, Eric Shrago, Dan Smith, Heather Stokes, Marianna Trief, Leigh Whelpton

Others present: CT-N, Phil Thompson from Mohegan Sun Capital Management

1. Call to Order

- Lonnie Reed called the meeting to order at 9:02 am.

2. Public Comments

- No public comments.

3. Consent Agenda

a. Meeting Minutes of October 25, 2024

Resolution #1

Motion to approve the meeting minutes of the Board of Directors for October 25, 2024.

Upon a motion made by John Harrity and seconded by Kimberly Mooers, the Board of

Directors voted to approve the Consent Agenda which includes Resolutions 1. None opposed and or abstained. Motion approved unanimously.

4. Financing Programs Updates and Recommendations
a. C-PACE Transaction – Branford (242 Branford Road)

- Catherine Duncan summarized the project . which is a 298.62 kW solar PV system with a Loan-to-Value of [REDACTED], a Lien-to-Value of [REDACTED], a DSCR of [REDACTED], and SIR of [REDACTED]. She reviewed the cash flow which includes a sculpted amortization schedule.

- John Harry asked what the activity within the building is and Catherine Duncan responded that they are an e-commerce company that sells handcrafted artisan items such as jewelry, clothing, home décor, and more.

Resolution #2

WHEREAS, pursuant to Connecticut General Statute Section 16a-40g (the "Statute"), the Connecticut Green Bank (Green Bank) has established a commercial sustainable energy program for Connecticut, known as Commercial Property Assessed Clean Energy ("C-PACE");

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

WHEREAS, the Green Bank seeks to provide a \$859,605 construction and term loan under the C-PACE program to 242 Branford Road, LLC, the building owner of 242 Branford Rd, North Branford, CT 06471 (the "Loan"), to finance the construction of specified clean energy measures in line with the State's Comprehensive Energy Strategy and the Green Bank's Strategic Plan as more particularly described in the memorandum submitted to the Green Bank Board of Directors dated December 6, 2024 (the "Memo").

NOW, therefore be it:

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

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

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

Upon a motion made by Joseph DeNicola and seconded by Dominick Grant and Allison Pincus, the Board of Directors voted to approve Resolution 2. None opposed and Brenda Watson abstained. Motion approved.

Subject to Changes and Deletions

b. C-PACE Transaction – Branford (12 Commercial Street)

- Catherine Duncan summarized the project which is a 300.92 kW solar PV system with a Loan-to-Value of [REDACTED], a Lien-to-Value of [REDACTED], a DSCR of [REDACTED], and an SIR of [REDACTED]. She reviewed the cash flow and sculpted amortization.

Resolution #3

WHEREAS, pursuant to Connecticut General Statute Section 16a-40g (the "Statute"), the Connecticut Green Bank (the "Green Bank") has established a commercial sustainable energy program for Connecticut, known as Commercial Property Assessed Clean Energy ("C-PACE");

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

WHEREAS, the Green Bank seeks to provide a \$925,000 construction and term loan under the C-PACE program to 12 Commercial Street Realty LLC, the building owner of 12 Commercial Street, Branford, CT 06405 (the "Loan"), to finance the construction of specified clean energy measures in line with the State's Comprehensive Energy Strategy and the Green Bank's Strategic Plan as more particularly described in the memorandum submitted to the Green Bank Board of Directors dated December 6, 2024 (the "Memo").

NOW, therefore be it:

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

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

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

Upon a motion made by Joanna Wozniak-Brown and seconded by Adrienne Farrar Houël, the Board of Directors voted to approve Resolution 3. None opposed or abstained. Motion approved unanimously.

c. C-PACE Transaction – New Britain

- Alysse Lembo-Buzzelli summarized the project which is a 94.08 rooftop solar system and 171.50 kW ground mount, plus a new roof. Louise Della Pesca summarized the financial metrics which includes a Loan-to-Value of [REDACTED], a Lien-to-Value of [REDACTED]%, a DSCR of [REDACTED]x,

Subject to Changes and Deletions

and an SIR of [REDACTED]. She did note the Loan-to-Value and Lien-to-Value ratios were a bit higher than the standard and that the reason it should still be considered is the existence of a long term revenue contract with an investment grade counterparty, which refers to the tariff in place.

Alysse Lembo-Buzzelli reviewed the energy metrics and cash flows.

- Brenda Watson asked for clarification about the interest rate and Alysse Lembo-Buzzelli responded it is 5.75 which is the standard interest rate for a 20-year term project over \$500,000.
- John Harrity asked if the increase in energy costs is taken into consideration when calculating the amount saved over time. Alysse Lembo-Buzzelli responded yes, an average annual escalator is used in the calculation. It is currently 2.99%, which is a 30-year average. John Harrity responded he believes the energy will go up more than the current average and that it is a really great deal, given that fact. Mackey Dykes agreed and stated the team tries to be conservative in the underwriting.

Resolution #4

WHEREAS, pursuant to Connecticut General Statute Section 16a-40g (the "Statute"), the Connecticut Green Bank (the "Green Bank") has established a commercial sustainable energy program for Connecticut, known as Commercial Property Assessed Clean Energy ("C-PACE");

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

WHEREAS, the Green Bank seeks to provide a \$775,464 construction and term loan under the C-PACE program to Four Hundred and Ten John Downey Associates, LLC, the building owner of 410 John Downey Drive, New Britain, CT 06051 (the "Loan"), to finance the construction of specified clean energy measures in line with the State's Comprehensive Energy Strategy and the Green Bank's Strategic Plan as more particularly described in the memorandum submitted to the Green Bank Board of Directors dated December 6, 2024 (the "Memo").

NOW, therefore be it:

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

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

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

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

unanimously.

d. C-PACE Transaction – Enfield

- Alysse Lembo-Buzzelli summarized the project which is a 225.58 kW DC system on a carport and noted the higher loan amount to accommodate for the need to build structures to support the system since it is going on a carport. Larry Campana noted the operating company provides the landscaping equipment for the Boston Red Sox and US Open and that it is very healthy. Larry Campana summarized the financial metrics which includes a Loan-to-Value of [REDACTED], a Lien-to-Value of [REDACTED], a DSCR of [REDACTED], and an SIR of [REDACTED].
- Alysse Lembo-Buzzelli reviewed the cash flows and noted that due to the higher financial needs for the additional components, the loan could not be fully covered and instead about 88% is what is being covered in order to still meet a positive SIR calculation. Several amortization schedules were presented to the owners, including an option which would allow for a 100% financial coverage, and they ultimately opted for the standard 20-year option.
 - John Harry asked in the chat if the car port is an electric vehicle charging station. Alysse Lembo-Buzzelli responded that it is not, and she isn't sure if that is something they are considering due to a pause in the incentives at the time, but it may be something they reconsider later.
 - Joseph DeNicola asked if the structure for the car port qualifies for the ITC. Alysse Lembo-Buzzelli responded that the structure would qualify, and she believes the electrical components would be as well. Mackey Dykes added he isn't completely sure but generally associated costs do qualify.

Resolution #5

WHEREAS, pursuant to Connecticut General Statute Section 16a-40g (the "Statute"), the Connecticut Green Bank (the "Green Bank") has established a commercial sustainable energy program for Connecticut, known as Commercial Property Assessed Clean Energy ("C-PACE");

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

WHEREAS, the Green Bank seeks to provide a \$1,274,629 (14 years) or \$1,089,919 (20 years with owner equity paydown) construction and term loan under the C-PACE program to Moody 157 LLC, the building owner of 157 Moody Road, Enfield, CT 06083 (the "Loan"), to finance the construction of specified clean energy measures in line with the State's Comprehensive Energy Strategy and the Green Bank's Strategic Plan as more particularly described in the memorandum submitted to the Green Bank Board of Directors dated December 10, 2024.

NOW, therefore be it:

RESOLVED, that the President of the Green Bank and any other duly authorized officer of the Green Bank is authorized to execute and deliver the Loan in an amount not to be greater than one hundred ten percent of the Loan amount with terms and conditions consistent with the Memo of December 10, 2024, and as he or she shall deem to be in the interests of the Green Bank and the ratepayers no later than 120 days from the date of authorization by this resolution;

Subject to Changes and Deletions

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

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

Upon a motion made by Joseph DeNicola and seconded by Joanna Wozniak-Brown, the Board of Directors voted to approve Resolution 5. None opposed or abstained. Motion approved unanimously.

- Mackey Dykes noted that the two projects in the Consent Agenda are both for prominent organizations within Connecticut, Brignole Vineyards and the New Britain Museum of Art.
 - John Harry expressed his praise for the New Britain Museum of Art and asked if there could be signage to show the Green Bank's involvement in helping them preserve their collection. Alysse Lembo-Buzzelli agreed that's a good idea and to work with the Marketing Team to get some more attention to it.

5. Investment Programs Updates and Recommendations **a. DownEast – Transaction Modification**

- Larry Campana summarized the original authorization and presented modification to change it to lend to a special purpose vehicle owned by the family office, rather than the family office itself. The project pipeline changes means that the funding request can also be reduced from \$10million to \$6million and the structure is more aligned with what the Green Bank typically does. The team does believe that \$10million will be needed in the future, but at this time the projects that are likely to be completed within the year only require \$6million. He reviewed the revised transaction structure.
- Bert Hunter added that it is an opportunity zone that the sponsor is taking advantage of, and this marks the first transaction where a sponsor has been able to use it within the structure despite having been in existence for about four years.
 - John Harry asked why the program has had such low uptake and Bert Hunter responded it is a complex structure and typically it is more applicable to other types of projects.

Joseph DeNicola left the meeting at 9:41 am.

Resolution #6

WHEREAS, the Connecticut Green Bank ("Green Bank") Board of Directors ("Board") passed resolutions at its December 2023 meeting to execute and deliver a \$10 million term debt facility (the "Term Debt Facility"), and any associated legal instrument, with terms and conditions materially consistent with the Board memorandum dated December 8, 2023 (the "Original Board Memorandum") for MVCP, LLC;

WHEREAS, in the period since December 2023, Green Bank staff has been advised to modify the structure of the Term Debt Facility transaction, which would mean lending to special

Subject to Changes and Deletions

purpose vehicle(s) ("SPV or SPVs") DownEast Renewable Energy, LLC and DownEast OZ, LLC, that are directly owned by MVCP, LLC, (the borrower as contemplated in the Original Board Memorandum); and

WHEREAS, the pipeline of commercial-scale solar photovoltaic projects (the "Projects") of MVCP, LLC within CT has decreased such that a lower commitment size is sufficient for the Term Debt Facility.

NOW, therefore be it:

RESOLVED, that the President of Green Bank; and any other duly authorized officer of Green Bank, is authorized to execute and deliver the Term Debt Facility in an amount not to exceed \$6,000,000 in aggregate, and any associated legal instrument, with terms and conditions as are materially consistent with this Board Memorandum dated December 6, 2024 (the "Updated Board Memo") including a change from MVCP, LLC as Borrower to Guarantor under the modified structure together with DownEast Renewable Energy, LLC and DownEast OZ, LLC as borrowers, and

RESOLVED, that the President of the Green Bank and any other duly authorized officer is authorized to take appropriate actions to participate in the Credit Facilities in an amount not to exceed \$6,000,000 in with terms and conditions consistent with the and the Board Update Memo, and as he or she shall deem to be in the interests of the Green Bank and the ratepayers no later than 180 days from the date of authorization by the Board; and,

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

Upon a motion made by Brenda Watson and seconded by Allison Pincus, the Board of Directors voted to approve Resolution 6. None opposed or abstained. Motion approved unanimously.

b. Raise Green to Honeycomb Modification

- David Beech summarized the changes to the Green Liberty Notes program due to Raise Green being acquired by Honeycomb Credit. Overall, the changes should result in more investment opportunities for people and greater outreach, combined with a smoother process on the technical end due to their in-house team, whereas Raise Green outsourced much of their technical needs. There will be an investor migration period facilitated by Honeycomb Credit completed over the next two weeks, and much of the Green Liberty Notes program will remain the same or become better than it was before. The main difference that could hinder current investors is that Honeycomb Credit does not currently accept checks as a form of payment, however the percentage of investors who use checks is very small and the Green Bank team is working to develop a plan with Honeycomb to allow for that option.
 - John Harry asked about their marketing plan for the Green Liberty Notes. David Beech responded that the Green Bank's marketing will remain the same and Honeycomb will utilize their own investor lists and through social media. Eric Shrago added that it is a larger platform that should reach more people.

Resolution #7

Subject to Changes and Deletions

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 six 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, at the June 2024 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 \$4,105,000 under the SEC's Regulation Crowdfunding regulations;

WHEREAS, subsequently, the Green Bank launched and closed an additional Crowdfunding issuance 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;

WHEREAS, Raise Green, the crowdfunding platform used by the Green Bank to issue Green Liberty Notes, has been acquired by another crowdfunding platform: Honeycomb Credit;

WHEREAS, Honeycomb Credit has submitted a proposal to the Green Bank's Capital Solutions Open RFP program outlining how the Green Liberty Notes program could transition to their platform; and,

WHEREAS, staff wishes to maintain the successes of the program, which include nine 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 enter into an agreement (the "Issuer Agreement") with Raise Green, Inc. and its successor Honeycomb Credit, 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;

Subject to Changes and Deletions

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 Form C package with Honeycomb and any other documents required under the SEC's Regulation Crowdfunding, including an Offering Statement, a Note Purchase Agreement, 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.

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

c. Cargill Falls – Transaction Update

- Marianna Trief gave an update to the Cargill Falls project after the restructuring due to a change in the property management and need for lead remediation. The building has the new property manager under the Connecticut Housing Partners, the lead remediation is complete, and since then the property is now at 82% occupancy with full leasing expected in early 2025. During the remediation occupancy was at about 50%, so the increase is great to see. The hydroelectric plant is doing well and producing as expected. She noted stabilization due to the loan restructuring is underway but a multi-year financial projection has not been finalized due to some pending cost estimates. A finalized proposal is expected to be presented to the Board at the next meeting.

- Lonnie Reed noted that the uptake in occupancy is remarkable, and the project itself is a testament to the Green Bank's persistence to see projects through and be successful. Bert Hunter added that it demonstrates how well the Green Bank works well with other agencies, particularly the Department of Housing, to get it done right.

6. Executive Session – Personnel Related Matters, Trade Secrets, and Commercial Information Given in Confidence

Upon a motion made by Brenda Watson and seconded by Allison Pincus, the Board of Directors voted to move into Executive Session at 10:02 am. None opposed or abstained.

Subject to Changes and Deletions

Motion approved unanimously.

Tim Flynn left the meeting at 10:30 am.

Upon a motion made by Joanna Wozniak-Brown and seconded by Adrienne Farrar-Houël, the Board of Directors voted to return from Executive Session at 11:17 am. None opposed or abstained. Motion approved unanimously.

Resolution #8

WHEREAS, Section 3.1 of the Connecticut Green Bank (Green Bank) Bylaws provides that the Board of Directors (Board) shall be responsible for determining or approving compensation for the officers;

WHEREAS, on June 21, 2024, the Board approved a 5.0% merit pool in its FY 2025 budget for annual merit adjustments that can range from 0.0% to 8.0%;

WHEREAS, the Green Bank has completed its annual performance review process based on the Board approved annual goals and 360-degree performance reviews from the staff; and,

WHEREAS, the President and C.E.O. of the Green Bank recommends a 5.0% merit increase for the Officers other than himself and authorizing the Chair to determine the President and C.E.O.

NOW, therefore be it:

RESOLVED, that all Officers other than the President and C.E.O. shall receive a 5.0% merit increase for Fiscal Year 2024;

RESOLVED, that the Board authorizes the Chair of the Green Bank to determine the merit compensation adjustment for the President and C.E.O. for FY24 based on the (i) feedback of the Board members, (ii) performance towards meeting the Organizational and Team Goals for FY24 and (iii) his Individual Goals for FY24; and,

RESOLVED, that the Board authorizes the promotion of Mackey Dykes from Vice President of Financing Programs and Officer to Executive Vice President of Financing Programs and Officer through the approval of the position description provided and a 3% promotion increase beginning January 10, 2025.

Upon a motion made by Kimberly Mooers and seconded by Brenda Watson, the Board of Directors voted to approve Resolution 8. None opposed or abstained. Motion approved unanimously.

Resolution #9

WHEREAS, within the Inflation Reduction Act of 2022 ("IRA") there is a \$27 billion Greenhouse Gas Reduction Fund ("GGRF") inclusive of a \$7 billion Solar for All ("SFA") award;

Subject to Changes and Deletions

WHEREAS, the Department of Energy and Environment (“DEEP”), in coordination with the Green Bank, the Public Utilities Regulatory Authority, the Connecticut Housing and Finance Authority, the Department of Housing, and the Department of Economic and Community Development (together, “the Connecticut Consortium”), applied for a grant through the GGRF SFA on October 12, 2023 in the amount of \$100 million, with the Green Bank as a subrecipient;

WHEREAS, on July 9, 2024, the U.S. Environmental Protection Agency (“EPA”) issued a Notice of Award to DEEP for \$62.5 million for Project SunBridge; and,

WHEREAS, on October 17, 2024, DEEP, in collaboration with the Green Bank and the rest of the Connecticut Consortium, submitted a revised workplan and budget based on the \$62.5 million SFA award for EPA approval;

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 DEEP as a subrecipient to DEEP’s winning GGRF SFA award as outlined in this memo dated December 6, 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 DEEP as a subrecipient to the winning GGRF SFA award, Project SunBridge; 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 affect the above-mentioned legal instruments.

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

Resolution #10

WHEREAS, the Green Bank has received a \$40.8M subgrant from the Coalition for Green Capital as part of their National Clean Investment Fund (“NCIF”) award and whereby investing in distributed energy resources (i.e., solar + storage) and ‘zero-emission transportation’ in low-income and disadvantaged communities are among the priority areas of funding;

WHEREAS, Connecticut Public Act 21-48 enables the investment in and deployment of zero emission renewable energy resources (e.g., solar) in multifamily affordable housing through the Residential Renewable Energy Solutions Program, which the Green Bank has issued a Request for Proposals (“AMFH RFP”) on December 2, 2024; and,

WHEREAS, Connecticut Public Act 22-55 directs school districts including at least one “environmental justice community” shall have zero-emissions buses by January 1, 2030, which; and, the Green Bank has issued a Request for Proposals for Electric School Bus Deployment (“ESB RFP”) on December 6, 2024.

NOW, therefore be it:

Subject to Changes and Deletions

RESOLVED, that the Green Bank is authorized to enter into agreement(s) with successful applicants identified through the AMFH RFP and the ESB RFP to obligate NCIF capital in support of investment in deployment of solar + storage in multifamily affordable housing properties and electric school buses, including associated upgrades consistent with this memorandum to the Board dated December 11, 2024. Such authorization is contingent upon staff presenting the proposed agreement(s) to the Chair and Vice-Chair of the Green Bank Board of Directors for final approval;

RESOLVED, that the Green Bank staff is directed to convene a Special Meeting of the Green Bank Board of Directors in January 2025 to present the agreement(s) for approval, should there be any material changes to the approach outlined in the memorandum to the Board dated December 11, 2025; 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 Kimberly Mooers and seconded by Adrienne Farrar Houël, the Board of Directors voted to approve Resolution 10 as amended. None opposed or abstained. Motion approved unanimously.

- John Harrity announced that the Connecticut Roundtable on Climate and Jobs has been chosen as an anchor organization for a regional Environmental Justice fund at the federal level for about \$60million, that will be choosing grant applicants to draw on the fund.

7. Adjourn

Upon a motion made by John Harrity and seconded by Brenda Watson, the Board of Directors meeting adjourned at 11:21 am.

Respectfully submitted,

Lonnie Reed, Chairperson



Memo

To: Connecticut Green Bank Board of Directors
From: Eric Shrago (Vice President, Operations) and Joe Buonannata (Associate Director, Operations)
Date: January 17, 2025
Re: Proposed Updates to Employee Handbook

As part of our ongoing governance review efforts, the Connecticut Green Bank ("Green Bank") staff regularly review and revise our Employee Handbook to reflect updated policies and circumstances. The most recent changes to the Employee Handbook were approved by the Board of Directors ("Board") in October 2024.

Staff noticed following the October 2024 meetings of the Budget, Operations, and Compensation Committee and Board that a draft version of the Employee Handbook was submitted for approval that included the intended proposed changes (i.e., updates to the organization's telecommuting policy and a new paid parental leave policy), as well as draft changes to the Green Bank's vacation and bereavement leave policies that were not intended to be proposed for Committee or Board approval.

Green Bank staff do not seek to propose any changes to the organization's vacation or bereavement policies and ask for the Board's approval of a revised version of the Employee Handbook that rejects the draft edits and restores the previous vacation and bereavement policies as written prior to October 2024.

Resolutions

WHEREAS, Budget, Operations, & Compensation Committee recommend the above noted revisions to the Green Bank Employee Handbook.

NOW, therefore be it:

RESOLVED, that the Board of Directors hereby approves of the revisions to the Green Bank Employee Handbook presented on January 24, 2025.

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: January 17, 2025

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, no projects were evaluated and approved for funding for Financing Programs and 1 project was evaluated and approved for funding in an aggregate amount of approximately \$350,714 for ESS.

If members of the BOD 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.

Energy Storage Solution Program Upfront Incentive Application

Project Description	Installation of a 1.93 MW / 3.85 MWh battery storage system to reduce electric bills and provide backup power to the facility during power outages.
----------------------------	---

Customer / Site information

Customer Name	Macy's Distribution Center
Address	301 Governor's Highway, South Windsor CT
Business Purpose	Retail distribution hub
Incentive Application No.	ESS-01077
Incentive Application Date	6/14/2024 (during C&I incentive pause)
Customer Peak Demand (kW)	853 kW
Customer Class (S / M / L)	Large
Project Developer / Installer	Scale Microgrid Solutions LLC

Program Eligibility

Critical Facility	No
Small Business	No
Onsite Fossil Fuel Generator	No
Grid Edge Customer	No

Battery Energy Storage System (BESS) Characteristics

System Configuration	Paired with existing PV
Expected Program Participation	Passive + Active Dispatch
BESS Make / Model	(1) Tesla Megapack 2 XL
BESS Power Rating (kW)	1,927 kW
BESS Energy Capacity (kWh)	3,854 kWh
BESS Technology Approval Status	Approved
Power Rating to Peak Demand Ratio	2.26
Interconnection Application Filed	Yes
Interconnection Study Required	Yes (12/17/2024)
Estimated Project Cost	\$3,159,783.00

Benefit / Cost Ratios

RIM – Ratepayer Impact Measure	2.10
PCT – Participant Cost Test	0.94
PACT – Program Administrator Cost Test	2.50
SCT – Societal Cost Test	1.24
TRC – Total Resource Cost Test	1.24
CTET – Connecticut Efficiency Test	2.49

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	\$350,714.00



Memo

To: Connecticut Green Bank Board of Directors

From: Eric Shrago (VP of Operations)

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

Date: January 17, 2025

Re: Fiscal Year 2025 Progress to Targets and Activity in Vulnerable Communities through Q2

The following memo outlines Connecticut Green Bank (CGB) progress to targets and capital deployed, including investments in vulnerable communities¹ for Fiscal Year (FY) 2025 as of December 31, 2024.

Organization

The following is progress to targets for the organization, including Financing and Incentive Programs, as well as Investments – see Tables 1 and 2.

Table 1. CGB Totals Progress to Targets

Actual	Target	% of Target	Actual	Target	% of Target	Actual	Target	% of Target
879	2,402	36.6%	\$51,531,609	\$172,691,715	29.8%	4.9	23.9	20.4%

Table 2. CGB Totals Vulnerable Communities (excluding SBEA)

Vulnerable Community (excluding SBEA)												
Vintage Vulnerable Community	Not Vulnerable				Vulnerable				Total			
YearFiscal	Capital Deployed	% of Total Capital Deployed	# Projects	% of Total Projects	Capital Deployed	% of Total Capital Deployed	# Projects	% of Total Projects	Capital Deployed	% of Total Capital Deployed	# Projects	% of Total Projects
2025	\$23,623,261	48.72%	489	66.53%	\$24,866,025	51.28%	246	33.47%	\$48,489,286	100.00%	735	100.00%

¹ CGB Performance Metrics Power BI data source as of 1/15/2025: <https://app.powerbi.com/groups/289235dd-d77d-4043-8dae-d232a51a116a/reports/dcec3754-1e52-4c0c-b579-cfa7df20379c/ReportSection3a1e4346c50856c3c008>

Financing Programs

The following is progress to targets for the Financing Programs – see Tables 3 and 4.

Table 3. Financing Programs Progress to Targets

Progress to Targets

ProgramSegment	Project Counter Actual	Project Counter Target	% of Target	Capital Deployed Actual	Capital Deployed Target	% of Target	MW Actual	MW Target	% of Target
Financing	151	563	26.8%	\$33,015,000	\$71,399,520	46.2%	0.7	7.5	9.5%

Progress to Targets

Program2	Project Counter Actual	Project Counter Target	% of Target	Capital Deployed Actual	Capital Deployed Target	% of Target	MW Actual	MW Target	% of Target
Commercial Lease		14			\$9,242,000				0.0
CPACE	7	23	30.4%	\$29,972,677	\$32,200,000	93.1%	0.7	0.0	0.0
MAP Multifamily		6			\$4,800,000				1.6
MAP Municipal		1			\$1,857,520				0.9
MAP State		1			\$10,700,000				5.0
SBEA	144	518	27.8%	\$3,042,323	\$12,600,000	24.1%	0.0	0.0	0.0

Table 4. Financing Programs Vulnerable Communities (excluding SBEA)

Vulnerable Community (excluding SBEA)

Vintage Vulnerable Community	Not Vulnerable				Vulnerable				Total			
ProgramSegment	Capital Deployed	% of Total	# Projects	% of Total	Capital Deployed	% of Total	# Projects	% of Total	Capital Deployed	% of Total	# Projects	% of Total
Financing	\$10,578,428	35.29%	3	42.86%	\$19,394,249	64.71%	4	57.14%	\$29,972,677	100.00%	7	100.00%

Vulnerable Community (excluding SBEA)

Vintage Vulnerable Community	Not Vulnerable				Vulnerable				Total			
ProgramName	Capital Deployed	% of Total	# Projects	% of Total	Capital Deployed	% of Total	# Projects	% of Total	Capital Deployed	% of Total	# Projects	% of Total
CPACE	\$10,578,428	35.29%	3	42.86%	\$19,394,249	64.71%	4	57.14%	\$29,972,677	100.00%	7	100.00%

Incentive Programs

The following is progress to targets for the Incentive Programs – see Tables 5 through 7.

Table 5. Incentive Programs Progress to Targets

Progress to Targets

ProgramSegment	Project Counter Actual	Project Counter Target	% of Target	Capital Deployed Actual	Capital Deployed Target	% of Target	MW Actual	MW Target	% of Target
Incentive	728	1,830	39.8%	\$18,516,609	\$55,312,195	33.5%	4.2	16.4	25.3%

Progress to Targets

Program2	Project Counter Actual	Project Counter Target	% of Target	Capital Deployed Actual	Capital Deployed Target	% of Target	MW Actual	MW Target	% of Target
Energy Storage Solutions - Commercial		5			\$12,500,000			10.0	
Energy Storage Solutions - Residential	247	500	49.4%	\$6,182,670	\$16,000,000	38.6%	2.7	4.3	63.8%
Smart-E	481	1,345	35.8%	\$12,333,939	\$26,912,195	45.8%	1.4	2.1	66.7%

Table 6. Incentive Programs Vulnerable Communities

Vulnerable Community

Vintage Vulnerable Community	Not Vulnerable				Vulnerable				Total			
ProgramSegment	Capital Deployed	% of Total	# Projects	% of Total	Capital Deployed	% of Total	# Projects	% of Total	Capital Deployed	% of Total	# Projects	% of Total
Incentive	\$13,044,832	70.45%	486	66.76%	\$5,471,777	29.55%	242	33.24%	\$18,516,609	100.00%	728	100.00%

Vulnerable Community

Vintage Vulnerable Community	Not Vulnerable				Vulnerable				Total			
ProgramName	Capital Deployed	% of Total	# Projects	% of Total	Capital Deployed	% of Total	# Projects	% of Total	Capital Deployed	% of Total	# Projects	% of Total
Energy Storage Solutions - Residential	\$3,110,389	50.31%	125	50.61%	\$3,072,281	49.69%	122	49.39%	\$6,182,670	100.00%	247	100.00%
Smart-E	\$9,934,443	80.55%	361	75.05%	\$2,399,496	19.45%	120	24.95%	\$12,333,939	100.00%	481	100.00%

Table 7. Current Reporting Periods for Smart-E Lenders

lender_name	Latest file_date
Capital For Change	12/31/2024
CorePlus Federal Credit Union	12/31/2024
Eastern Connecticut Savings Bank	12/31/2024
First National Bank of Suffield	12/31/2024
Ion Bank	12/31/2024
Liberty Bank	12/31/2023
Mutual Security Credit Union	12/31/2024
Nutmeg State Financial Credit Union	12/31/2024
Patriot Bank	12/31/2024
Thomaston Savings Bank	12/31/2024
Union Savings Bank	12/31/2024
Workers Federal Credit Union	12/31/2024

Environmental Infrastructure Programs

The following is progress to targets for the Incentive Programs – see Tables 8 and 9.

Table 8. Environmental Infrastructure Programs Progress to Targets

Progress to Targets

ProgramSegment	Project Counter Actual	Project Counter Target	% of Target	Capital Deployed Actual	Capital Deployed Target	% of Target	MW Actual	MW Target	% of Target
Incentive	20	21	95.2%	\$685,835	\$2,100,000	32.7%	0.1	0.0	

Table 9. Environmental Infrastructure Programs Vulnerable Communities

Vulnerable Community

Vintage Vulnerable Community	Not Vulnerable				Vulnerable				Total			
ProgramSegment	Capital Deployed	% of Total	# Projects	% of Total	Capital Deployed	% of Total	# Projects	% of Total	Capital Deployed	% of Total	# Projects	% of Total
Incentive	\$500,600	72.99%	14	70.00%	\$185,235	27.01%	6	30.00%	\$685,835	100.00%	20	100.00%

Investments

The following is progress to targets for Investments – see Tables 10 and 11.

Table 10. Investment Programs Progress to Targets

Progress to Targets

Program2	Project Counter Actual	Project Counter Target	% of Target	Capital Deployed Actual	Capital Deployed Target	% of Target	MW Actual	MW Target	% of Target
Strategic		9		\$45,980,000				0.0	

Table 11. Investment Programs Vulnerable Communities

Vulnerable Community

Vintage Vulnerable Community	Total			
ProgramSegment	Capital Deployed	% of Total	# Projects	% of Total

Vulnerable Community

Vintage Vulnerable Community	Total			
ProgramName	Capital Deployed	% of Total	# Projects	% of Total



Resilient Partnerships for a More Sustainable Future

2024 ANNUAL REPORT



Bryan Garcia
President and CEO
Connecticut Green Bank

Envisioning a More Sustainable Future through Resilient Partnerships

MESSAGE FROM THE PRESIDENT & CHIEF EXECUTIVE OFFICER

communities in our state. We have forged strong relationships with other lending institutions, contractors, advocates, and community and labor organizations as a reliable, dependable leader in this space. To date, our presence has helped more than 71,000 families and businesses reduce their energy costs.

The Green Bank is proud to be a leading catalyst driving the green economy. Since our establishment, we have helped contribute an estimated \$148 million in state tax revenues to Connecticut's budget and have supported the creation of more than 29,000 job-years. The green economy continues to grow the overall economy, accounting for over 44,000 jobs and more than \$7.6 billion in contributions to the state's Gross Regional Product (GRP) in 2022.

Through our stable presence in Connecticut's green economy, each public dollar the Green Bank invests has attracted multiples of private capital. In FY24, this leverage ratio was \$8.60 for every \$1.00. In total, more than \$2.47 billion in private revenue has been invested through these efforts. We are currently enabling more investment in the green economy of our state than ever before.

Our green bank model has been replicated nationwide as we serve as an example of how to create programs that drive the creation of high paying jobs, spurring economic development opportunities, and reducing greenhouse gas emissions while providing equity to clean energy and energy conservation measures. Our model served as the inspiration for the \$27 billion Greenhouse Gas Reduction Fund (GGRF) included within the Inflation Reduction Act passed by Congress and signed into law in 2022.

Some highlights from this past year include:

- Reducing the energy burden on low- and-moderate-income families through a \$6.5 million term loan facility for shared clean energy facility fuel cell projects in Derby. (see page 13)
- Providing energy security and resiliency through a microgrid for our military through partnerships that brought a fuel cell to the U.S. Navy's submarine base in Groton. (see page 13)
- Expanding our flagship residential (Smart-E Loan) and commercial (C-PACE) financing programs to address environmental infrastructure improvements. (see pages 8 and 10)

- Enabling homeowners to accomplish projects that reduce energy costs and improve comfort through our growing network of contractor partners. (see page 10)
- Helping commercial building owners make energy improvements that reduce their operating costs, freeing up much needed capital and allowing them to focus on their core business. (see page 8)
- Creating investment opportunities for everyday citizens through our Green Liberty Notes. (see page 12)
- Growing the Energy Storage Solutions program to help residential and commercial adoption of this new technology. (see page 14)
- Utilizing our Solar Marketplace Assistance Program (Solar MAP) to successfully guide municipal and school leaders through the solar process. (see page 16)
- Expanding Solar MAP to serve affordable multifamily housing properties so providers can access renewable energy and achieve cost savings. (see page 16)
- Working with the Trust for Public Land and Blue Hills Civic Association to release the Hartford Parkscore report, an assessment of the city's parks. (see page 17)
- Recognizing our community partners, contractors, and outstanding project owners for their commitment to the green economy. (see page 5)

As we approach \$3 billion in total investment mobilized by the efforts of the Green Bank, we strive to foster new partnerships, grow our existing ones, and build upon our successes, especially to reach vulnerable communities and continue to achieve our state's energy and resilience goals.

Together, we can create a sustainable, resilient future that leaves no one behind.



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Ned Lamont
Connecticut Governor

A letter from the Governor

Looking back at 2024, it is difficult to ignore the impact of a changing climate on Connecticut. We saw record extreme heat, damaging floods across the state, and a historic drought—all a reminder that we are not immune to the more intense and frequent weather events that can devastate communities. At the same time, our state continues to grapple with high energy costs that impact families, businesses, and organizations of all sizes.

As we enter 2025, I remain encouraged by and committed to Connecticut’s clean energy economy as a critical driver in creating a more sustainable, resilient future for our state and alleviating the energy burden for our residents and businesses. On the front lines in this effort is the Connecticut Green Bank, which was established by bipartisan legislation nearly 14 years ago and has since invested close to \$3 billion to make our state cleaner, more affordable, and more resilient through renewable energy, energy efficiency, and environmental infrastructure projects.

This past fall, we held Connecticut’s first-ever Sustainability & Resiliency Week with several state agencies, UConn/CIRCA, and partners like the Green Bank and the Connecticut Conference of Municipalities. Climate adaptation and resiliency were front and center during the week of events, and it was great to see the Green Bank expand the scope of two important financing programs—the residential Smart-E Loan and the commercial C-PACE—to include resilience improvements, which will better protect our residents and businesses. I look forward to watching the Green Bank work to advance more environmental infrastructure projects across the state in 2025 as it collaborates with the CT Department of Energy and Environmental Protection’s expanded Climate Resilience Fund program.

Last year, I was also proud to see the Small Business Energy Advantage program surpass \$100 million in loans for Connecticut small businesses since 2018. Through energy efficiency measures, the program delivers real energy and cost savings to the backbone of our state’s economy while supporting thousands of contractor jobs across our state. It’s exciting to see that the Green Bank recently supported the launch of GreenGain, a pilot program geared towards helping our smaller manufacturers enhance energy efficiency and sustainability while improving economic performance and competitiveness.

Additionally, I’ve been encouraged by both the popularity of the Energy Storage Solutions program among commercial customers and the Solar MAP program’s progress into affordable multifamily housing. Both programs are essential for accessing the important benefits of solar and storage while delivering cost savings to Connecticut residents and businesses.

The Green Bank has helped more than 63,000 families and 8,000 businesses and organizations reduce energy costs since 2011, and I look forward to working together in 2025 to keep these numbers growing.

board & officers

Board of Directors*

- Lonnie Reed, Board Chair**, Documentary Filmmaker & Former State Representative
- Robert Hotaling**, Deputy Director at DECD, as Ex Officio
- Hank Webster**, Deputy Commissioner at CT DEEP, as Ex Officio
- Kim Mooers**, Designee of the Office of the Treasurer
- Dr. Joanna Wozniak-Brown**, Climate & Infrastructure Policy Development Coordinator at OPM, as Ex Officio
- Adrienne Farrar Houël**, Founder, President & CEO of Greater Bridgeport Community Enterprises, Inc.
- Dominick Grant**, Director of Investment, Dirt Capital Partners
- John Harrity**, Former President, Connecticut State Council of Machinists
- Matthew Ranelli, Board Secretary**, Partner, Shipman & Goodwin, LLP
- Thomas M. Flynn**, Senior Director, Private Equity Services Operation Group, Alvarez & Marsal

Officers

- Bryan Garcia**, President & CEO
- Mackey Dykes**, Vice President of Financing Programs
- Brian Farnen**, General Counsel and Chief Legal Counsel
- Bert Hunter**, Executive Vice President & Chief Investment Officer

*As of 6-30-2024

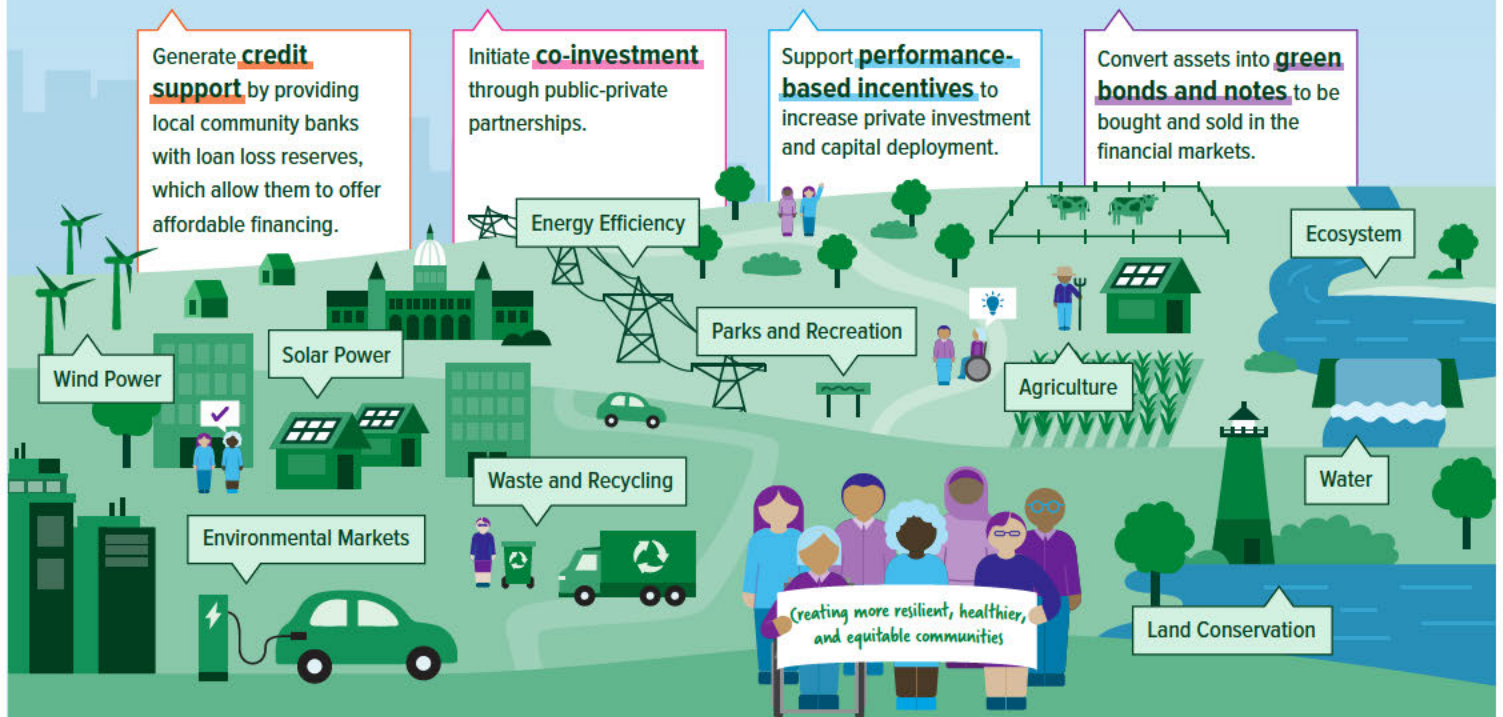
The Green Bank Model

A Planet Protected by the Love of Humanity

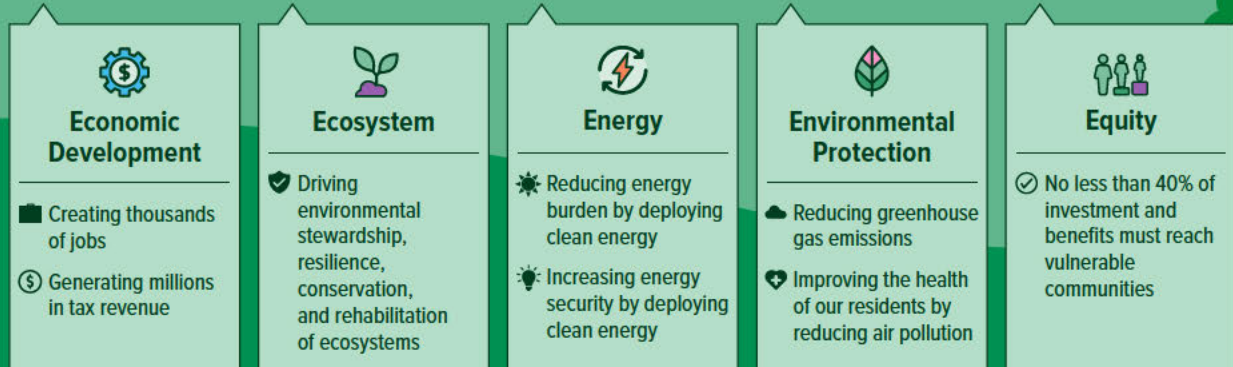
1 Attract Private Investment by Leveraging Public Funding



2 Apply Innovative Financial Tools to Deploy Investment Towards Our Mission



3 Deliver Benefits to Connecticut's Families, Businesses, and Communities



annual awards presented

In recognition of their contributions to the deployment of clean energy and demonstrated leadership in their industries in 2023, the Green Bank recognized key partners among the dedicated network of contractors, developers, lenders, community leaders and property owners during our annual awards. There are too many to mention every awardee here; the items below are a few highlights. The full listing and photos can be found at ctgreenbank.com/about-us/news/2023-awards/

2023 Chair's and President's Awards

Given to Sustainable CT and its funding partners (Common Sense Fund, Hampshire Foundation, Emily Hall Tremaine Foundation) and Lynn Stoddard, the first Executive Director of Sustainable CT. In their first six years, Sustainable CT has inspired more than \$3.8 million in community-led sustainability projects through their Community Match Fund and celebrated the certification of more than 70 towns while supporting the efforts of 131 municipalities. Pictured, from left to right, is Green Bank Board Chair Lonnie Reed, Lynn Stoddard, and Green Bank President and CEO Bryan Garcia.



2023 Accelerating PACE

- AEC Solar (West Haven)
- Facility Solutions Group (Oxford)
- Environmental Systems Co. (ESC) (West Hartford)
- Smart Roofs Solar (Monroe)
- Jodi French of KPT Renewables



The team from **Earthlight Technologies**, based in Ellington, was recognized as a top performer in multiple programs (C-PACE, Smart-E Loan, and Energy Storage Solutions) and their work at Enko Chem was also highlighted as an outstanding project.

2023 Smart-E Loan Top Performers (in alphabetical order with their main office location):

HVAC

- Absolute Air Services LLC (Portland)
- Call The Bee (Burlington)
- Glasco Heating & Air Conditioning Inc. (South Windsor)
- Homestead Comfort (Ellington)
- Nutmeg Mechanical Services, Inc. (Manchester)
- Service Stars (Danbury)

Solar

- Aegis Solar Energy (Branford)
- Earthlight Technologies (Ellington)
- EcoSmart Home Services (East Berlin)
- Green Power Energy (Durham)
- Premier Improvements LLC (West Hartford)
- RWE Clean Energy (Danbury)
- SAVKAT Inc. (Bristol)

Health and safety

- BioClean, LLC (Milford)

Home performance

- Action Windows and Siding (West Hartford)
- Energy Saver (Seymour)

Accelerating Smart-E Loan

- Benvenuti Oil Company (Waterford)
- East Coast Mechanical, Inc. (Cheshire)
- HARP Home Services (Windsor)
- Link Mechanical Services Inc. (New Britain)
- Onofreo Home Comfort Systems LLC (Milford)
- Total Mechanical Systems (Plainville)



Investment Solutions Awards – 2023 Outstanding Partners

PosiGen and M&T Bank. The Green Bank is committed to reducing the energy burden for underserved communities. PosiGen – a residential developer of solar PV systems, energy efficiency, and battery storage, particularly for low-to-moderate income households – and M&T Bank have been instrumental partners in these efforts. Together, we have offered affordable and predictable energy prices to more than 4,000 homeowners in Connecticut.

Other Investment Solutions Award recipients were **CorePlus Credit Union** and **Nutmeg State Financial Credit Union** for their leadership on the Smart-E Loan program, and **Raise Green** for its partnership on Green Liberty Notes.

Energy Storage Solutions Top Performing Contractors 2023

Commercial

- RWE Clean Energy
- CPower

Residential

- Green Power Energy
- SAVKAT®

highlights & milestones



In FY 2024, the thirteenth year of operation, the Green Bank experienced one of our best years in terms of financial and non-financial performance, despite external pressures from high inflation and rising interest rates.

Overall performance — The Green Bank significantly surpassed our targets for closed projects, capital deployed, and clean energy capacity installed. Green Bank investment of \$51 million attracted \$393 million in private investment; both of these totals are among the highest in the Green Bank's history. Investment in vulnerable communities continues to grow and is currently surpassing our 40 percent target goal.

Expanding flagship lending programs — The Green Bank has successfully expanded our existing programs to include environmental infrastructure offerings through C-PACE's inclusion of resilience for commercial end-use customers, and the Smart-E Loan's inclusion of resilience and water measures for homeowners. This expansion is a result of Governor Lamont's policy (i.e., Public Act 21-115) that broadened our mission to encompass a wider array of initiatives, such as climate adaptation and resilience, agriculture, land conservation, parks and recreation, and waste and recycling.

Growing the benefits of fuel cells — The Green Bank, working with lending partners, helped enable Fuel Cell Energy to complete projects at the U.S. Naval Base at Groton and in Derby which supports local manufacturing jobs bolstering Connecticut's "Make It Here" campaign, reduces greenhouse gas emissions supporting our public policy objectives, reduces energy burden for low-income families, and reinforces Connecticut's renewable energy goals through the deployment of in-state projects.

Charging up the battery market — The Energy Storage Solutions Program continues to grow. The residential market has seen a steady uptick in battery installations for homes all across Connecticut, including nearly 100 approved projects for low- and moderate- income customers. In the commercial and industrial market, demand remains high, meeting Program targets well ahead of schedule. In consideration of the imbalance between residential and commercial demand, in December 2024, 140 megawatts of capacity was reallocated from Residential to Commercial and Industrial capacity to help the Program meet its goals faster and at a lower overall cost.

C-PACE surpasses 400 completed projects — Commercial property owners continue to use C-PACE financing to make energy-efficiency and renewable projects a reality.

Supporting solar and energy-efficiency in vulnerable communities — Through partnerships and financing with PosiGen, more projects are being completed in communities facing the highest energy burdens.

Our mission is to confront climate change by increasing and accelerating investment into Connecticut's green economy to create more resilient, healthier, and equitable communities. Established in 2011 as a quasi-public agency, the Green Bank uses limited public dollars to attract private capital investment and offers green solutions that help people, businesses and all of Connecticut thrive. Guiding this mission is **our vision** for "...a planet protected by the love of humanity."



by the numbers

Since the Connecticut Green Bank's inception through the bipartisan legislation in July 2011, we have mobilized more than \$2.88 billion of investment into the State's green economy. To do this, we used \$409.4 million in Green Bank dollars to attract \$2.47 billion in private investment, a leverage ratio of \$7.00 for every \$1.00. The impact of our deployment of renewable energy and energy efficiency to families, businesses, and our communities is shown in terms of economic development, environmental protection, equity, and energy (data from FY 2012 through FY 2024*).

FY12
FY24

ECONOMIC DEVELOPMENT

JOBS The Green Bank has supported the creation of more than **29,248** direct, indirect, and induced job-years.



TAX REVENUES

The Green Bank's activities have helped generate an estimated **\$148.0** million in state tax revenues.



- \$56.4 million individual income tax
- \$58.0 million corporate taxes
- \$32.0 million sales taxes
- \$1.5 million property taxes

ENERGY

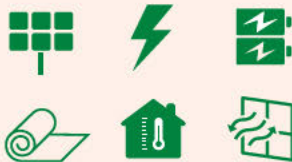
ENERGY BURDEN

The Green Bank has reduced the energy costs on families, businesses, and our communities.



DEPLOYMENT

The Green Bank has accelerated the growth of renewable energy to more than **707.2 MW** and lifetime savings of over **89.3 million MMBTUs** through energy efficiency projects.



ENVIRONMENTAL PROTECTION

POLLUTION The Green Bank has helped reduce air emissions that cause climate change and worsen public health, including **7.0** million pounds of SOx and **8.7** million pounds of NOx lifetime.



11.4 MILLION
tons of CO₂ :
EQUALS

172 MILLION
tree seedlings
grown for 10 years

OR

2.3 MILLION
passenger vehicles
driven for one year

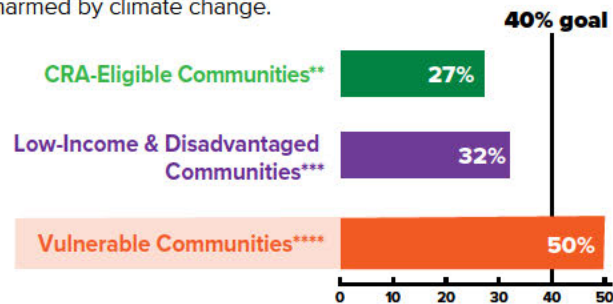
PUBLIC HEALTH The Green Bank has improved the lives of families, helping them avoid sick days, hospital visits, and even death.

\$218.9 – \$494.9 million of lifetime public health value created



EQUITY

INVESTING in vulnerable communities, The Green Bank has set **goals** to reach **40% investment** in communities that may be disproportionately harmed by climate change.



** Community Reinvestment Act (CRA) Eligible Communities – households at or below 80% of Area Median Income (AMI)
*** Low-Income and Disadvantaged Communities – those within federal Climate and Economic Justice Screening Tool and Environmental Justice Screening Tool
**** Vulnerable Communities – consistent with the definition of Public Act 20-05, including low- to moderate-income communities (i.e., less than 100% AMI), CRA-eligible communities, and environmental justice communities (e.g., including DECD distressed communities)

* Includes projects, deployment, and investments approved, but not yet interconnected under Energy Storage Solutions.

building solutions



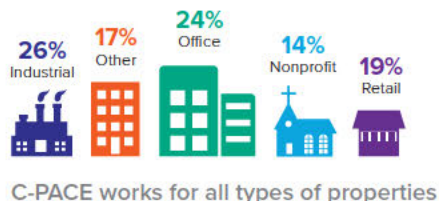
More modern, resilient buildings means more comfortable environments for workers and customers, and better bottom lines for building owners. As utility costs continue to grow and strain operating budgets, these improvements and updates are valuable than ever.

400 C-PACE projects and counting

- As the administrator of the state's Commercial Property Assessed Clean Energy (C-PACE) program, the Green Bank is proud of the energy cost savings that building owners achieve through the financing of property upgrades. With more than 400 completed projects since 2013, the lifetime cost savings to building owners is nearly \$420 million. Working with contractors and owners to make these projects happen helps keep Connecticut's green economy strong.
- These projects also have a great leverage ratio in which every Green Bank dollar attracts more than \$5 in private investment. The total investment in these projects is more than \$349 million. That means Green Bank investment of \$66.7 million brought in private investment of \$282.4 million. And more than half of these projects and the majority of C-PACE funds have been invested in vulnerable communities.
- The commercial sector is also benefiting from our solar power purchase agreement (PPA), which provides reduced energy costs for building owners. Since 2015, more than 215 solar projects have been completed and these systems are estimated to produce an annual savings of \$8.5 million for the customers.



113 contractors have completed at least one C-PACE project



g buildings to the impacts of climate change

, as part of the Green Bank's model expansion beyond green gy, the C-PACE program is now able to finance projects that address challenges caused by climate change that can have negative effects on buildings and properties. Reinforcing structures through resilient building practices can help businesses stay open and operational. Improvements related to flood management, storm events, wind, fire, sea level rise, and extreme heat can qualify. Also, projects that embrace nature-based solutions including natural infrastructure that promotes stormwater management, healthy vegetation, soils, and aquatic ecosystems that offer flood control and hazard risk reduction can be financed. Projects designed to FORTIFIED, a standard created by the Insurance Institute for Business & Home Safety (IBHS), can also access C-PACE financing.

customer stories

Meadow Ridge

The leadership at Redding Life Care and a group of resident champions took advantage of all the economic and environmental benefits of going solar at their senior care facility at Meadow Ridge in Redding. Working with Verogy, the project launched in the summer and was completed in December. At right, resident advocate Susan Auslander turns the ceremonial dirt at a groundbreaking for the solar project at Meadow Ridge as Chris Barstein, Executive Director of Meadow Ridge, and Bryan Garcia, President and CEO of the Green Bank, look on. Susan and her fellow residents wanted to leave a cleaner, green environment for future generations; her grandson was among those gathered at the ceremony.

Energy Upgrade: 732.48 kW solar photovoltaic system

Projected Energy Savings: \$3.5 million over the life of the upgrades



Sterling Engineering Corporation

- Sterling Engineering Corporation, located in Barkhamsted, is part of Air Industries Group and traces its roots to 1941 when it began producing parts for WW-II fighter aircraft, most notably the Chance Vought assembled in Bridgeport. The company now produces parts and assemblies for Pratt & Whitney, GE Aviation and GE Power jet turbines and Sikorsky helicopters. C-PACE financing was used for a solar PV system, installed by Verogy, and roof upgrade.

Energy Upgrade: 293.76 kW solar photovoltaic system & roof upgrade

Projected Energy Savings: \$1.6 million over 20 years



Photo courtesy of Verogy

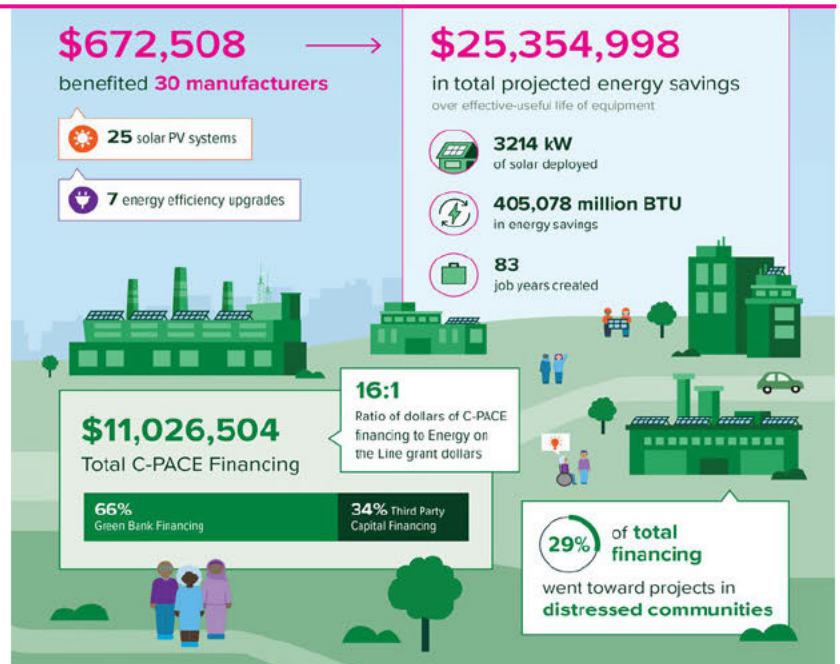
- "We are very pleased to participate with Connecticut Green Bank and Verogy in the solar project at our Sterling Engineering facility," said Lou Melluzzo, Chief Executive Officer of Sterling. "Working collaboratively, this team facilitated the smooth transition to renewable energy, which ensures that we will both reduce energy costs and support green initiatives. Programs such as this demonstrate why the state of Connecticut is at the forefront of U.S. manufacturing, producing vital products and services, and continuing to develop a dedicated and sustainable workforce. We have been manufacturing in Connecticut for over 80-years and look forward to a bright future."

Energy on the Line campaign success

The project at Sterling Engineering was the final project to receive a grant through the Energy on the Line campaign, which ran from 2016 to 2023. During this period, 30 Connecticut manufacturers were awarded \$672,508 in grants which enabled solar and energy efficiency projects that are projected to help these companies avoid more than \$25 million in energy costs over the effective-useful life of the new equipment.

Energy on the Line was funded by the Manufacturing Innovation Fund, which is administered by the Connecticut Department of Economic and Community Development (DECD).

"The Green Bank is a great partner for the Office of Manufacturing – Department of Economic and Community Development as we drive manufacturing growth and provide opportunities for manufacturing companies to grow, create jobs and reduce energy costs," said Paul S. Lavoie, Chief Manufacturing Officer, State of Connecticut.



home solutions

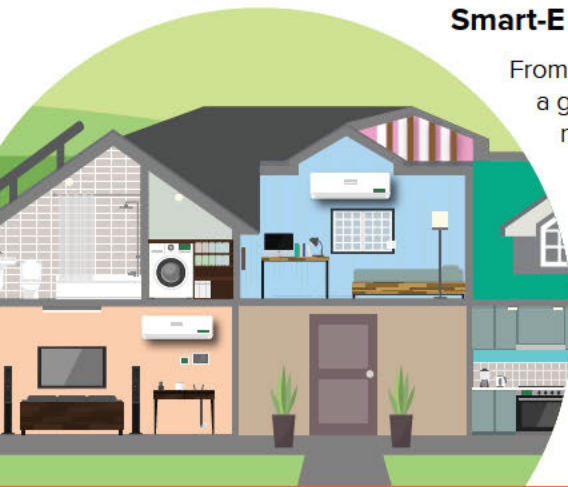
The Green Bank empowers Connecticut families through accessible and affordable green solutions that provide comfort and security. The Smart-E Loan was designed to make it easy and affordable for homeowners to make energy and resilience related improvements to their homes with no out-of-pocket cash and at interest rates low enough and repayment terms long enough to make the improvements “cash flow positive.”



Smart-E Loan makes homes more energy efficient...

From the beginning, the Smart-E Loan has been a partnership between the Green Bank, a group of participating local banks and credit unions as lending partners, and a large network of contractors working together to help homeowners make improvements with flexible, affordable financing.

In 2024, more than 1,275 families used Smart-E Loan for their homes, bringing the total number of loans since 2013 to nearly 9,000. This means more than \$180 million in total investment into projects that are reducing energy burdens on families and making their homes more comfortable. While most of these projects were energy-efficiency related, there was a growing number of solar projects in 2024 (over 225, the most since 2018), as homeowners and contractors turn to Smart-E Loan as a cost-effective way to finance this long-term renewable energy technology.



and now more resilient against climate change

Historically, the Smart-E Loan provided financing for more than 50 upgrade measures related to energy, including insulation, windows, HVAC, solar, geothermal, and battery storage. In 2024, the scope of Smart-E Loan grew to align with the Green Bank's expanded environmental infrastructure mission to offer residents ways to protect their homes against climate change. These new resiliency-focused measures vastly increase what Smart-E Loan can cover and allow homeowners to make changes that are focused on:

- **Storm protection** (such as high impact glass windows and storm shutters),
- **Flood proofing** (including installing French drains, replacing impervious surfaces, elevating or relocated plumbing or HVAC equipment, and basement flood proofing),
- **Drinking water quality** (replacing lead or galvanized pipes; overdrilling, redrilling, relocating, or improving a well; connecting to public water; and repairing leaks),
- **Waste water disposal** (repairing or replacing septic systems or connecting to public water), and
- **Landscaping** issues like removing dead trees or planting native or shade trees.

These additions nearly doubled the list of eligible measures that Smart-E Loan can cover. It also means the Green Bank's contractor network is welcoming new types of businesses that provide these services.



customer stories

driven to make his home climate resilient and more environmentally friendly

Through his career in broadcasting, Ron Ropiak was hearing about the impacts of climate change and seeing them firsthand. This prompted Ron and his wife to create a plan and take action for their home. After getting an energy audit on his house, he followed the recommendations and replaced the windows that were from the 1950's, sealed the drafts, and added insulation. Then, to address their heating and cooling needs, Ron looked into and installed heat pumps. In the spring of 2023, Ron launched into the process of going solar and adding battery storage to the system, using the Smart-E Loan to cover some of the cost.

To hear Ron's story, please visit ctgreenbank.com/customer-story-ron



Ron stands in front of his home as the team from RWE Clean Energy works to install a 27 kW solar system on the roof. The system should offset all their household electricity needs and charge his battery storage system in case of grid interruptions.



what customers said about Smart-E Loan

"The entire process went very smooth and fast. The loan was approved within a day or two of applying. The project was approved a couple of days after that. From application to start of the project was less than three weeks, and a chunk of that was just finding time in our schedule."

"The process was very smooth and much easier than I had anticipated."

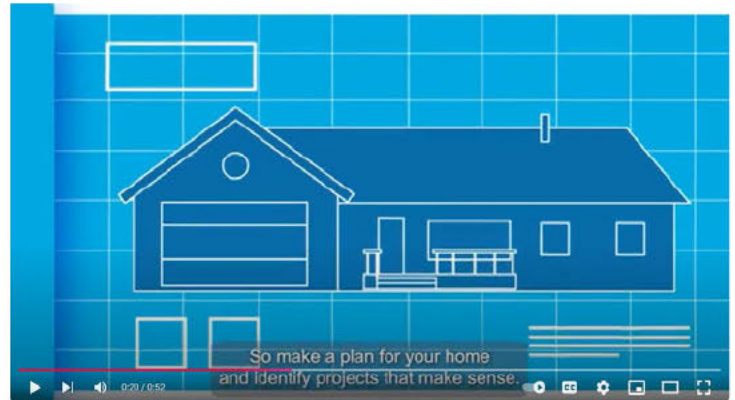
"This was my second time using Smart-E Loan, the first was for heat pumps. (this was for insulation)."

"This was such a wonderful experience, I am glad you guys are there to offer these services."

"Process of obtaining a Smart-E Loan was seamless. The entire process was handled professionally and within time constraints."

"Smart-E Loan process is friendly and saved a lot of money."

* Comments from post-closing survey to customers



To help promote and explain the Smart-E Loan, the Green Bank created a short animation video with our partners at the GO Agency in Hartford.

You can watch the video here:
youtube.com/watch?v=0GmOtmGPbo8

investment solutions

The Green Bank helps Connecticut thrive by creating opportunities for in-state residents and beyond to participate in our green investment solutions, earning a return on investment that support climate goals or unlocking financing for projects.



more local investors, more local impact

We want everyone to be able to support, invest in, and benefit from the green economy. This is why we created the Green Liberty Notes, through our subsidiary, as an evolution of our Green Liberty Bonds. When the Bonds sold out in 2020 and 2021, it was clear that people were interested in investments that aligned with their values and earned a great return.

First offered in 2022, the Green Liberty Notes feature a minimum investment of \$100 on a one-year maturity opportunity to support small business energy efficiency in Connecticut. Now, more than \$3 million has been raised from Connecticut citizens and nationwide investors from 35 states through 11 offerings and nine that have surpassed their maximum raise goals. To date, more than 60% of original investments have been \$1,000 or less, and more than half of the investors have been Connecticut residents. These offerings have been made possible through a partnership with Raise Green, an online climate tech marketplace for impact investing.



The success of Green Liberty Notes was recognized as one of four winners of the 2024 State Leadership in Clean Energy Awards presented by the Clean Energy States Alliance (CESA). According to the 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."

more support for solar in vulnerable communities

The Green Bank continued to support the long-term successful partnership with PosiGen, which has enabled more than 6,000 solar PV systems and energy efficiency upgrades for single family homes in the State. In 2024, PosiGen was granted an \$8 million increase under existing credit facilities to support an expansion to \$300 million of private capital being provided by Brookfield Asset Management. In addition, the Green Bank developed, and with private capital, provided PosiGen with \$12 million with one of the first investment tax credit bridge loan facilities to monetize the expected receipt of "adders" – paid to developers that install solar PV projects in a former energy community (a former brownfield site or a facility where coal, oil, or natural gas are mined or converted into energy) or in low-income communities.



Green Bank President and CEO Bryan Garcia joined the PosiGen team at a block party in New Haven to celebrate more than 135 families adding solar and energy efficiency to their homes through a recent Solar for All campaign. (Photo courtesy of PosiGen)

Check out a video from this event at:
youtube.com/watch?v=IZmozhrvzu4&t

supporting Connecticut's fuel cell industry

grid resilience for the U.S. Navy at Groton base

Critical national security infrastructure needs reliable energy. A 7.4-megawatt fuel cell park at the U.S. Navy's submarine base in Groton provides grid resiliency, micro-grid-ready clean energy, and cleantech innovation to this key Connecticut asset. To make this happen, the Green Bank closed a \$20 million loan facility for the development of this project with Danbury-based FuelCell Energy (FCE) through partnerships with Liberty Bank and Amalgamated Bank who provided a combined senior commitment of \$12 million for seven years. The Green Bank supported this private capital with an \$8 million subordinated loan with a 20-year term.

This project was part of other energy efficiency improvements at the base, which is one of the largest employers in the area with more than 1,000 civilian workers.

"This partnership exemplifies how the green bank model works to leverage public dollars to attract multiples of local- and national-level private investment into clean energy infrastructure," said Bert Hunter, Executive Vice President and Chief Investment Officer of the Connecticut Green Bank. "It also highlights the environmental, economic, and strategic value of distributed base load fuel cells, capable of operating as a microgrid, as a key to grid resilience, reliability, and energy security, especially for our nation's military defense."



Commander. Austin Rasbach, public works officer at Naval Submarine Base New London, leads a tour of Navy and state officials, including Governor Ned Lamont, U.S. Senator Richard Blumenthal (D-CT), U.S. Representative Joe Courtney (2nd-CT), through the base's power plant. (U.S. Naval photo by Mass Communication Specialist 2nd Class Maxwell Higgins)

fuel cells in Derby

Fuel cells can also provide benefits to low-and-moderate income families in addition to the clean, resilient energy for the grid. The Green Bank and Liberty Bank supported two fuel cell projects in Derby developed by FCE, with each bank providing \$6.5 million in term loans.

The 14-megawatt project on Roosevelt Drive will supply power to thousands of families and will generate substantial tax revenue for the city. It is the second largest fuel cell park in North America (the largest is FCE's Bridgeport project, also financed by the Green Bank). Also, this was the first major project to come online since the state launched its new "Make it Here" marketing campaign designed to show the strength of its manufacturing base. All the components of this facility were made in FCE's Torrington factory.

The second project was a 2.8-megawatt on Coon Hollow Road that was supported by the State's Shared Clean Energy Facility (SCEF) program and represents the first community fuel cell project in the country. A portion of the value of this SCEF project is shared with low-income households via electric bill credits.



Aerial photo of the 14-megawatt fuel cell in Derby. (photo courtesy Fuel Cell Energy)



Energy Storage Solutions helps lower the cost of buying a battery by providing upfront and performance incentives. This incentive program is overseen by the Public Utilities Regulatory Authority (PURA), is paid for by electric ratepayers, and is administered by the Connecticut Green Bank, Eversource, and UI.

early adoption of battery technology continues

Building a market for a relatively new technology takes patient partners and interested early adopters. In its third year, the Energy Storage Solutions program is starting to realize the contributions of these key participants.

Launched in 2022, the program is jointly administered by the Green Bank, Eversource and UI to provide upfront and performance-based incentives to home- and business-owners installing battery storage.

In January 2024, the Public Utilities Regulatory Authority (PURA) announced an increase in upfront incentives and an increase in the maximum incentive residential customers can receive. Residential customers can now receive up to \$16,000 in upfront incentives, an increase from the previous

maximum incentive of \$7,500. For customers that qualify as low-income, the upfront incentive increased to \$600 per kWh. For customers that reside in an underserved community, the upfront incentive increased to \$450 per kWh.

In the summer of 2024, residential enrollments surpassed 500 homes and more than 50 contractors were offering the incentives to their customers.

On the commercial side, demand remained high, leading to a pause in approvals starting in June 2024. It is anticipated that demand will spike again when approvals resume in 2025. So far, more than 120 megawatts have been approved.

To learn more, please visit www.energystoragect.com.

aerospace manufacturer benefits from battery incentives

In May, Qcells, a global leader in complete clean energy solutions, and Hanwha Aerospace USA (HAU), a leading aviation and aerospace component manufacturer, both subsidiaries of the Hanwha Group, completed two solar and energy storage projects in Connecticut to help HAU meet its energy demands. The projects make HAU the first manufacturer to benefit from the state storage incentives.

During the life of the agreement, Qcells' solar and storage systems could reap more than \$2 million in utility bill savings. Beyond cost savings, in the long-term, Qcells' projects are anticipated to avoid the release of more than 32,000 metric tons of CO2 equivalent, which is equal to taking more than 7,000 gas-powered passenger vehicles off the road for a year, according to the U.S. Environmental Protection Agency (EPA) calculator.



Pictured at the Cheshire HAU facility are, from left to right, Richard White, Qcells' Senior Manager of Construction Operations, Robert Ricker, Director, Operational Excellence, HAU, Ed Kranich, Senior Manager of Incentive Programs at the Green Bank, and Bob Tremblay, Facilities Manager, HAU.

customer stories



“We got our three Franklin Energy Storage Solutions batteries six months ago to complement our home rooftop solar system, which we also expanded this year to accommodate our three electric vehicles. The installation was great, and after working out a few bugs, it has been flawless. We love knowing we can be almost completely energy independent, and that there’s a way for all of us to help address major economic and environmental problems.”

Gene and Pam



“We are very excited to have whole home battery backup following installation of the Fortress system. It pairs well with our existing solar (financing with the Green Bank’s Smart-E Loan) and allows us zero down time when the power goes out. Most importantly, we are able to participate in peak shaving when electricity demand is highest, reducing dirty and expensive peaker plant emissions. Many thanks to the Green Bank for its supportive programs that enable smart, sustainable infrastructure transformation. Looking forward to our first summer incentive check!”

Travis, whose son Gus is pictured in front of their system



community solutions



Municipal and state buildings have options for going solar with no money down. The Green Bank Solar PPA (power purchase agreement) delivers immediate savings on electricity through a third-party owned and operated solar system, while the Solar Roof Lease allows property owners to generate income by leasing their roof space for the Green Bank and its partners to install solar.



Working with the Connecticut Green Bank, the solar systems at Groton Middle School and Mystic River Magnet School are projected to save the district more than \$40,000 a year and \$800,000 over the project term. Members of the Groton school board, Green Bank staff, and Verogy pose at the ribbon cutting.

growing the MAP for solar accessibility

The Green Bank's Solar Marketplace Assistance Program (MAP) is in its fourth year and has previously supported the Towns of Manchester, Portland, Mansfield, Branford, and multiple State of Connecticut facilities. In 2024, the Town of Groton, led by the Board of Education, brought solar to two newly constructed schools, Groton Middle School and Mystic River Magnet School, using Solar MAP to simplify the process and overcome obstacles.

"During the planning and construction of the Groton 2020 initiative, which built our three new schools, the community expressed interest in green energy options," said Susan Austin, Superintendent of Groton Public Schools. "We worked with Connecticut Green Bank and received the financing to install the solar panels at two of our new schools, at no cost to the community, which will provide significant savings."

Through Solar MAP, the Green Bank offers technical support to municipalities seeking assistance in developing solar PV projects on municipal buildings, such as town halls, emergency services buildings, schools, and more. The Green Bank also provides financing for the solar systems through a PPA, which allows the municipality to access solar with no upfront installation costs, no new debt to incur, and no operations and maintenance costs.

a MAP for affordable multifamily properties

Building upon the success of Solar MAP, in 2024, the Green Bank expanded the program to help owners of affordable multifamily properties with five-units or more. These properties can now access the benefits of solar for their residents, thanks to Connecticut's expansion of the definition of a residential customer.

"In the past, affordable multifamily properties were defined as commercial properties and had to compete for a capped incentive. Now, affordable multifamily properties can access the Residential Tariff, which has no cap and will often provide benefits greater than the commercial incentive while allowing the tenants to share in the savings from the project," said Mackey Dykes, Vice President of Financing Programs at the Green Bank. "Through Solar MAP, we have helped municipalities and state agencies navigate the complex process of going solar. We anticipate growing interest as we expand the program into the affordable multifamily housing sector and from other Connecticut communities working to achieve their sustainability goals over the next several years."

environmental infrastructure

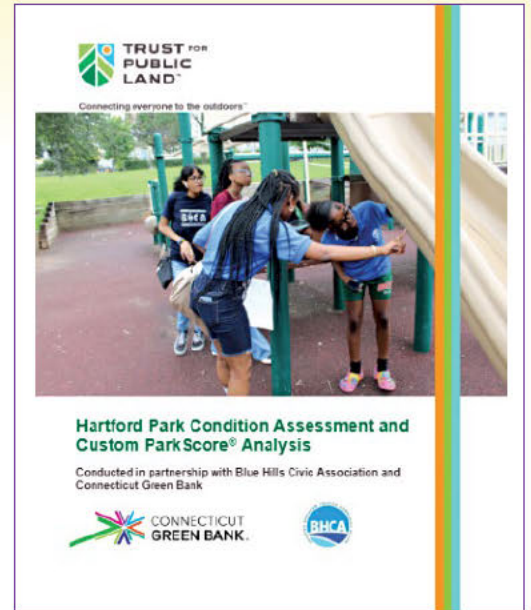
partnering around community parks

In a great example of a community-led partnership, the Hartford Park Condition Assessment and Custom ParkScore Analysis was released in the summer of 2024. The report captures the state of Hartford's parks from data collected by youth interns working with Blue Hills Civic Association (BHCA), the Trust for Public Land (TPL), and the Green Bank.

- “By engaging our youth to lead the condition assessment, this project empowered them to have their voices heard and connected our youth to parts of their city that they’d never explored,” said Danielle Middlebrooks, BHCA’s Capacity Building Consultant. “This project was a tremendous success for our youth by pairing core career competency training with experiential learning and the opportunity to engage with professionals and technology in a new way. Through our partnership with TPL and the Green Bank we were able to enhance our youth’s ability to think critically and take an active role in the change they want to see here in Hartford.”
- This report consists of two parts: the assessment of all parks in Hartford and a comparison of the park system with other cities in the state and nationally to identify strengths and weaknesses. The detailed report highlights a systematic need for investment in Hartford parks, particularly in neighborhood parks.

Established in 1962, BHCA is Hartford’s oldest civic organization and serves as a catalyst to inspire vibrant, healthy, civically engaged residents and leaders who are supported by strong schools, culturally competent health care, economic equality and safe neighborhoods. The organization accomplishes this by empowering people that live and work in the Blue Hills and surrounding communities, and serves more than 1,000 youth annually as the largest Summer Youth Employment & Learning Program.

- TPL is a national nonprofit that creates parks and protects land for people, ensuring healthy, livable communities for generations to come, and works to connect everyone to the benefits and joys of the outdoors.



The Hartford Park Condition Assessment and Custom ParkScore[®]

Analysis can be accessed here:
ctgreenbank.com/resources/hartford-parkscore-analysis/



Danielle Middlebrooks, Director of Strategic Communications and Youth Services at BHCA, speaks at the launch event for the Hartford ParkScore. At left, Lead Community Organizer Brother Kelvin Lovejoy waits to share his thoughts on the project's impact.

STATEMENT OF NET POSITION

Cash and cash equivalents - unrestricted	\$ 26,065
Program loans & other long term assets	146,891
Capital assets, net	69,518
Cash and cash equivalents - restricted	27,782
Other assets	35,045
Total assets	\$ 305,301
Deferred amount for pensions	\$ 7,216
Deferred amount for OPEB	11,631
Deferred amount for asset retirement obligations	1,867
Total deferred outflows of resources	\$ 20,714
Current liabilities	\$ 20,847
Long term liabilities	69,348
Pension liability	17,458
OPEB liability	23,771
Total liabilities	\$ 131,424
Deferred amount for pensions	\$ 4,153
Deferred amount for OPEB	10,607
Deferred amount for leases	13,738
Total deferred inflows of resources	\$ 28,498
Net position, unadjusted	
Invested in capital assets	\$ 50,634
Restricted Net Position:	27,048
Unrestricted Net Position	88,411
Total net position, unadjusted	\$ 166,093
Net position, adjusted	
Unrestricted Net Position	\$ 88,411
Contingent liabilities - programs and projects ¹	(63,615)
Total net position, adjusted	\$ 24,796

¹ See Note III (B.) to Connecticut Green Bank's 2024 audited financial statements for further detail.

For the year ended June 30, 2024:

(in thousands)

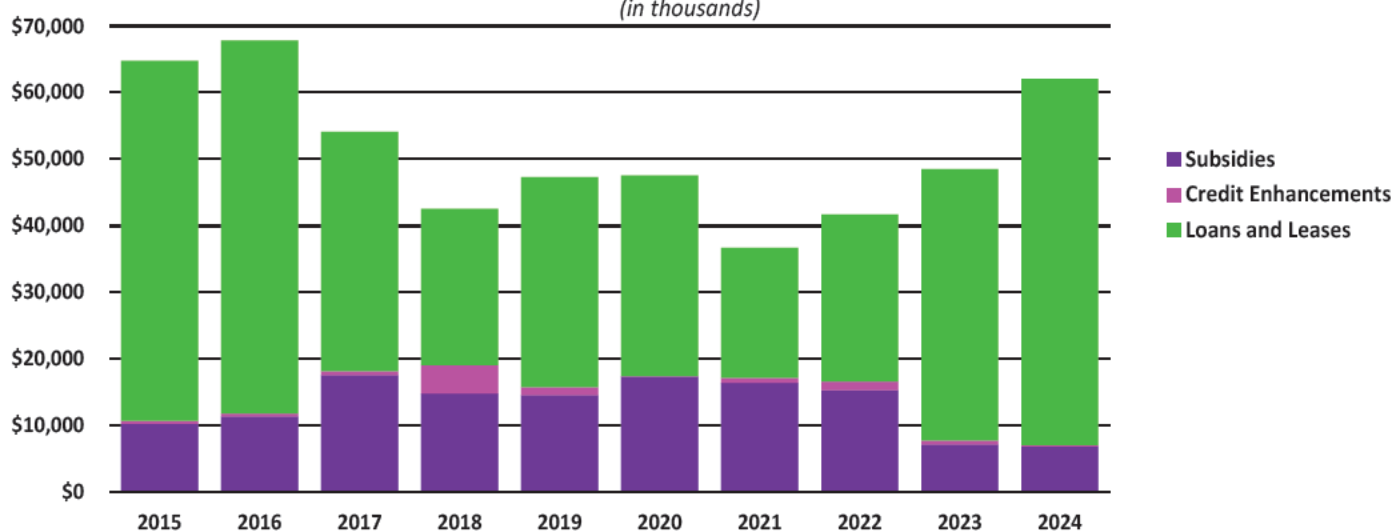
STATEMENT OF REVENUE, EXPENSE AND CHANGES IN NET POSITION

Revenues:	\$ 64,458
Operating Expenses:	
Grants and incentive programs	\$ 6,854
Program administration expenses	17,139
Cost of goods sold - energy systems	2,884
General and administrative expense	5,361
Depreciation and amortization expense	3,486
Provision for loan losses	2,283
Total Operating Expenses	\$ 38,007
Operating Income	\$ 26,451
Non-operating revenue (expense)	(1,474)
Distributions	(287)
Total Non-Operating Revenue (Expenses)	\$ (1,761)
Net Change	\$ 24,690

For more details on the financial statements, including comparative results, please access the Annual Comprehensive Financial Statement (June 30, 2024) at www.ctgreenbank.com

Uses of Resources

(in thousands)



- <https://www.ctgreenbank.com/strategy-impact/reporting-and-transparency/#toggle-id-1>



Hartford Office
75 Charter Oak Avenue
Suite 1-103
Hartford, CT 06106

Stamford Office
700 Canal Street
5th Floor
Stamford, CT 06902



Memo

To: Connecticut Green Bank Board of Directors

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

Date: January 17, 2025

Re: Proposed updates to FY2025 Targets and Budget

As the Board of Directors is well aware, we typically review our budget and targets mid-way through our fiscal year and look to bring those in line with what we are seeing in the market and what we think we will need to achieve those targets. This year is unique as we are starting to deploy funds from the Environmental Protection Agency's Greenhouse Gas Reduction Fund (GGRF)' National Clean Investment Fund (NCIF). As you may recall, last year at this time, within our mid-year budget request, we requested a contingent approval of a budget in the event that we were successful in being awarded funds through the GGRF. As you know, we were successful in securing funds through the NCIF, as well as Solar for All. We are presently pursuing many opportunities to deploy these funds which we will discuss at our meeting.

On January 15, staff presented the changes in this memo to the Budget, Operations, and Compensation Committee and the committee has recommended that the Board approve (1) the revised FY2025 Targets and Budget, and (2) direction to staff to create an incentive compensation plan that incentivizes staff to optimize the deployment of the Greenhouse Gas Reduction Fund award for the National Clean Investment Fund consistent with the goals described in this memo.

I. Targets

After two quarters of assessing program performance and market conditions, the Green Bank staff has proposed the following adjustments to targets for this fiscal year:

- Overall, we are keeping the Incentive Programs target of 1830 projects, \$55.3 million of capital deployed and 16.4MW of capacity nameplate.
- Targets for the Financing Programs will decrease by 10 projects and \$14.7 Million in capital deployment. Changes to the Financing Programs Targets include:

- CPACE, Multifamily, and Small Business Energy Advantage (SBEA) targets will remain flat.
- Within our Marketplace Assistance Program (MAP) we are reducing our capital deployed target by \$5.1 million reflective of the projects we expect to close this year.
- The targets for our solar power purchase agreement (PPA), where third-party developers bring projects to the Green Bank for financing, will also change. We are decreasing our targets from 14 projects to 4 projects and from \$9.2 to 3.0 million in capital deployment reflective of our recent conversations with developers who use our financing. We still expect to commit \$1.6 million of Green Bank capital towards this target.
- Targets for Environmental Infrastructure remain unchanged.

The targets are summarized in the following tables:

Table 1. Proposed FY 2025 Targets for the Financing Programs Business Unit

Product	Channel	Targets					
		Number of Projects	Total Capital Deployed	CGB Capital Committed	NCIF Committed	SFA Committed	Capacity Installed
CSPACE	Total CSPACE	23	\$ 32,200,000	\$ 14,700,000	\$ 2,500,000	\$ -	-
Marketplace Assistance Program	Municipal MAP PPAs/Loans	1	\$ 1,857,520		\$ 7,500,000		0.870
	State MAP PPAs/Loans	1	\$ 2,140,000	\$ 1,284,000			1.000
	Multifamily MAP PPAs/Leases/Loans	6	\$ 4,800,000	\$ 4,800,000	\$ 5,000,000	\$ 25,000,000	1.600
	Total MAP	8	\$ 8,797,520	\$ 6,084,000	\$ 12,500,000	\$ 25,000,000	3.470
PPA	Total PPA	4	\$ 3,060,000	\$ 1,580,000			-
	Tariff Backed Loan						
	SBEA	518	\$ 12,600,000	\$ 2,520,000			-
	Multi-Family Pre-Dev						-
	Multi-Family Term (LIME)						-
	Financing Programs Total	553	\$ 56,657,520	\$ 24,884,000	\$ 15,000,000	\$ 25,000,000	3.47

Table 2. Proposed FY 2025 Targets for the Incentive Programs Business Unit

Program		Targets					
		Number of Projects	Total Capital Deployed	CGB Capital Committed	NCIF Committed	SFA Committed	Capacity Installed/ Nameplate Capacity
ESS (Residential)	Residential Storage Incentives Total	500	\$ 16,000,000	\$ 3,000,000		\$ 5,550,000	4.300
ESS (C&I)	C&I Storage Incentives Total	5	\$ 12,500,000	\$ 1,500,000			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	\$ 5,000,000	\$ 8,050,000	16.420

Table 3: Proposed FY 2025 Targets for the Environmental Infrastructure Business Unit

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

Table 4: Proposed FY 2025 Targets for the Strategic Investment Activity

Program		Targets					
		Number of Projects	Total Capital Deployed	CGB Capital Committed	NCIF Committed	SFA Committed	Capacity Installed/ Nameplate Capacity
Strategic	Total Strategic Investments	9	\$ 51,116,000	\$ 45,916,000	\$ 20,000,000	\$ 10,000,000	-
	Total Investments	9	\$ 51,116,000	\$ 45,916,000	\$ 20,000,000	\$ 10,000,000	-

Table 4: Organizational Targets

Business Segment	Targets					
	Number of Projects	Total Capital Deployed	CGB Capital Committed	NCIF Committed	SFA Committed	Capacity Installed
Financing Programs Total	553	\$ 56,657,520	\$ 24,884,000	\$ 15,000,000	\$ 25,000,000	3,470
Incentive Programs Total	1,830	\$ 55,312,195	\$ 4,500,000	\$ 5,000,000	\$ 8,050,000	16,420
Environmental Infrastructure Total	21	\$ 2,100,000	\$ 1,000,000	\$ 5,000,000	\$ -	-
Total Investments	9	\$ 51,116,000	\$ 45,916,000	\$ 20,000,000	\$ 10,000,000	-
Green Bank Total	2,392	\$ 163,085,715.15	\$ 75,300,000.00	\$ 40,000,000.00	\$ 43,050,000.00	19.89

II. Proposed Changes to the Green Bank Investment and Operating Budgets – Standard Revisions

The overall net proposed budget represents an increase in the net surplus of \$2.48 million. This is a net of a \$6.29 million increase in revenue and increased expenses of \$3.8 million. The proposed updated budget differs from the original, approved budget in the following ways:

Financing Programs

The Green Bank is proposing adjusting the Financing Programs revenue upward by \$286,443 based on Utility Customer Assessments income being higher than expected (Adjustment A in the attachment). Additionally, we are forecasting increasing the forecasted draws of monies awarded to the Green Bank from the Greenhouse Gas Reduction Fund by \$6 million to fund projects (Adjustment B).

Staff also propose additional expenses related to our subsidiaries (offset by some revenue) that net to \$2,517,999 (Adjustment C). These items were historically not included in our budget as they were incurred by subsidiaries not wholly owned by the Green Bank. Now that those subsidiaries are fully owned by the Green Bank, we are including their expenses and revenue in the budget. These expenses relate to the asset management of solar systems owned by the organization.

Additionally, staff are proposing expenses of \$243,295 representing two new positions, a paralegal and an outreach coordinator, for the organization (Adjustment D). Further, staff are proposing increased research and development expenses for financing programs of \$100,000 to support a pilot in the rollout of our initiatives in electric school buses and community campaigns to drive homeowner adoption of heat pumps, solar, and storage. (Adjustment E). Finally, staff are requesting \$200,000 for consulting to support any unforeseen issues with implementing any of the GGRF reporting requirements (Adjustment F).

Incentive Programs

Staff proposes \$50,000 of additional expenses in the Incentive Programs to support work related to system end-of-life studies for Energy Storage Solutions (Adjustment E).

Additionally, we are increasing the RSIP PBI incentives we expect to pay this fiscal year by \$39,391 based off actuals (Adjustment G).

Further, we are increasing our budget for ESS incentives by \$651,900. This represents an increase of residential incentives we expect to pay of \$1 million offset by a decrease in commercial incentives of \$348,100.

Environmental Infrastructure

There are no requested adjustments for Environmental Infrastructure.

III. Incentive Compensation Pool

Revenues

The staff is proposing a change to the “earned revenues” budget (i.e., not “public revenues” budget) for FY25 as a result of successfully supporting a winning application submitted by the Coalition for Green Capital to the Environmental Protection Agency for its GGRF” NCIF competition.

As a result of the January 3, 2025 execution of a Subgrant Agreement (“the Agreement”) between the Coalition for Green Capital and the Connecticut Green Bank (“Green Bank”) for funds restricted to priority project investments through the NCIF, and the subsequent distribution of \$93,530,000¹ into an account at Citibank held by the Green Bank in support of the Agreement, the following revenues are restricted:

- **Green Bank** – \$36,411,214 for financial assistance (e.g., loans), direct costs of \$4,080,000 for program administration (i.e., \$3,107,861), predevelopment activities (i.e., \$662,139), and market building activities (i.e., \$310,000), and indirect costs of \$308,786.
- **Puerto Rico Green Energy Trust** (“PRGET”) – \$33,840,300 for financial assistance, direct costs of \$3,780,000 for program administration (i.e., \$1,804,000), predevelopment activities (i.e., \$1,500,000), and market building activities (i.e., \$476,000), and indirect costs of \$179,700.
- **New Hampshire Community Loan Fund** (“NHCLF”) – \$2,263,000 for financial assistance (not including \$12,322,962 of additional financial assistance), direct costs of \$285,490 for program administration, and indirect costs of \$28,549.

The “Period of Performance” for the Agreement is January 3, 2025, through December 31, 2025. Any grant proceeds not invested by the end of 2025 (i.e., through Q2 of FY26) are to be returned to the Coalition for Green Capital.

It should be noted that per the memo submitted to the Board on June 14, 2024, with respect to the GGRF and NCIF, and it’s associated resolutions, that the staff of the Green Bank are to bring back contracts for approval for the PRGET and NHCLF as a strategic selection. The staff anticipate bringing back these draft contracts no later than the March 21, 2025 meeting of the board.

Proposed Bonus Pool

The Green Bank has until December 31, 2025, to invest its portion (i.e., \$36.4MM of the \$84.8MM) of financial assistance within the Agreement to projects within its Subgrant

¹ Note that funds are not included in our budget until they are deemed unrestricted and are transferred, for which we need to be deploying those funds hence the difference between our budgeted \$16 million in grant revenue vs. the entire award amount.

Implementation Plan (i.e., Period of Performance). Any proceeds that are not invested by this date are to be returned to the Coalition for Green Capital on January 1, 2026. Any proceeds successfully invested by the Green Bank will be treated as a grant, and contribute to strengthening the balance sheet (i.e., loans) and profit and loss (i.e., interest income) of the organization.

This potential growth of our organization of up to \$36.4MM will allow us to grow our impact in the years to come. While there are many details to be determined regarding how this money is deployed, assuming a range of rates and terms typical of the organization's past investments, we can forecast potential increases of interest income of up to \$2 million a year.

In order to incentivize the Green Bank staff to invest the resources provided by the Coalition for Green Capital through the NCIF, a Bonus Pool is being proposed based on a portion of the present value of interest income arising from such investments. For example, the present value of interest income arising from a portfolio of projects at various levels of investment (i.e., from \$10MM to \$40MM), at varying interest rates (i.e., from 1% to 5%), and at varying maturity terms (i.e., 10- and 15-year terms) is \$4.7MM. If the Bonus Pool were 25% of profits, then 25% of \$4.7MM is \$1.2MM.

The actual amount of the Bonus Pool would vary depending upon the prudent and successful investments made by staff, with the following principles in mind:

1. **Prudent Investments** – prioritize investments by FY25 (i.e., June 30, 2025), and through Q2 of FY26 (i.e., December 31, 2025) (i.e., collectively the Period of Performance), with payout of the Bonus after the “Closeout Period” (i.e., time between the Period of Performance and when final closeout activities (e.g., final reports, reconciliation of accounts, resolution of any outstanding compliance or audit issues) have been completed);
2. **Build Capacity for Expanded Mission** – by building the balance sheet from the investment of NCIF resources, the Green Bank is building financial capacity to support its “environmental infrastructure” purposes (i.e., establishing an “environmental infrastructure fund” per Public Act 21-115), which were unfunded and with the expectation that the Green Bank would compete for and win federal resources to fund such activities;
3. **Unlock New Markets** – by successfully investing NCIF resources, the Green Bank will unlock new markets for “clean energy” (e.g., electric school buses per Public Act 22-25, solar + storage for multifamily affordable housing per Public Act 21-48) and “environmental infrastructure” that is consistent with our Comprehensive Plan.
4. **Deliver Impact** – by successfully investing NCIF resources, the Green Bank will deliver social (e.g., investment in low-income and disadvantaged communities, mobilizing private investment, Davis Bacon, Build America Buy America) and environmental (e.g., reducing greenhouse gas emissions, reducing air pollution) impact in our communities that is consistent with our Comprehensive Plan; and

5. **Support the Movement** – by successfully negotiating agreements with PRGET and NHCLF, that minimize liability and risk to the Green Bank, the successful investment of NCIF resources in Puerto Rico and New Hampshire will support a nationwide network of green banks mobilizing private investment in projects in low-income and disadvantaged communities, while enabling their financial sustainability as green banks.

At this point, there is no budget allocation for the bonus pool as we expect any award would be paid next fiscal year. We are asking for feedback and the approval for creating such an incentive plan for staff to invest the NCIF resources by the end of 2025 as part of the resolution. If there are funds that aren't invested by the end of 2025, then those funds have to be returned to the Coalition for Green Capital.

Resolution:

WHEREAS, pursuant to Section 5.2.2 of the Bylaws, the Connecticut Green Bank's Budget, Operations, and Compensation Committee has reviewed and recommended to the Board of Directors to approve (1) the revised FY2025 Targets and Budget and (2) the direction to staff to create an incentive compensation plan that incentivizes staff to optimize the deployment of the Greenhouse Gas Reduction Fund award for the National Clean Investment Fund consistent with the aforementioned goals.

NOW, therefore be it:

RESOLVED, that the Board of Directors of the Connecticut Green Bank approve: (1) the revised FY2025 Targets and Budget, and (2) the direction to staff to create an incentive compensation plan that incentivizes staff to optimize the deployment of the Greenhouse Gas Reduction Fund award for the National Clean Investment Fund consistent with the aforementioned goals.

Connecticut Green Bank
Fiscal Year Budget - Recast vs. Original

	Fiscal Year June 30 2025			Incentive Programs Fiscal Year June 30 2025			Financing Programs Fiscal Year June 30 2025			Environmental Infrastructure Fiscal Year June 30 2025		
	Budget	FY25 Original Budget	Variance	Budget	FY25 Original Budget	Variance	Budget	FY25 Original Budget	Variance	Budget	FY25 Original Budget	Variance
Revenue												
Operating Income												
Utility Customer Assessments	24,188,144	23,901,700	286,444 (A)	0	0	0	24,188,144	23,901,700	286,444	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	120,000	120,000	0	0	0	0	120,000	120,000	0	0	0	0
REC Sales	13,917,122	13,917,122	0	12,202,372	12,202,372	0	1,714,750	1,714,750	0	0	0	0
Grant Income-Federal Programs	16,040,000	10,040,000	6,000,000 (B)	0	0	0	15,540,000	9,540,000	6,000,000	500,000	500,000	0
Grant Income-Private Foundations	475,000	475,000	0	0	0	0	475,000	475,000	0	0	0	0
PPA Income	1,644,024	500,000	1,144,024 (C)	0	0	0	1,644,024	500,000	1,144,024	0	0	0
LREC/ZREC Income	1,601,947	424,000	1,177,947 (C)	0	0	0	1,601,947	424,000	1,177,947	0	0	0
Rental Income	1,398,099	0	1,398,099 (C)	0	0	0	1,398,099	0	1,398,099	0	0	0
Total Operating Income	64,584,336	54,577,822	10,006,514	12,202,372	12,202,372	0	51,881,964	41,875,450	10,006,514	500,000	500,000	0
Interest Income	9,346,409	9,288,815	57,595 (C)	30,300	30,300	0	9,316,109	9,258,515	57,595	0	0	0
Interest Income, Capitalized	90,000	90,000	0	0	0	0	90,000	90,000	0	0	0	0
Other Income	3,884,587	3,592,615	291,972 (C)	2,675,615	2,675,615	0	1,208,972	917,000	291,972	0	0	0
Total Revenue	\$ 77,905,332	\$ 67,549,252	10,356,081	\$ 14,908,287	\$ 14,908,287	0	\$ 62,497,045	\$ 52,140,965	10,356,081	\$ 500,000	\$ 500,000	0
Operating Expenses												
Compensation and Benefits												
Employee Compensation	10,581,285	10,451,872	129,413 (D)	2,023,935	1,986,035	37,900	7,677,165	7,592,763	84,401	880,186	873,074	7,112
Employee Benefits	9,214,340	9,100,456	113,884 (D)	1,764,863	1,731,511	33,352	6,691,110	6,616,838	74,273	758,365	752,107	6,258
Total Compensation and Benefits	19,795,625	19,552,328	243,297	3,788,798	3,717,546	71,252	14,368,275	14,209,601	158,674	1,638,551	1,625,181	13,370
Program Development & Administration	5,290,069	3,342,988	1,947,081 (C)	1,935,000	1,935,000	0	3,105,070	1,157,988	1,947,082	250,000	250,000	0
Program Administration-IPC Fee	683,110	683,110	0	452,524	452,524	0	230,586	230,586	0	0	0	0
Lease Origination Services	5,000	5,000	0	0	0	0	5,000	5,000	0	0	0	0
Marketing Expense	1,568,070	1,568,070	0	213,000	213,000	0	1,355,070	1,355,070	0	0	0	0
E M & V	585,000	585,000	0	250,000	250,000	0	335,000	335,000	0	0	0	0
Research and Development	710,000	560,000	150,000 (E)	0	0	0	650,000	500,000	150,000	60,000	60,000	0
Consulting and Professional Fees												
Consulting/Advisory Fees	2,111,634	1,903,634	208,000 (C, F)	515,000	515,000	0	1,596,634	1,388,634	208,000	0	0	0
Accounting and Auditing Fees	381,500	331,600	49,900 (C)	0	0	0	381,500	331,600	49,900	0	0	0
Legal Fees & Related Expenses	225,000	225,000	0	10,000	10,000	0	200,000	200,000	0	15,000	15,000	0
Bond Issuance Costs	10,000	10,000	0	0	0	0	10,000	10,000	0	0	0	0
Total Consulting and Professional Fees	2,728,134	2,470,234	257,900	525,000	525,000	0	2,188,134	1,930,234	257,900	15,000	15,000	0
Rent and Location Related Expenses												
Rent/Utilities/Maintenance	400,178	400,178	0	76,041	76,041	0	290,709	290,709	0	33,428	33,428	0
Telephone/Communication	53,881	53,881	0	10,238	10,238	0	39,142	39,142	0	4,501	4,501	0
Depreciation & Amortization	3,892,245	701,089	3,191,156 (C)	38,085	38,085	0	3,837,417	646,262	3,191,155	16,742	16,742	0
Total-Rent and Location Related Expenses	4,346,304	1,155,148	3,191,156	124,364	124,364	0	4,167,268	976,113	3,191,155	54,671	54,671	0
Office, Computer & Other Expenses	2,659,982	2,238,751	421,231 (C)	513,231	513,231	0	2,023,454	1,602,223	421,232	123,298	123,298	0
Warranty Management	258,586	0	258,586 (C)	0	0	0	258,586	0	258,586	0	0	0
Total Operating Expenses	38,629,880	32,160,629	6,469,251	7,801,917	7,730,665	71,252	28,686,443	22,301,815	6,384,629	2,141,520	2,128,150	13,370
Program Incentives and Grants												
Financial Incentives-CGB Grants	855,000	855,000	0	60,000	60,000	0	795,000	795,000	0	0	0	0
Program Expenditures-Federal Grants	40,000	40,000	0	0	0	0	40,000	40,000	0	0	0	0
EPBB/PBI/HOPBI Incentives	6,939,391	6,900,000	39,392 (G)	6,939,391	6,900,000	39,392	0	0	0	0	0	0
Battery Storage Incentives	2,000,000	1,348,100	651,900 (H)	2,000,000	1,348,100	651,900	0	0	0	0	0	0
Total Program Incentives and Grants	\$ 9,834,391	\$ 9,143,100	691,292	\$ 8,999,391	\$ 8,308,100	691,292	\$ 835,000	\$ 835,000	0	\$ 0	\$ 0	0
Operating Income/(Loss)	\$ 29,441,061	\$ 26,245,523	3,195,538	\$ (1,893,021)	\$ (1,130,477)	(762,544)	\$ 32,975,602	\$ 29,004,150	3,971,452	\$ (1,641,520)	\$ (1,628,150)	(13,370)
Non-Operating Expenses												
Interest Expense	2,288,076	1,787,408	500,668 (C)	1,646,755	1,646,755	0	641,321	140,653	500,668	0	0	0
Realized (Gain) Loss	65,160	0	65,160 (C)	0	0	0	65,160	0	65,160	0	0	0
Provision for Loan Loss	1,800,300	1,800,300	0	0	0	0	1,800,300	1,800,300	0	0	0	0
Interest Rate Buydowns-ARRA	242,000	242,000	0	242,000	242,000	0	0	0	0	0	0	0
Taxes	145,854	0	145,854 (C)	0	0	0	145,854	0	145,854	0	0	0
Total Non-Operating Expenses	\$ 4,541,390	\$ 3,829,708	711,682	\$ 1,888,755	\$ 1,888,755	0	\$ 2,652,635	\$ 1,940,953	711,682	\$ 0	\$ 0	0
Net Revenues Over (Under) Expenses	\$ 24,899,671	\$ 22,415,814	2,483,856	\$ (3,781,776)	\$ (3,019,232)	(762,544)	\$ 30,322,967	\$ 27,063,197	3,259,770	\$ (1,641,520)	\$ (1,628,150)	(13,370)

See budget memo for details of adjustments (A) through (F).

Adjustment	Description
(A)	Utility Customer Assessments adjusted to actual for July through November, a net increase in budgeted revenues of \$286k.
(B)	Grant income-Federal Programs increased \$6M from the original budget to adjust the expectations of NCIF/SFA grant spending to get out the door. For accounting purposes, the revenue amount is equal to the amount spent. The total \$16M is broken out as \$15M NCIF, \$1M Solar for All.
(C)	All items with this tickmark represent the amounts added to the recast budget to include budgets for the operations of CEFA Solar Services, Inc, CT Solar Lease 2 LLC and CT Solar Lease 3 LLC. 3 formerly discretely presented component units that no longer have outside ownership for which they were excluded for budgetary purposes under CT Green Bank.
(D)	\$243k increase salaries and benefits for the addition of 3 new positions, a corporate paralegal, an outreach associate manager and an ESS Senior Manager.
(E)	\$150k increase in research and development for \$50k each related to clean transportation, ESS end of life and a new Community Campaign.
(F)	\$200k increase in consulting related to GGRF compliance related matters.
(G)	PBI incentives increased by \$39k to adjust to actual for July through November 2024.
(H)	Battery Storage Incentives increased \$652k for the combination of \$1M for additional anticipated residential incentives to be paid in FY25 and a decrease of \$348k in commercial incentives expected to be paid

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

	FY25 Recast Budget	FY25 Original Budget	\$ Increase / (Decrease)
Revenues			
Utility customer assessments	\$ 24,188,144	\$ 23,901,700	\$ 286,444
RGGI auction proceeds - renewables	11,421,800	11,421,800	-
RGGI auction proceeds - renewables - ESB Support	(6,221,800)	(6,221,800)	-
Total Public Revenue:	\$ 29,388,144	\$ 29,101,700	\$ 286,444
Interest Income - Cash Intercompany	128,580	73,200	55,380
Interest Income - Cash deposits	242,215	240,000	2,215
Interest Income - Capitalized construction interest	90,000	90,000	-
Interest Income - Residential PV Solar Loans (Solar Loan 1)	30,000	30,000	-
Interest Income - CPACE Warehouse, benefit assessments	3,403,549	3,403,549	-
Interest Income - Loan portfolio, other programs	5,475,766	5,475,766	-
Interest Income - CPACE Selldown Bonds	36,000	36,000	-
Interest Income - Solar lease I promissory notes, net	30,300	30,300	-
CSPACE closing fees	120,000	120,000	-
Grant income (federal programs)	40,000	40,000	-
Grant income (NCIF related)	15,000,000	10,000,000	5,000,000
Grant income (SFA related)	1,000,000	-	1,000,000
Grant income (private foundations)	120,000	120,000	-
REC sales	1,714,750	1,714,750	-
REC sales to utilities under SHREC program	12,202,372	12,202,372	-
PPA Income	1,644,024	500,000	1,144,024
LREC/ZREC Income	1,601,947	424,000	1,177,947
Rental Income	1,398,099	-	1,398,099
Other income - Programs ⁽¹⁾	2,902,065	2,744,615	157,450
Other income - General ⁽²⁾	982,522	848,000	-
Total Earned Revenue:	\$ 46,119,090	\$ 38,447,552	\$ 7,537,016
Total Sources of Revenue:	\$ 77,905,333	\$ 67,549,252	\$ 7,823,460

⁽¹⁾ 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 are being received monthly beginning in September 2024.

⁽²⁾ \$750,000 of the Other Income - General is from EV Carbon Offsets.

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

	FY25 Budget Recast	FY25 Budget	Variance
<u>IT Hardware & Software</u>			
New/Replacement Desktops & Laptops	\$ 50,000	\$ 50,000	-
	<u>\$ 50,000</u>	<u>\$ 50,000</u>	<u>\$ -</u>
<u>Office Furniture & Equipment</u>			
Office Furniture	\$ 50,000	\$ 25,000	\$ 25,000
	<u>\$ 50,000</u>	<u>\$ 25,000</u>	<u>\$ 25,000</u>
<u>Leasehold Improvements</u>			
Office Redesign	\$ 100,000	\$ 100,000	-
	<u>\$ 100,000</u>	<u>\$ 100,000</u>	<u>\$ -</u>
Total Capital Expenditures	<u><u>\$ 200,000</u></u>	<u><u>\$ 175,000</u></u>	<u><u>\$ 25,000</u></u>



Memo

To: Board of Directors of the Connecticut Green Bank

From: Bryan Garcia (President and CEO), Stefanie Keohane (Associate Director of the Greenhouse Gas Reduction Fund), Sara Harari (Director of Innovation), Brian Farnen (General Counsel and Chief Legal Officer), and Bert Hunter (EVP and CIO)

CC: Sergio Carrillo (Managing Director of Incentive Programs), Eric Shrago (VP of Operations), Mackey Dykes (VP of Financing Programs and Officer), and Leigh Whelpton (Director of Environmental Infrastructure)

Date: January 21, 2025

Re: Greenhouse Gas Reduction Fund – National Clean Investment Fund: New Hampshire and Puerto Rico Partners

Overview

This memo is a request to approve of the Connecticut Green Bank ("Green Bank") to enter into a contract with the New Hampshire Community Loan Fund ("NHCLF") and Puerto Rico Green Energy Trust ("PRGET") as a Strategic Selection pursuant to the Green Bank Operating Procedures Section XII to administer their respective allocations awarded to the Green Bank as a Subrecipient under the Coalition for Green Capital's ("CGC") winning National Clean Investment Fund ("NCIF") award.

It should be noted that Bryan Garcia is the Chair of the Board of Directors of CGC in a volunteer capacity. And, it should also be noted, that Sergio Carrillo serves on the Board of Directors of PRGET in a volunteer capacity.

As presented to the Green Bank Board of Directors ("Board") on prior occasion,¹ the Greenhouse Gas Reduction Fund ("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 funding competitions. This memo focuses on funding deployed through the NCIF. EPA awarded CGC a \$5 billion NCIF grant to partner with green banks and the private sector to provide accessible, affordable financing for tens of thousands of clean technology projects across the country. Capitalized terms used but not defined herein shall have the meaning ascribed to them in the EPA's Terms and Conditions finalized on December 12, 2024 ("Terms and Conditions") and other CGC materials.

¹ See memos dated December 8, 2023, April 26, 2024, June 14, 2024, July 19, 2024 and December 6, 2024.

On January 3, 2025, the Green Bank executed a Subgrant Agreement with CGC (“CGC Subgrant Agreement”) to deploy or otherwise obligate \$93.53 million (i.e., \$40.8MM to the Green Bank, \$37.8MM to PRGET and \$14.9MM to NHCLF) to support EPA’s distributed energy generation and storage, zero-emissions transportation, and net-zero emissions buildings priority project categories and focus on deployment in low-income and disadvantaged communities (“LIDACs”). On January 14, 2025, the Green Bank executed an Account Control Agreement with CGC and Citibank N.A., which was selected through a US Treasury Department procurement process to serve as the NCIF and Clean Communities Investment Accelerator financial agent. CGC transferred the total \$93.53 million to the Green Bank’s Citi account on January 16, 2025, consistent with the terms of the Account Control Agreement.

Connecticut Green Bank and Partners (i.e., New Hampshire and Puerto Rico)

In the summer of 2023, CGC worked on its application to the EPA under the NCIF competition with support from the Green Bank. As New Hampshire is within EPA Region 1 (i.e., which is New England), and legislative efforts of NHCLF to become the recognized “green bank” of New Hampshire continue, New Hampshire sought the Green Bank’s assistance to support it within the CGC application. In addition to New Hampshire, and given a long-standing relationship between Connecticut and Puerto Rico (i.e., within EPA Region 2, including New York and New Jersey) through Bryan Garcia and Sergio Carrillo, the PRGET sought the Green Bank’s assistance as well, to support it within the CGC application as it gets up and running as Puerto Rico’s green bank. Additional background on PRGET and NHCLF is included in the Strategic Selection section, below.

PRGET and NHCLF submitted their proposed pipelines and budgets to the Green Bank to support a \$37.8MM and \$2.6MM² deployment of funds, respectively. Tables 1 and 2 summarize PRGET’s and NHCLF’s NCIF program and project portfolio targets, respectively.

Table 1. PRGET Project Portfolio Targets

Program	EPA Priority Funding Areas				Targets (\$MM)	Deployment in Low-Income and Disadvantaged Communities (LIDACS”
	Distributed Energy Generation and Storage	Net Zero Emissions Buildings	Zero Emissions Transportation	Other		
Commercial Buildings	X	X			\$10.00	100%
Climate Resilience	X			X	\$10.00	100%
Ground-Mount Renewables and/or Storage	X			X	\$7.50	100%
Single-Family Homes	X	X			\$5.00	100%
Multifamily Homes	X	X			\$2.5	100%
Government Buildings	X	X			\$1.25	100%
Institutional Buildings	X	X			\$1.25	100%
Total					\$37.50	100%

² NHCLF’s total funding allocation is \$14.9MM, however, NHCLF is currently seeking \$2.6MM through the Green Bank as a subrecipient to CGC.

Table 2. NHCLF Project Portfolio Targets

Project	EPA Priority Funding Areas				Targets (\$MM)	LIDAC Allocation
	Distributed Energy Generation and Storage	Net Zero Emissions Buildings	Zero Emissions Transportation	Other		
Capitalize investor funded portfolio of four (4) solar power purchase agreement projects	X				\$2.00	50%
Financial rooftop solar panel for nonprofit senior center	X				\$0.04	50%
Resident-owned community to purchase solar array	X				\$0.07	50%
Farm efficiency measures and/or solar	X			X	\$0.11	27%
On-farm infrastructure and innovative practices				X	\$0.04	50%
Total					\$2.26	~50%

Loan and Security Agreement & Subgrant Agreement for Technical Assistance for PRGET & NHCLF

To adhere to the EPA's Terms and Conditions, the Green Bank intends to execute four separate agreements: a loan agreement and a subgrant agreement with each of PRGET and NHCLF. The agreements will be structured this way as the EPA Terms and Conditions state that Financial Intermediary Subrecipients (i.e., PRGET and NHCLF) receiving an award by a pass-through entity (i.e., the Green Bank) must receive federal financial assistance *other than a grant* (emphasis added) and that the proceeds must be used directly as Financial Assistance to Qualified Projects. In other words, the Green Bank is precluded from "re-granting" NCIF financial assistance funds it receives from CGC to PRGET and NHCLF. Notably, the EPA Terms and Conditions allow for Technical Assistance Subrecipients (i.e., PRGET and NHCLF) to receive a Subgrant to be used exclusively for Predevelopment Activities, Market-Building Activities and/or Program Administration Activities.

Accordingly, the Green Bank drafted Loan and Security Agreements ("Loan Agreement") to provide NCIF funds to PRGET and NHCLF for Financial Assistance to Qualified Projects structured as a forgivable loan for the principal of loans funded or obligated as of December 31, 2026. By entering into Loan Agreements with PRGET and NHCLF, the amount of Financial Assistance provided to these entities is obligated for the purposes of the Green Bank achieving fund deployment or obligation by December 31, 2025.³ Therefore, the Period of Performance of the Loan Agreement extends to December 31, 2026, to allow for additional time for PRGET and

³ The EPA Terms and Conditions state that funds may be transferred from a Recipient's Budget Account to its Reserve Account, which is "intended to enable funds to be set-aside within the Financial Agent for use for any form of Financial Assistance that requires the Recipient to pledge or legally commit award funds for a future expenditure to a third party to meet a legal obligation" and further, that "The Recipient must 'flow-down' this requirement to Subrecipients."

NHCLF to deploy NCIF funds to Qualified Projects. Any undrawn loan funds must be repaid by PRGET and NHCLF to the Green Bank by January 15, 2027, as further outlined in the Loan Agreement. Under the Loan Agreement, PRGET and NHCLF would be required to establish an Account Control Agreement to establish drawdown procedures requiring Green Bank approval. The Loan Agreement includes a 0.5% service fee to cover the costs of Green Bank staff administering the agreements and provide implementation support to PRGET and NHCLF.

The Green Bank has several customary protections in place if PRGET and NHCLF default under this agreement. Most notably, the Green Bank holds a first-priority security interest in their specified collateral, such as accounts, property, and other assets. This allows us to seize and liquidate these assets to recover funds. Additionally, the agreement enables the Green Bank to accelerate the loan repayment, demand immediate payment, and take possession of or sell the collateral. The Green Bank may also appoint a receiver to manage or liquidate assets to protect its interests.

Beyond these remedies, the Green Bank will be indemnified by PRGET and NHCLF for losses resulting from non-compliance with the agreement. These provisions, which are typical in such lending agreements and mirror our contractual relationship with CGC, ensure that we have a comprehensive set of tools to mitigate financial risks, recover funds in the event of default and not put Connecticut ratepayer funds at risk.

In addition, the Green Bank drafted Subgrant Agreements for Technical Assistance (“Subgrant Agreement”) to provide NCIF funds to PRGET and NHCLF exclusively for Predevelopment Activities, Market-Building Activities and/or Program Administration Activities. The Period of Performance of the Subgrant Agreement is December 31, 2025, which aligns with the Green Bank’s Period of Performance in its Subgrant Agreement with CGC. Any remaining funds through the Subgrant Agreement at the end of the Period of Performance must be returned to the Green Bank.

Strategic Selection

Entering into Loan and Subgrant Agreements with NHCLF and PRGET in accordance with the Green Bank’s Subgrant Agreement with CGC falls within the parameters of a Strategic Selection, subject to Board approval. At the July 26, 2024, meeting, the Board passed a resolution for the Green Bank to pursue agreements with PRGET and NHCLF as a Strategic Selection materially consistent with the draft term sheet provided in the memo dated July 19, 2024. The Green Bank now presents the draft Loan and Subgrant Agreements with PRGET and NHCLF to the Board, appended to this memo, as well an expanded rationale for its Strategic Selection request, as outlined below. The Green Bank requests that the Board approve of the Green Bank finalizing such agreements with PRGET and NHCLF that are materially consistent with the appended agreements.

(a) Special Capabilities

Investment Target in LIDACs – The Green Bank’s Subgrant Agreement with CGC requires an investment of at least 40% (i.e., \$37.4MM) of the Green Bank’s total allocated funds (i.e., \$93.5MM), and commercially reasonable efforts to invest at least 50% (i.e., \$46.8MM) of allocated funds in LIDACs. The federal LIDAC definition includes, but is not limited to,

communities identified by the Climate and Environmental Justice Screening Tool (“CEJST”)⁴ and Environmental Justice Screen tool (“EJ Screen”)⁵. These are locations that include areas burdened by economic and/or environmental factors. In Connecticut, because of investments made by the Green Bank since our inception in FY12, 32% of investment has been in a federally defined LIDAC. The Green Bank has committed to investing 40-50% of its portion of the GGRF-NCIF resources (i.e., \$40.8MM) in LIDACs. Given our historical performance and CGC’s required deployment timeline of one year, this will be a challenging goal. However, by including Puerto Rico – where nearly 100% of the population of 3.2MM resides in federally designated LIDACs – provides an opportunity to accelerate progress towards these targets while maximizing the deployment of resources in communities most in need. This approach ensures alignment with CGC’s goals and reinforces the Green Bank’s commitment to equitable investment in underserved communities.

Investment Target in Rural and Tribal Communities – In addition to the LIDAC target, the CGC Subgrant Agreement requires commercially reasonable efforts to ensure that 2% and 20% of Subrecipients’ investment be in tribal and rural communities, respectively. It is important to note that there may be an overlap between tribal and rural communities and LIDACs, which can amplify the impact of targeted investments. Notably, nearly 50% of New Hampshire’s population lives in rural communities, providing a significant opportunity to meet the rural investment target.

In summary, both Puerto Rico and New Hampshire offer unique opportunities that enhance Green Bank’s ability to achieve the LIDAC, rural, and tribal investment targets outlined above that are included in the Green Bank’s Subgrant Agreement with CGC. By leveraging the distinct characteristics of these regions, the Green Bank can maximize its impact and ensure alignment with CGC investment priorities.

(b) Uniqueness

Puerto Rican Community in Connecticut – The Hispanic community in Connecticut has grown significantly in recent years and is expected to continue to grow. Between 2010 and 2022, the Hispanic population in Connecticut grew by over 175,000 people from 480,000 to 655,000.⁶ This is a 30% increase – which was faster than the 23% growth of the Hispanic population nationwide during the same period.⁷ Puerto Ricans make up over 45% of the Hispanic population (i.e., about 290,000 people), representing the largest Hispanic group in Connecticut, and Connecticut has the highest percentage of residents identifying as Puerto Rican than any U.S. state.⁸

Within the six (6) months following Hurricane Maria in September of 2017, around 13,000 people moved from Puerto Rico to Connecticut – about 10% of the Puerto Rican population that left to the United States.⁹ A large number of Puerto Ricans settled in Hartford, New Haven, and Fairfield Counties due to having family members in the area. Climate change induced disasters in the Caribbean (e.g., Hurricanes Irma, Maria, Fiona), causing wide-

⁴ The Council on Environmental Quality’s Climate and Economic Justice Screening Tool available at, <https://screeningtool.geoplatform.gov/en/#3/33.47/-97.5>.

⁵ EPA’s EJ Screen: Environmental Justice Screening and Mapping Tool available at <https://www.epa.gov/ejscreen>.

⁶ Our Changing Population: Connecticut by USA Facts – [click here](#).

⁷ Celebrating Connecticut’s Hispanic and Latino Residents by CT data – [click here](#).

⁸ Ibid.

⁹ “They Left Puerto Rico After Hurricane Maria and Collided with the Housing Crisis in Connecticut” by Katie Lund and Bruni Pizarro of New America (July 18, 2024)

spread power outages and destruction to infrastructure, continue to persist and have an impact on Connecticut as more and more Puerto Ricans arrive in state needing essential services such as housing, childcare, and health care.

(c) Strategic Importance

Demonstrating State Leadership – The Connecticut Green Bank seeks to extend its leadership role in administering federal competitive grant programs by making available NCIF funds to PRGET and NHCLF through the Green Bank’s Subgrant Agreement with CGC. This approach aligns with best practices and precedents elsewhere, such as the Connecticut Department of Energy and Environmental Protection’s successful application to administer a \$450 million New England Heat Pump Accelerator program through the EPA’s Climate Pollution Reduction Grant (“CPRG”), which includes partnerships with state governments in Maine, Massachusetts, New Hampshire, and Rhode Island.

Strengthening Puerto Rico Partnerships – Established under PR Law No. 17-2019, PRGET was created with a mission similar to that of the Green Bank. Unlike the Green Bank, which operates as a quasi-public authority, PRGET is an independent 501(c)3 nonprofit organization. As Puerto Rico’s first green bank, PRGET plays a pivotal role in advancing clean energy initiatives on the island and contributes to the broader effort to expand the national network of green banks. Since Hurricane Maria, Puerto Rico has been the fastest growing residential solar + storage market in the country. It boasts the highest watts per capita of solar PV installations nationwide, with a solar PV and storage connection rate exceeding 90%. Connecticut’s Energy Storage Solutions (“ESS”) program can draw valuable lessons from Puerto Rico’s success in scaling solar and storage adoption.

The Green Bank has maintained a longstanding relationship with PRGET, providing advice and guidance to support its establishment and growth. Bryan Garcia, as a volunteer, provided several keynote addresses to the Solar and Energy Storage Association of Puerto Rico; while Sergio Carrillo as a member of the Board of Directors of the PRGET, also in a volunteer capacity, has assisted with strategic efforts including the recent hiring of President and CEO, Nellie Gorbea. Nellie is the former Secretary of State of Rhode Island and is well known to the Hispanic leaders of the Connecticut General Assembly as she was the first Hispanic elected to statewide office in New England in 2015. 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.

Supporting New Hampshire Participation in NCIF – The New Hampshire Community Loan Fund is a Community Development Financial Institution established in 1983 with a mission to provide systemically excluded people and communities, in New Hampshire and beyond, with the financial, human, and civic resources they need to be economically secure. Like Connecticut, low- and moderate-income residents of New Hampshire spend a higher percentage of their income on energy, and clean energy can help reduce those costs. NHCLF serves as a valuable model for the Green Bank, demonstrating how investments in environmental infrastructure (e.g., agriculture) can support local farmers and food systems and significantly enhance public health. NHCLF was first 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 consulted 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 Green Bank sought to include NHCLF in its NCIF application to CGC as New Hampshire was not otherwise represented through CGC’s partnerships and expressed a desire to the

Green Bank for assistance. As of 2023, NHCLF has \$190MM in assets and \$41MM in net assets.

(d) Urgency and Timeliness

Investment of Inflation Reduction Act Proceeds – As is outlined above, on January 3, 2025, the Green Bank entered into an NCIF Subgrant Agreement with CGC, and on January 16, 2025, \$93.5MM was transferred into a Green Bank account at Citibank to be invested across two (2) states and a territory – Connecticut (\$40.8MM), New Hampshire (\$14.9MM), and Puerto Rico (\$37.8MM). The Green Bank’s Subgrant Agreement with CGC includes a Period of Performance to invest Connecticut’s portion of the allocation by December 31, 2025, in order for such proceeds to be treated as a grant. In comparison, the Green Bank is able to extend the Period of Performance and Forgiveness Dates to NHCLF and PRGET to December 31, 2026 – a year longer than Connecticut, for such proceeds to be treated as a forgivable loan.

Given the urgency and timeliness to invest the \$93.5MM of NCIF resources by the Green Bank, and its New Hampshire and Puerto Rico partners, and in order for the proceeds to be considered a grant, it is important that the Green Bank execute Loan and Subgrant Agreements with both partners as soon as possible, so (1) that they may begin to invest such proceeds, and (2) that these contract agreements enable the Green Bank to move the allocated funding to its Reserve Account at Citibank to ultimately be accessed by PRGET and NHCLF.

(e) Multiphase Project

Expanding the National Network of Green Banks – Successful execution of a partnership with PRGET and NHCLF will bolster the network of green banks nationally. 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 “Sparkling the Green Bank Movement”. As a result, green banks, such as PRGET, look to Connecticut for leadership and support in establishing their organizations. The Green Bank’s NCIF Subgrant Agreement with CGC requires participation in the American Green Bank Consortium to strengthen this national network and collaborative efforts among members. Similarly, the Green Bank’s Loan Agreement will require PRGET and NHCLF to join the American Green Bank Consortium.

Resolutions

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 memos to the Board of Directors of the Green Bank (“the Board”) date June 14, 2024 and July 19, 2024;

WHEREAS, at the June 21, 2024, meeting of the Board, the Board approved of the Green Bank negotiating terms with the Participants with the intention to bring back such contract or term sheet back to the Board for approval as a Strategic Selection; and.

WHEREAS, on January 3, 2025, the Green Bank entered into an NCIF Subgrant Agreement with CGC totaling \$93.53 million, and on January 16, 2025, CGC transferred the total funding amount to the Green Bank’s account at Citibank in accordance with the Account Control Agreement the Green Bank executed with CGC and Citibank on January 14, 2025.

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 definitive documentation with the Participants as Financial Intermediary Subrecipients and Technical Assistance Subrecipients to CGC’s winning GGRF NCIF award as outlined in this memo dated January 21, 2025 and materially consistent with the attached draft Loan and Security Agreement & Subgrant Agreement for Technical Assistance, 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 the Participants as a Financial Intermediary Subrecipients and Technical Assistance Subrecipients to CGC’s winning GGRF NCIF award as a Strategic Selection and Award pursuant to the Green Bank Operating Procedures Section XII given the special capabilities, uniqueness, strategic importance, urgency and timeliness, and multi-phase characteristics of contracts with the Participants; 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.

ATTACHMENTS

- Draft Loan and Security Agreement – PR and NH
- Draft Subgrant Agreement for Technical Assistance – PR and NH

NATIONAL CLEAN INVESTMENT FUND

LOAN AND SECURITY AGREEMENT

BETWEEN

CONNECTICUT GREEN BANK

AND

PUERTO RICO GREEN ENERGY TRUST

Dated as of [●], 2025

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NATIONAL CLEAN INVESTMENT FUND LOAN AND SECURITY AGREEMENT

This LOAN AND SECURITY AGREEMENT (this “**Agreement**”) is effective as of [●] (the “**Effective Date**”) between CONNECTICUT GREEN BANK, a quasi-public authority established under Connecticut General Statute 16-245n (“**Lender**”) and Puerto Rico Green Energy Trust (“**Borrower**”). Lender and Borrower may be referred to herein as a “**Party**” and collectively as the “**Parties**”.

WHEREAS, the Coalition for Green Capital (“**CGC**”), a 501(c)3 nonprofit organization, submitted on behalf of itself and its 18 coalition members, including Lender, on October 12, 2023, to the EPA under the notice of funding opportunity for the National Clean Investment Fund (“**NCIF**”) of the Greenhouse Gas Reduction Fund (“**GGRF**”), an application for a grant;

WHEREAS, the CGC grant application included additional resources that would be administered by Lender on behalf of Borrower;

WHEREAS, on August 8, 2024, CGC entered into a Grant Agreement (“**EPA Award**”) with the United States Environmental Protection Agency (“**EPA**”) under the NCIF of the GGRF for the establishment and operation of a national green bank and associated network of state and local green banks and other nonprofit capital providers for clean energy products, technologies, and services, for the purposes of (i) providing Financial Assistance to Qualified Projects, (ii) conducting Market-Building Activities, (iii) conducting Predevelopment Activities and (iv) conducting Program Administration Activities (the “**Program**”);

WHEREAS, CGC and Lender entered into a Subgrant Agreement for Financial Assistance (“**CGC-CGB Subgrant Agreement**”) pursuant to which CGC made a Subgrant to Lender (the “**CGC-CGB Subgrant**”) and Lender is a Financial Assistance Subrecipient for the purpose of performing certain activities consistent with the Program and to be funded on the terms and subject to the conditions set forth in the CGC-CGB Subgrant Agreement;

WHEREAS, in conjunction with this Agreement, Lender and Borrower have separately entered into a Subgrant Agreement for Technical Assistance (“**Technical Assistance Subgrant Agreement**”), pursuant to which Lender has agreed to make a Subgrant to Borrower and Borrower is a Technical Assistance Subrecipient for the purpose of performing Predevelopment Activities, Market-Building Activities, and Program Administration Activities consistent with the Program and to be funded on the terms and subject to the conditions set forth in the Technical Assistance Subgrant Agreement;

WHEREAS, in conjunction with this Agreement, Borrower has entered into an AGBC Network Partner Agreement (a “**Network Partner Agreement**”) and agreed to formalize its role as a network partner of AGBC on the terms and subject and conditions set forth in such Network Partner Agreement; and

WHEREAS, in consideration of the mutual covenants set forth in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which the Parties hereby acknowledge, the Parties hereby agree as follows:

ARTICLE I

Section 1.1. Federal Award Identification.

- 1) Borrower: Puerto Rico Green Energy Trust
- 2) Borrower’s Unique Entity Identifier (“**UEI**”): [●]
- 3) Federal Award Identification Number (“**FAIN**”): 84094201
- 4) EPA Award Date: August 8, 2024

- a. CGC-CGB Subgrant Date: January 5, 2025
- 5) Subaward Performance Period Start and End Dates: [start date] & December 31, 2026
- 6) Amount of EPA Funds Obligated under initial subaward: \$33,750,450
- 7) Total or cumulative amount of EPA funds obligated to Borrower under initial subaward plus any subsequent funded amendments: \$33,750,450
- 8) Total Amount of the EPA funds committed to Borrower by Lender: \$33,750,450
- 9) Award program description, as required for the Federal Funding Accountability and Transparency Act ("FFATA"): The Program to be funded under the EPA Award will establish and operate a national green bank and associated network of green banks and other green finance providers for the purposes of providing Financial Assistance to Qualified Projects, conducting Market-Building Activities, conducting Predevelopment Activities and conducting Program Administration Activities.
- 10) Federal awarding agency: EPA
- 11) Pass-through entity: Connecticut Green Bank
- 12) Connecticut Green Bank's awarding official for this subaward and contact information:
 - a. Bryan Garcia
 - b. Bryan.Garcia@ctgreenbank.com
 - c. 860-257-2170
 - d. 75 Charter Oak Ave, Suite 1-103, Hartford, CT 06106
- 13) Assistance Listing Number: 66.957
- 14) Funding Opportunity Name: National Clean Investment Fund (NCIF)
- 15) Funding Opportunity Number: EPA-R-HQ-NCIF-23

ARTICLE II DEFINITIONS

Section 2.1. Recitals. The recitals set forth above form an integral and substantive part of this Agreement and are incorporated herein.

Section 2.2. Definitions Incorporated by Reference. Capitalized terms used but not defined herein shall have the meanings given to such terms in the EPA Terms & Conditions, including Financial Assistance, Financial Assistance Subrecipient, Financial Intermediary Subrecipient, Qualified Project, Post-Closeout Program Income, Program Income, Program Beneficiary and Subrecipient.

Section 2.3. Defined Terms.

(a) **"ACA"** means an account control agreement between Borrower, Lender and the depositary bank or securities intermediary, as applicable, in substantially the form attached as Exhibit D.

(b) **"Ad Hoc Request Date"** has the meaning set forth in Section 3.2(a).

(c) **"Account"** means any "account" as defined in the Code with such additions to such term as may hereafter be made, and includes all accounts receivable and other sums owing to any Borrower or Subsidiary.

(d) **"Affiliate"** means, with respect to any Person, each other Person that owns or controls directly or indirectly the Person, any Person that controls or is controlled by or is under common control with the Person, and each of that Person's officers, directors and employees. Lender shall not be deemed an Affiliate of Borrower.

(e) **"Agreement"** has the definition provided in the preamble.

(f) **“Availability Period”** means the period from January 1, 2025, to December 31, 2026.

(g) **“Baseline Emissions”** means estimated GHG Emissions from any source identified by the Borrower that are intended to be avoided or abated by a Qualified Project.

(h) **“Beneficial Ownership Certification”** means a certification regarding beneficial ownership required by the Beneficial Ownership Regulation.

(i) **“Beneficial Ownership Regulation”** means 31 C.F.R. § 1010.230.

(j) **“Board”** means the board of directors of Borrower.

(k) **“Borrower Bank Account”** means each deposit account or securities account in the name of Borrower which is subject to an ACA among Borrower, Lender and the depository bank or securities intermediary, as applicable, in compliance with Section 4.2(g).

(l) **“Borrower Budget”** means the budget attached hereto as Schedule A, indicating how funds received by Borrower under this Agreement will be used, in form and substance satisfactory to Lender, as such budget may be updated from time to time by Borrower with the consent of Lender or otherwise in compliance with this Agreement.

(m) **“Borrower’s Books”** are Borrower’s (including any of its Subsidiaries existing as of Effective Date and thereafter as Borrower may establish) books and records including ledgers, federal and state tax returns, records regarding Borrower’s and any and all Subsidiaries’ assets or liabilities, the Collateral, business operations or financial condition, and all computer programs or storage or any equipment containing such information.

(n) **“Borrower Planning Documents”** means collectively, the Borrower Budget and the Loan Implementation Plan.

(o) **“Borrowing Request”** is defined in Section 4.2(e).

(p) **“Business Day”** means any day which is not a Saturday or Sunday or a legal holiday on which banks are authorized or required to be closed in Washington, DC or Connecticut.

(q) **“Capital Stock”** means all shares of capital stock (whether denominated as common stock or preferred stock), equity interests, beneficial, partnership or membership interests, joint venture interests, participations or warrants, rights or options for the purchase or acquisition from such Person of such shares (or such other interests), and all other ownership or profit interests in, or Stock Equivalents (regardless of how designated) of, a Person (other than an individual), whether voting or non-voting.

(r) **“CGC-CGB Subgrant ACA”** means the account control agreement among Lender, CGC and the depository bank or securities intermediary executed in connection with the CGC-CGB Subgrant Agreement.

(s) **“CGC-CGB Subgrant Agreement”** means the Subgrant Agreement, dated as of January 3, 2025, between Lender and CGC, as may be amended, supplemented or otherwise modified from time to time.

(t) **“CGC-CGB Subgrant Amount”** means the “Subgrant Amount” as defined in the CGC-CGB Subgrant Agreement.

(u) **“Closeout Agreement”** has the meaning set forth in Section 11.2.

(v) **“Coalition Work Plan”** means the updated work plan submitted by CGC, on behalf of itself and its coalition members to the EPA as may be amended from time to time with EPA’s approval, attached hereto as Exhibit E.

(w) **“Code”** means the Uniform Commercial Code, as the same may, from time to time, be enacted and in effect in the State of New York; provided, that, to the extent that the Code is used to define any term herein or in any Loan Document and such term is defined differently in different Articles or Divisions of the Code, the definition of such term contained in Article or Division 9 shall govern; provided further, that in the event that, by reason of mandatory provisions of law, any or all of the attachment, perfection or priority of, or remedies with respect to, Lender’s Lien on any Collateral is governed by the Uniform Commercial Code in effect in a jurisdiction other than the State of New York, the term “Code” means the Uniform Commercial Code as enacted and in effect in such other jurisdiction solely for purposes of the provisions thereof relating to such attachment, perfection, priority or remedies and for purposes of definitions relating to such provisions.

(x) **“Collateral”** means with respect to Borrower, any and all properties, rights and assets of Borrower described on Exhibit A.¹

(y) **“Commitment”** means Lender’s obligation to make the Loans to Borrower pursuant to Section 2.2. The aggregate principal amount of the Commitment of Lender as in effect on the Effective Date is \$[33,750,450]. The Commitment of Lender shall be reduced to zero after the funding of the Loans with respect thereto.

(z) **“Compliance Certificate”** is that certain certificate in the form attached hereto as Exhibit B.

(aa) **“Contingent Obligation”** is, for any Person, any direct or indirect liability, contingent or not, of that Person for (a) any indebtedness, lease, dividend, letter of credit or other obligation of another such as an obligation, in each case, directly or indirectly guaranteed, endorsed, co-made, discounted or sold with recourse by that Person, or for which that Person is directly or indirectly liable; (b) any obligations for undrawn letters of credit for the account of that Person; and (c) all obligations from any interest rate, currency or commodity swap agreement, interest rate cap or collar agreement, or other agreement or arrangement designated to protect a Person against fluctuation in interest rates, currency exchange rates or commodity prices; but “Contingent Obligation” does not include endorsements in the ordinary course of business. The amount of a Contingent Obligation is the stated or determined amount of the primary obligation for which the Contingent Obligation is made or, if not determinable, the maximum reasonably anticipated liability for it determined by the Person in good faith, but the amount may not exceed the maximum of the obligations under any guarantee or other support arrangement.

(bb) **“Debtor Relief Laws”** means the Bankruptcy Code of the United States, and all other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor relief Laws of the United States or other applicable jurisdictions from time to time in effect.

¹ NTD: Borrower to propose 1.5x in collateral.

(cc) **“Default”** means any Event of Default or any condition, occurrence or event which, after notice or lapse of time or both, would constitute an Event of Default.

(dd) **“Default Rate”** is defined in Section 3.3(b).

(ee) **“Disposition”** is defined in Section 8.1.

(ff) **“Dispute”** or **“Disputes”** is defined in Section 12(b).

(gg) **“Disqualified Stock”** means any Capital Stock that, by its terms (or by the terms of any security or other Capital Stock into which it is convertible or for which it is exchangeable), or upon the happening of any event or condition (other than customary asset sale offers and redemptions upon the change of control, in each case so long as any rights of the holders thereof upon the occurrence of such change of control or asset sale shall be subject to the prior repayment in full of the Obligations), less than 180 days after the last day of the term of this Agreement (a) matures or is mandatorily redeemable, pursuant to a sinking fund obligation or otherwise, (b) is redeemable at the option of the holder thereof, in whole or in part, (c) provides for the scheduled payments of dividends or distributions in cash, or (d) is or becomes convertible into or exchangeable for Indebtedness or any other Capital Stock that would constitute Disqualified Stock.

(hh) **“Division/Series Transaction”** means any transaction under the laws of the State of Delaware or any other jurisdiction in which any such Person (a) divides into two or more Persons (whether or not the original Person survives such division) or (b) creates, or reorganizes into, one or more series.

(ii) **“Dollars”**, **“dollars”** or use of the sign “\$” means only lawful money of the United States and not any other currency, regardless of whether that currency uses the “\$” sign to denote its currency or may be readily converted into lawful money of the United States.

(jj) **“Ecority Bid Protest”** means the Dispute of Competitive Assistance Award Denial filed by Ecority on April 9, 2024, and any litigation arising therefrom challenging the selection of CGC for awards under the NCIF.

(kk) **“Effective Date”** is defined in the preamble hereof.

(ll) **“Eligible Disbursements”** means disbursements out of any Borrower Bank Account that are Eligible Investments.

(mm) **“Eligible Investments”** means Financial Assistance provided by Borrower to Qualified Projects within the Geographic Region.

(nn) **“EPA”** has the meaning set forth in the Recitals.

(oo) **“EPA Award”** has the meaning set forth in the Recitals.

(pp) **“EPA Terms & Conditions”** means the final NCIF Terms and Conditions approved by the EPA, as amended as of December 12, 2024, and attached hereto as Exhibit F, and as may be further amended, supplemented or otherwise modified from time to time.

(qq) **“Event of Default”** has the meaning set forth in Section 10.1.

(rr) **“Federal Requirements”** means all Federal statutes, regulations, policies, directives, terms, and conditions that are applicable to the use of funds under this Agreement, including the terms and conditions applicable to the EPA Award that are not limited in their application to CGC, Lender, or both.

(ss) **“CGC-CGB Subgrant”** means the “Subgrant” as defined in the CGC-CGB Subgrant Agreement.

(tt) **“Foreign Entity of Concern”** means (a) an entity owned by, controlled by, or subject to the direction of a government of a covered nation under 10 U.S.C. 4872(d); (b) an entity headquartered in a covered nation under 10 U.S.C. 4872(d); or (c) a subsidiary of an entity described in (a) or (b). As of the Effective Date, covered nations under 10 U.S.C. § 4872(d) are the Democratic People’s Republic of North Korea; the People’s Republic of China; the Russian Federation; and the Islamic Republic of Iran.

(uu) **“Forgivable Loan Amount”** has the meaning set forth in Section 3.2(e).

(vv) **“Forgiveness Date”** has the meaning set forth in Section 3.2(e).

(ww) **“Funding Date”** means the date on which the Loan is made to or for the account of Borrower.

(xx) **“GAAP”** means generally accepted accounting principles, as in effect from time to time in the United States, set forth in the opinions and pronouncements of the Accounting Principles Board of the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board or in such other statements by such other Person as may be approved by a significant segment of the accounting profession, which are applicable to the circumstances as of the date of determination.

(yy) **“Geographic Region”** means Territory of Puerto Rico.

(zz) **“GGRF”** has the meaning set forth in the Recitals.

(aaa) **“GHG Emissions”** means emissions of greenhouse gases.

(bbb) **“GHG Emissions Reduction”** means the amount of GHG Emissions that would be avoided or abated by a Qualified Project measured against Baseline Emissions, calculated based on the GHG Emissions Reduction Methodologies.

(ccc) **“GHG Emissions Reduction Methodologies”** means, with respect to any Qualified Project, methods of calculating GHG Emissions Reduction for such Qualified Project based on and in accordance with (i) calculators provided by EPA for the applicable Priority Project Category or for other Qualified Projects, (ii) other calculations or methodologies for determining GHG Emissions Reduction issued by EPA following the Effective Date and (iii) such other calculation method as may be mutually agreed to by the Parties.

(ddd) **“Governmental Authority”** means any nation or government, any state or other political subdivision thereof, any agency (including the EPA), authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative functions of or pertaining to government, any securities exchange and any self-regulatory organization.

(eee) “**Indebtedness**” means, with respect to any Person, (a) all indebtedness for borrowed money or the deferred price of property or services (excluding trade accounts payable in the ordinary course of business which are not overdue for a period of more than 90 days), including earn-out obligations due and payable or that are required to appear as liabilities on the balance sheet of such Person under GAAP and reimbursement and other obligations with respect to surety bonds and letters of credit, (b) all obligations evidenced by notes, bonds, debentures or similar instruments, (c) all capital lease obligations (excluding obligations under operating leases), (d) all Contingent Obligations, (e) all obligations of such Person in respect of Disqualified Stock, and (f) all indebtedness secured by a Lien on the property of such Person, whether or not such indebtedness shall have been assumed by such Person (with the amount thereof being measured as the fair market value of such property).

(fff) “**Initial Borrowing Request Date**” is defined in Section 3.2(a).

(ggg) “**Insolvency Proceeding**” means any proceeding by or against any Person under Debtor Relief Laws, or any other bankruptcy or insolvency law, including assignments for the benefit of creditors, compositions, extensions generally with its creditors, or proceedings seeking reorganization, arrangement, or other relief.

(hhh) “**Interest Rate**” is defined in Section 3.3(a).

(iii) “**Laws**” means, collectively, all international, foreign, federal, state, territory, and local statutes, treaties, rules, guidelines, regulations, ordinances, codes and administrative or judicial precedents or authorities, including the interpretation or administration thereof by any Governmental Authority charged with the enforcement, interpretation or administration thereof, and all applicable administrative orders, directed duties, requests, licenses, authorizations and permits of, and agreements with, any Governmental Authority, in each case whether or not having the force of law.

(jjj) “**LIDACs**” means “Low-Income and Disadvantaged Communities” as defined in the EPA Terms & Conditions.

(kkk) “**Lien**” is a claim, mortgage, deed of trust, levy, charge, pledge, security interest or other encumbrance of any kind, whether voluntarily incurred or arising by operation of law or otherwise against any property.

(III) “**Loan Documents**” are, collectively, this Agreement and any schedules, exhibits, certificates, notices, requests, and any other documents related to this Agreement and the ACA.

(mmm) “**Loan Implementation Plan**” means the plan attached hereto as Schedule B, describing as of the Effective Date, certain requested information about Borrower’s expected use of Loan proceeds during the Availability Period, and the percentage of Borrower’s Loan proceeds for Financial Assistance to Qualified Projects that is expected to be applied to Qualified Projects in LIDACs, rural communities and Tribal communities.

(nnn) “**Loan**” is defined in Section 3.2(a).

(ooo) “**Mandatory Repayment Date**” means January 15, 2027.

(ppp) “**Material Adverse Change**” is (a) a material impairment in the perfection or priority of Lender’s Lien in the Collateral or in the value of such Collateral; (b) a material adverse change in the business, properties, operations or condition (financial or otherwise) of Borrower or any of its Subsidiaries; or (c) a material impairment of the prospect of repayment of any portion of the Obligations.

(qqq) “**Network Partner Agreement**” has the meaning set forth in the recitals.

(rrr) “**NCIF**” has the meaning set forth in the Recitals.

(sss) “**Notice of Legal Dispute**” is defined in Section 12(b)(i).

(ttt) “**Obligations**” are Borrower’s obligations to pay when due any debts, principal, interest (including interest at the Default Rate, if any), fees and other amounts owed to Lender now or later, whether under this Agreement, the other Loan Documents, or otherwise, including all obligations relating to interest accruing after Insolvency Proceedings begin and debts, liabilities or obligations of Borrower assigned to Lender, and to perform Borrower’s duties under the Loan Documents.

(uuu) “**OFAC**” means the Office of Foreign Assets Control of the U.S. Department of the Treasury.

(vvv) “**Operating Documents**” are, for any Person, such Person’s formation documents, as certified by the Secretary of State (or equivalent agency) of such Person’s jurisdiction of organization on a date that is no earlier than 30 days prior to the Effective Date, and, (a) if such Person is a corporation, its bylaws, (b) if such Person is a limited liability company, its limited liability company agreement (or similar agreement), and (c) if such Person is a partnership, its partnership agreement (or similar agreement), each of the foregoing with all current amendments or modifications thereto.

(www) “**Payment Date**” means (x) as to interest on any Loan, the last Business Day of each March, June, September and December of each year, commencing on the first such date to occur after the first Funding Date and (y) the Mandatory Repayment Date.

(xxx) “**Perfection Certificate**” means a completed certificate, dated as of the Effective Date, signed by Borrower entitled “Perfection Certificate”.

(yyy) “**Period of Performance**” means the period from the Effective Date to December 31, 2026.

(zzz) “**Permits**” means all permits, licenses, registrations, certificates, orders, approvals, clearances, authorizations, consents, waivers, franchises, variances and similar rights issued by or obtained from any Governmental Authority or any other Person.

(aaaa) “**Permitted Dispositions**” means the following Dispositions:

- (i) of inventory in the ordinary course of business;
- (ii) of worn-out or obsolete equipment that is, in the reasonable judgment of Borrower no longer economically practicable to maintain or useful in the ordinary course of business of Borrower;
- (iii) consisting of Permitted Liens;
- (iv) consisting of Borrower’s or transfer of money or cash equivalents in the ordinary course of its business in a manner that is not prohibited by the terms of the Loan Documents;

- (v) consisting of non-exclusive licenses and sublicenses for the use of the property of Borrower in the ordinary course of business and not interfering with the business of Borrower; and
 - (vi) consisting of the syndication, sale or other transfer of financial products.
- (bbbb) “**Permitted Liens**” means:
- (i) Liens securing payment of the Obligations;
 - (ii) Liens existing on the Effective Date that are shown in the Schedule of Exceptions and refinancings of such Indebtedness; provided that, no such Lien shall encumber any additional property and the amount of Indebtedness secured by such Lien is not increased from that existing on the Effective Date (as such Indebtedness may have been permanently reduced after the Effective Date);
 - (iii) Liens for taxes, fees, assessments or other government charges or levies, either (i) not due and payable or (ii) being contested in good faith and for which the Loan Parties maintain adequate reserves on Borrower’s Books, provided that no notice of any such Lien has been filed or recorded under the Internal Revenue Code of 1986, as amended, and the Treasury Regulations adopted thereunder;
 - (iv) Carriers’, warehousemen’s, mechanics’, materialmen’s, repairmen’s or other like Liens arising in the ordinary course of business which are not overdue for a period of more than 45 days or which are being contested in good faith and by appropriate proceedings diligently conducted, if adequate reserves with respect thereto are maintained on the books of the applicable Person;
 - (v) Liens to secure payment of workers’ compensation, employment insurance, old-age pensions, social security and other like obligations incurred in the ordinary course of business (other than Liens imposed by the Employee Retirement Income Security Act of 1974);
 - (vi) Leases or subleases of real property granted in the ordinary course of the Loan Parties’ business (or, if referring to another Person, in the ordinary course of such Person’s business), and leases, subleases, non-exclusive licenses or sublicenses of personal property granted in the ordinary course of the Loan Parties’ business (or, if referring to another Person, in the ordinary course of such Person’s business), if the leases, subleases, licenses and sublicenses do not prohibit granting CGC a security interest therein;
 - (vii) Non-exclusive licenses of intellectual property granted to third parties in the ordinary course of business permitted by clause (e) of the definition of Permitted Dispositions;
 - (viii) Banker’s liens and rights of setoff in favor of financial institutions incurred made in the ordinary course of business arising in connection with a

Borrower's deposit accounts or securities accounts held at such institutions to secure solely payment of fees and similar costs and expenses and provided such accounts are maintained in compliance with Section 6.7 of this Agreement;

- (ix) Liens securing judgments for the payment of money not constituting an Event of Default;
- (x) Liens incurred in the ordinary course of business; and
- (xi) Liens to facilitate secured or no-recourse loans, investments, financial arrangements, or grants to third parties.

(cccc) **"Person"** is any individual, sole proprietorship, partnership, limited liability company, joint venture, company, trust, unincorporated organization, association, corporation, institution, public benefit corporation, firm, joint stock company, estate, entity, political subdivision, or government agency.

(dddd) **"Quarterly Performance Period"** is defined in Section 7.3.

(eeee) **"Quarterly Request Date"** means each March 15, June 15, September 15, and December 15 of each year occurring during the Availability Period (provided that if such date is not a Business Day, the applicable Quarterly Request Date shall be the next succeeding Business Day).

(ffff) **"Remaining Loan Proceeds"** means, as of the end of the Availability Period, the proceeds of the Loan less the Forgivable Loan Amount.

(gggg) **"Responsible Officer"** means, as to any Person, the chief executive officer, the president, chief operating officer, chief financial officer, treasurer, vice president of finance or the controller of such Person or any other officer having substantially the same authority and responsibility.

(hhhh) **"Sanctioned Country"** means, at any time, a country, region or territory which is itself the subject or target of comprehensive country-wide or territory-wide Sanctions.

(iiii) **"Sanctioned Person"** means (a) any Person identified on any list of designated Persons maintained by any Sanctions Authority, (b) any Person located, organized or resident in a Sanctioned Country, (c) any Person owned fifty percent (50%) or more by any such Person or Persons described in the foregoing clauses (a) or (b), or (d) any Person that is otherwise the subject to target of any Sanctions.

(jjjj) **"Sanctions"** means any and all Laws concerning or relating to economic, financial or trade sanctions, embargoes, or similar restrictive measures imposed, administered, enacted or enforced by a Sanctions Authority.

(kkkk) **"Sanctions Authority"** means any agency, department, division or instrumentality of the United States federal government, including OFAC, the U.S. Department of State, and the Bureau of Industry and Security.

(llll) **"Service Fee"** has the meaning set forth in Section 3.4.

(mmmm) “**Schedule of Exceptions**” means the Schedule of Exceptions attached to this Agreement.

(nnnn) “**Stock Equivalents**” means all equity securities convertible into or exchangeable for Capital Stock or any other Stock Equivalent, and all warrants, options or other rights to purchase, subscribe for or otherwise acquire any Capital Stock or any other Stock Equivalent, whether or not presently convertible, exchangeable or exercisable. For the avoidance of doubt, “Stock Equivalent” shall not include debt instruments that are convertible into Capital Stock or Stock Equivalents.

(oooo) “**Subsidiary**” is, as to any Person, a corporation, partnership, limited liability company or other entity of which shares of stock or other ownership interests having ordinary voting power (other than stock or such other ownership interests having such power only by reason of the happening of a contingency) to elect a majority of the board of directors or other managers of such corporation, partnership or other entity are at the time owned, or the management of which is otherwise controlled, directly or indirectly through one or more intermediaries, or both, by such Person. Unless the context otherwise requires, each reference to a Subsidiary herein shall be a reference to a Subsidiary of Borrower.

(pppp) “**Taxes**” means all income, stamp, goods and services tax or other taxes, duties, levies, imposts, charges, assessments, fees, deductions or withholdings, now or hereafter imposed, levied, collected, withheld or assessed by any Governmental Authority, and all interest, penalties or similar liabilities with respect thereto.

(qqqq) “**Term**” is defined in Section 13.15.

(rrrr) “**Termination Date**” is defined in Section 5.1.

(ssss) “**Transaction Documents**” means each Loan Document entered into in connection with this Agreement (including the ACA entered into in connection with this Agreement) and the Network Partner Agreement.

Section 2.4. Interpretative Matters. Any term used in the Code and not defined herein shall have the meaning provided by the Code to the extent such terms are defined therein. Defined terms in this Agreement shall apply equally to both the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words “include”, “includes” and “including” shall be deemed to be followed by the phrase “without limitation”. The word “will” shall be construed to have the same meaning and effect as the word “shall”; the word “shall” is mandatory; the word “may” is permissive; the word “or” is not exclusive and the words “asset” and “property” shall be construed as having the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights.

ARTICLE III LOANS AND TERMS OF PAYMENT

Section 3.1. Promise to Pay. Borrower hereby unconditionally promises to pay Lender the outstanding principal amount of the Loans and accrued and unpaid interest thereon as and when due in accordance with this Agreement; provided that Borrower shall not be required to pay the outstanding principal of the Loans when the conditions set forth in Section 3.2(e) are satisfied.

Section 3.2. Term Loans

(a) Availability; Funding. Subject to the terms and conditions of this Agreement, during the Availability Period and (x) on or after the later to occur of the Effective Date and the date on which the ACA has been executed (the “**Initial Borrowing Request Date**”) for each Borrower Bank Account into which the Loan funds or Program Income shall be deposited, (y) on each Quarterly Request Date thereafter and (z) on one other request date (the “**Ad Hoc Request Date**”) during the Availability Period, Borrower may request that Lender make a term loan (each, a “**Loan**” and collectively, the “**Loans**”) to Borrower in the principal amount set forth on the Borrowing Request for such Loan, and Lender shall deposit funds for such Loans into Borrower’s Bank Account designated by Borrower for the receipt of Loan funds within five (5) Business Days of request; provided that in no event shall the aggregate amount of Loans requested or borrowed hereunder exceed the Commitment; and provided further that Lender’s obligation to deposit funds into Borrower’s Bank Account is subject to Section 4.2 of this Agreement. Upon the end of the Availability Period, Lender’s obligation to make Loans to Borrower shall terminate, and any undrawn Loan funds shall be used by Lender as permitted under the EPA Award and the EPA Terms & Conditions. By accepting the Loans, Borrower is a “Financial Intermediary Subrecipient” within the meaning of the EPA Terms & Conditions.

(b) Interest Payments. Commencing on the first Payment Date following the Effective Date and continuing on the Payment Date of each fiscal quarter thereafter, Borrower shall make quarterly payments of interest, in arrears, on the outstanding principal amount of the Loans at the rate set forth in Section 3.3(a).

(c) Mandatory Repayment. On the Mandatory Repayment Date, Borrower shall make a mandatory repayment of the Loans, in an amount equal to the Remaining Loan Proceeds calculated as of December 31, 2026, to be applied as set forth in Section 3.5.

(d) Mandatory Repayment Upon an Acceleration. If the Loans are accelerated by Lender following the occurrence and during the continuance of an Event of Default, Borrower shall immediately pay to Lender an amount equal to the sum of all outstanding principal of and accrued and unpaid interest on the Loans and all other Obligations.

(e) Forgiveness of Loans. Notwithstanding Borrower’s requirement to pay principal or interest as otherwise set forth in this Agreement, on December 31, 2026 (the “**Forgiveness Date**”), Lender shall forgive the Obligations of Borrower in the amount of the principal of the Loans funded or obligated to Qualified Projects as of the Forgiveness Date (the “**Forgivable Loan Amount**”), provided that each of the following conditions is satisfied to the reasonable satisfaction of Lender on the Forgiveness Date:

- (i) The EPA Award remains in full force and effect;
- (ii) The CGC-CGB Subgrant Agreement remains effective and binding upon CGC and Lender;
- (iii) Lender’s financial accounts remain under Lender’s control in accordance with the CGC-CGB Subgrant ACA;
- (iv) No action by any Governmental Authority or CGC prevents Lender from forgiving all or part of the Forgivable Loan Amount on the Forgiveness Date;
- (v) the representations and warranties in this Agreement and the other Loan Documents shall be true and complete in all material respects (without

duplication of any materiality qualifiers); provided, however, that those representations and warranties expressly referring to a specific date shall be true, accurate and complete in all material respects (without duplication of any materiality qualifiers) as of such date;

- (vi) no Borrower Default or Event of Default shall have occurred and be continuing from the Loans;
- (vii) No Borrower Default or Event of Default shall have occurred and be continuing under any Transaction Document;
- (viii) Borrower is not in arrears on any payment owing to Lender as of the Forgiveness Date;
- (ix) the use of proceeds of the Forgivable Loan Amount shall comply with all terms of this Agreement, the EPA Award, the EPA Terms & Conditions, and all Federal Requirements, and no proceeds of the Loans shall be used for any prohibited use under Section III.E of the EPA Terms & Conditions; and
- (x) it is acknowledged and agreed that any knowing and willful false statements made by Borrower to Lender may be subject to prosecution under 18 U.S.C. 1001 and other criminal, civil, or administrative sanctions.

Section 3.3. Payment of Interest on the Loans

(a) Interest Rate. Subject to Section 3.3(b), the outstanding principal amount of the Loans shall accrue interest at a rate per annum equal to 0.50% (the “**Interest Rate**”).

(b) Default Rate. Immediately upon the occurrence and during the continuance of an Event of Default, the Obligations shall bear interest at a rate per annum that is equal to the lesser of (i) 2.00% above the Interest Rate that is otherwise applicable thereto (the “**Default Rate**”) and (ii) the maximum amount permitted to be charged under applicable Law. Fees and expenses that are required to be paid by Borrower pursuant to the Loan Documents but are not paid when due shall bear interest until paid at the Default Rate. Payment or acceptance of the increased interest rate provided in this Section 3.3(b) is not a permitted alternative to timely payment and shall not constitute a waiver of any Event of Default or otherwise prejudice or limit any rights or remedies of.

(c) Payment; Interest Computation. Interest is payable on each Payment Date and shall be computed on the basis of a 360-day year for the actual number of days elapsed. In computing interest, (i) all payments received after 2:00 p.m. Eastern time on any day shall be deemed received at the opening of business on the next Business Day, and (ii) the date of the making of any Loan shall be included and the date of payment shall be excluded.

Section 3.4. Service Fee. Borrower agrees to pay Lender a service fee of \$189,000 (the “**Service Fee**”). Borrower shall pay Lender the Service Fee in twelve (12) monthly installment payments of \$15,750 due on the 1st day of each month. The first Service Fee monthly installment payment shall be due on the 1st day of the month following the Effective Date.

Section 3.5. Payments; Application of Payments

(a) **Payments.** All payments on the Loans and other Obligations shall be made to the account of Lender specified by Lender in immediately available funds in Dollars, without setoff or counterclaim, before 4:00 p.m. Eastern time on the date when due and payments received after such time are considered received by Lender on the next Business Day (including for computing interest). When a payment is due on a day that is not a Business Day, the payment shall be due the next Business Day, and additional fees or interest, as applicable, shall continue to accrue until paid.

(b) **Application of Insufficient Payments.** Subject to Section 10.4, if at any time insufficient funds are received by and available to Lender to pay fully all amounts of principal, interest, fees and other amounts then due hereunder, such funds shall be applied (i) first, to pay interest, fees and other amounts then due hereunder, and (ii) second, to pay principal then due hereunder. Borrower shall have no right to specify the order or the accounts to which Lender shall allocate or apply any payments required to be made by Borrower to Lender or otherwise received by Lender under this Agreement when any such allocation or application is not specified elsewhere in this Agreement.

Section 3.6. Withholding. Payments received by Lender from Borrower under this Agreement will be made free and clear of and without deduction for any and all Taxes. Specifically, however, if at any time any Governmental Authority, applicable Law, regulation or international agreement require Borrower to make any withholding or deduction from any such payment or other sum payable hereunder to Lender, Borrower hereby covenants and agrees that Borrower shall be entitled to make such withholding or deduction, shall timely pay the full amount withheld or deducted to the relevant Governmental Authority, and if such tax is indemnified by Borrower pursuant to Article IX, the amount due from Borrower with respect to such payment or other sum payable hereunder will be increased to the extent necessary to ensure that, after the making of such required withholding or deduction, Lender receives a net sum equal to the sum which it would have received had no withholding or deduction been required. Borrower will, upon request, furnish Lender with proof reasonably satisfactory to Lender indicating that Borrower has made such withholding payment; provided, however, that Borrower need not make any withholding payment if the amount or validity of such withholding payment is contested in good faith by appropriate and timely proceedings and as to which payment in full is bonded or reserved against by Borrower.

ARTICLE IV CONDITIONS PRECEDENT; CONDITIONS OF LOANS

Section 4.1. Conditions Precedent to Effectiveness. The Parties acknowledge and agree that this Agreement shall become effective only upon completion of such matters as Lender may reasonably deem necessary or appropriate, including:

- (a) The EPA Award remains in full force and effect;
- (b) The CGC-CGB Subgrant Agreement has been duly executed by CGC and Lender, with all conditions precedent satisfied, and is effective and binding upon CGC and Lender;
- (c) The CGC-CGB Subgrant has been fully funded into Lender's financial accounts designated for such purpose under the CGC-CGB Subgrant Agreement and such accounts remain under Lender's control in accordance with the CGB-CGC Subgrant ACA;
- (d) The Technical Assistance Subgrant Agreement has been duly executed by Lender and Borrower, with all conditions precedent satisfied, and is effective and binding upon Lender and Borrower;

(e) The Network Partner Agreement has been duly executed by Borrower, with all conditions precedent satisfied, and is effective and binding upon Borrower;

(f) Lender shall have received, in form and substance satisfactory to Lender, such documents, and completion of such other matters, as Lender may reasonably deem necessary or appropriate, including:

- (i) duly executed counterparts to this Agreement;
- (ii) the following deliverables relating to perfection and priority of security interests:
 - (A) UCC, tax lien and judgment lien searches of Borrower, copies of any financing statements on file against Borrower and evidence that no Liens exist other than Permitted Liens;
 - (B) Uniform Commercial Code financing statements for each appropriate jurisdiction as is necessary or advisable to perfect Lender's security interest in the Collateral;
 - (C) all certificates evidencing Capital Stock, promissory notes and other instruments pledged to Lender, together with duly executed and undated blank transfer forms attached thereto;² and
 - (D) duly executed consents as are necessary or advisable to perfect Lender's security interest in the Collateral;

(g) the organizational or governing documents and a long-form good standing certificates of Borrower, if applicable, certified by the Secretary of State (or equivalent agency) of Borrower's jurisdiction of organization or formation and each jurisdiction in which Borrower is qualified to conduct business as of a date no earlier than thirty (30) Business Days prior to the Effective Date;³

(h) a secretary's certificate of Borrower with respect to its organizational or governing documents, incumbency, specimen signatures and board (or equivalent) resolutions signed or otherwise duly approved by each of Borrower's directors [and shareholder resolutions, in each case]⁴ authorizing the execution and delivery of this Agreement and the other Loan Documents to which it is a party;

(i) proof that Borrower qualifies and holds the status of an exempt organization under IRC Section 501(c)(3);

(j) a Perfection Certificate, duly executed by Borrower;

(k) a copy of Borrower's Budget in form and substance satisfactory to Lender and attached hereto as Schedule A, and a copy of Borrower's Loan Implementation Plan, in form and substance satisfactory to Lender and attached hereto as Schedule B;

² NTD: To the extent applicable.

³ NTD: To modify for Financial Intermediaries governed by an authorizing/enacting statute rather than a charter.

⁴ NTD: To confirm authorizations needed to approve the transaction.

(l) copies of Borrower's existing investment policies (as may be amended from time to time after the Effective Date);

(m) Lender shall have timely received all "know your customer" information reasonably requested by Lender, which, in any case, unless a shorter time is agreed to by the recipient, shall have been provided within five (5) Business Days before the Effective Date and, if Borrower qualifies as a "legal entity customer" under the Beneficial Ownership Regulation, Borrower shall deliver to Lender that so requests, in a form acceptable to Lender, a Beneficial Ownership Certification in relation to Borrower at least five (5) Business Days prior to the Effective Date; and

(n) a legal opinion from Borrower's transaction counsel addressed to Lender, dated as of the Effective Date, and assuring that:

- (i) Borrower is duly organized under the laws of the jurisdiction of its organization and validly existing and in good standing, with full power and authority under law to execute and deliver the Transaction Documents and consummate the transactions contemplated thereby in accordance with the terms thereof;
- (ii) the Transaction Documents are duly authorized, executed and delivered by Borrower;
- (iii) the Transaction Documents constitute the valid and binding agreement of the Borrower enforceable in accordance with their terms;
- (iv) No consent of any third party is required for the execution, delivery and performance of the Transaction Documents by Borrower; and
- (v) the execution, delivery and performance of the Transaction Documents by Borrower do not conflict with any applicable Laws known to the provider of the opinion.

Section 4.2. Conditions Precedent to all Loans. Lender's obligation to advance the Loans is subject to the following conditions precedent:

- (a) The EPA Award remains in full force and effect;
- (b) The CGC-CGB Subgrant Agreement remains effective and binding upon CGC and Lender;
- (c) Lender's financial accounts remain under Lender's control in accordance with the CGC-CGB Subgrant ACA;
- (d) No action by any Governmental Authority or CGC prevents Lender from advancing the Loans;
- (e) Receipt by Lender on a Quarterly Request Date of a borrowing request substantially in the form attached hereto as Exhibit C (a "**Borrowing Request**") duly executed by the chief executive officer, chief financial officer, chief compliance officer, or equivalent officer with signatory authority of Borrower, certifying that the conditions specified in Section 4.2(e) have been satisfied;

(f) The representations and warranties in this Agreement and the other Loan Documents shall be true and complete in all material respects (without duplication of any materiality qualifiers) on the date of the Borrowing Request and on the Funding Date of such Loan; provided, however, that those representations and warranties expressly referring to a specific date shall be true, accurate and complete in all material respects (without duplication of any materiality qualifiers) as of such date; (ii) no Default or Event of Default shall have occurred and be continuing or would result from the Loan; (iii) the making of the Loans and the intended use of proceeds thereof shall comply with all terms of this Agreement, the EPA Award, the EPA Terms & Conditions, and all Federal Requirements, and no proceeds of the requested Loans shall be used for any prohibited use under Section III.E of the EPA Terms & Conditions; and (iv) it is acknowledged and agreed that any knowing and willful false statements made by Borrower to Lender be subject to prosecution under 18 U.S.C. 1001 and other criminal, civil and administrative sanctions;

(g) The ACA shall have been fully executed and delivered with respect to the accounts in the name of Borrower into which the Loans shall be deposited and held prior to disbursement; and

(h) Receipt by Lender of copies of Borrower's then existing investment policies (if said investment policies have been amended following any prior submission by Borrower to Lender).

The Borrowing Request submitted by Borrower shall be deemed to be a representation and warranty that the conditions specified in Section 4.2(f) have been satisfied on and as of the Funding Date of such Loan.

ARTICLE V CREATION OF SECURITY INTEREST AND PLEDGE

Section 5.1. Grant of Security Interest. Borrower hereby grants to Lender, to secure the payment and performance in full of all of the Obligations, a continuing security interest in, and pledges and collaterally assigns to Lender, the Collateral, wherever located, whether now owned or hereafter acquired or arising, and all proceeds and products thereof.

Lender's Liens in the Collateral shall continue until (a) the Obligations (other than (i) inchoate indemnity obligations for which no claim has been asserted and (ii) Obligations forgiven in accordance with the conditions set forth in Section 3.2(e)) are repaid in full in cash and (b) such time as Lender's obligation to make Loans has terminated (the occurrence of clauses (a) and (b), collectively, the "**Termination Date**"). Upon the Termination Date, Lender shall, at the written request and the sole cost and expense of Borrower, release its Liens in the Collateral and all rights therein shall revert to Borrower.

Section 5.2. Perfection of Security Interest

(a) Perfection. Borrower authorizes Lender to file at any time financing statements, continuation statements, and amendments thereto that (a) specifically describe the Collateral or use a generic description such as "all assets" and (b) contain any other information required by the Code for the sufficiency of filing office acceptance of any financing statement, continuation statement, or amendment, including whether Borrower is an organization, the type of organization and any organizational identification number issued to such Borrower, if applicable. Borrower shall have possession of the Collateral, except where expressly otherwise provided in this Agreement or where Lender chooses to perfect its security interest by possession, pursuant to the terms hereof, in addition to the filing of a financing statement. Borrower shall take such other actions as Lender reasonably requests to perfect its security interests in the Collateral granted under this Agreement.

(b) Capital Stock, Debt Instruments and Investment Property. Borrower shall deliver to Lender (i) simultaneously with or promptly following the execution and delivery of this Agreement, all certificates and instruments (if any) representing Capital Stock, debt instruments and investment property owned by Borrower on the Effective Date and (ii) promptly upon the receipt thereof by or on behalf of Borrower, all other certificates and instruments representing Capital Stock, debt instruments and investment property. Prior to delivery to Lender, all such Capital Stock, debt instruments and investment property shall be held in trust by Borrower for the benefit of Lender pursuant hereto. All such certificates and instruments shall be delivered in suitable form for transfer by delivery or shall be accompanied by duly executed instruments of transfer or assignment in blank.

(a) Certain After-Acquired Property. Borrower shall notify Lender promptly (but in any event not later than the delivery by Borrower of the next Compliance Certificate required pursuant to Section 7.2) upon the acquisition by any Borrower of any chattel paper, letter of credit rights, commercial tort claims, instruments, documents, investment property, registered intellectual property and at the request of Lender, shall take such steps as Lender reasonably requests for Lender to obtain control of any such Collateral or otherwise perfect, preserve and protect its first priority security interest in such Collateral.

(b) Pledged Collateral. Upon the occurrence and during the continuance of an Event of Default, and delivery by Lender to Borrower of notice of its intent to exercise its rights, all rights of Borrower to exercise the voting and other consensual rights that it would otherwise be entitled to exercise with respect to Capital Stock, promissory notes or other instruments shall cease and all such rights shall thereupon become vested in Lender, which shall then have the sole right to exercise such voting and other consensual rights. Upon the occurrence and during the continuance of an Event of Default, and delivery by Lender to Borrower of notice of its intent to exercise its rights, all rights of Borrower to receive the dividends, distributions and interest payments that it would otherwise be authorized to receive and retain with respect to such Collateral shall cease and all such rights shall thereupon be vested in Lender, which shall then have the sole right to receive and hold as Collateral such dividends, distributions and interest payments, and all dividends and interest payments that are received by Borrower contrary to the provisions of this paragraph shall be received in trust for the benefit of Lender, shall be segregated from other property or funds of Borrower, and shall be promptly paid over to Lender as Collateral in the exact form received, to be held by Lender as Collateral and as further collateral security for the applicable Obligations.

ARTICLE VI REPRESENTATIONS & WARRANTIES

Borrower represents and warrants as follows:

Section 6.1. Due Organization. Borrower is a validly organized [organizational type] and is in good standing under the laws of the jurisdiction of its organization. Borrower has full power and authority, and holds all material governmental licenses, permits and other approvals required to (a) enter into and perform its obligations under the Transaction Documents and (b) conduct its business substantially as currently conducted by it.

Section 6.2. Authorization; Power and Authority; Validity; Enforceability

(a) The execution, delivery and performance by Borrower of the Transaction Documents to which it is a party are within its organizational powers, have been duly authorized by all necessary organizational action, and do not (i) conflict with any of Borrower's Operating Documents, (ii) contravene, conflict with, constitute a default under or violate any applicable Law, (iii) contravene, conflict or violate any applicable order, writ, judgment, injunction, decree, determination or award of any Governmental Authority by which such Borrower or any of their property or assets may be bound or

affected, (iv) require any action by, filing, registration, or qualification with, or Permit from, any Governmental Authority (except such Permits which have already been obtained and are in full force and effect), or (v) conflict with, contravene, constitute a default or breach under, or result in or permit the termination or acceleration of, any agreement or instrument by which such Borrower is bound.⁵

(b) Each Loan Document to which Borrower is party constitutes the legal, valid and binding obligations of Borrower, enforceable against Borrower in accordance with their respective terms (except, in any case, as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization or similar laws affecting creditors' rights generally and by principles of equity).

Section 6.3. Collateral Matters

(a) Borrower has good title to, rights in, and the power to transfer each item of the Collateral upon which it purports to grant a Lien hereunder, free and clear of any and all Liens except Permitted Liens. Except for Permitted Liens, the security interest granted under this Agreement constitutes a valid, first priority security interest in the presently existing Collateral, and will constitute a valid, first priority security interest in later-acquired Collateral.

(b) Borrower has no deposit account or securities account other than the deposit accounts and securities accounts listed on the Schedule of Exceptions.

(c) Except as disclosed in the Schedule of Exceptions or as notified pursuant to Section 7.6, Borrower has not done business under any name other than that specified on the signature page hereof, and its exact legal name is as set forth in the first paragraph of this Agreement. The chief executive office of Borrower is located at the address indicated in Section 13.2 hereof.

(d) With respect to each limited liability company or limited partnership controlled by Borrower, if any, whose interests are uncertificated, such limited liability company or limited partnership has not elected, whether in its limited liability company agreement or limited partnership agreement or otherwise, to have such interests be treated as a "Security" within the meaning of Article 8 of the Code.

(e) As of the Effective Date, Borrower has no Subsidiaries.

Section 6.4. Litigation. Other than the Ecority Bid Protest, there are no actions, suits or proceedings by or before any arbitrator or governmental authority pending or threatened against or affecting the Parties that would be reasonably likely to adversely affect the Transaction Documents or the transactions contemplated hereby.

Section 6.5. Financial Statements; Financial Condition. [The audited financial statements of Borrower furnished to Lender prior to the Effective Date or from time to time in accordance with this Agreement, in each case have been prepared in accordance with GAAP, consistently applied, subject to changes resulting from normal, year-end audit adjustments, and present fairly in all material respects the consolidated financial condition of the persons covered thereby as at the dates thereof and the results of their operations for the periods then ended.]⁶ There has not been any material deterioration in Borrower's consolidated financial condition since the date of the most recent financial statements submitted to Lender.

⁵ Consents under any existing debt arrangements for the incurrence of debt/liens hereunder to be obtained by Borrower.

⁶ To be revised as applicable based on Borrower's financial statements and accounting standards.

Section 6.6. Solvency. Borrower is able to pay its debts (including trade debts) as they mature; the fair saleable value of the Borrower's assets (including goodwill *minus* disposition costs) exceeds the fair value of their liabilities; and, immediately after giving effect to each Loan, Borrower as a whole will not be reasonably considered to be inadequately capitalized.

Section 6.7. Compliance with Laws and Regulations. Borrower is not an "investment company" or a company "controlled" by an "investment company" under the Investment Company Act of 1940, as amended. Borrower is not engaged as one of its important activities in the business of extending credit for the purpose of purchasing or carrying margin stock (within the meaning of Regulations X, T and U of the Board of Governors of the Federal Reserve System). Borrower has complied with all Laws that apply in connection with the performance of its obligations under the Transaction Documents, and Borrower has not violated any applicable Law the violation of which could reasonably be expected to be a Material Adverse Change. None of Borrower's or any of its Subsidiaries' properties or assets has been used by Borrower or any Subsidiary or, to the best of Borrower's knowledge, by previous Persons, in disposing, producing, storing, treating, or transporting any hazardous substance other than legally. Borrower is in compliance with 2 CFR 200. Borrower and each of its Subsidiaries have obtained all consents, approvals and authorizations of, made all declarations or filings with, and given all notices to, all Governmental Authorities that are necessary for the continued operation of their respective businesses as currently conducted, except where the failure to do so could not, individually or in the aggregate, reasonably be expected to have a material adverse effect on the business. None of Borrower or its principals, agents, or employees, are debarred, suspended, proposed for debarment, or otherwise disqualified from entering into agreements with or receiving funding from the U.S. Government or from any state government where Borrower is doing business.

Section 6.8. Accuracy of Information. None of the information furnished in writing to Lender by or on behalf of Borrower in connection with this Agreement, the other Transaction Documents, the Loan Implementation Plan or any transaction contemplated hereby or thereby contains any untrue statement of a material fact, or omits to state any material fact necessary to make any information not misleading in light of the circumstances under which they were made; provided that with respect to projected financial information, Borrower represents only that such information was prepared in good faith based upon assumptions believed to be reasonable at the time.

Section 6.9. Foreign Entity of Concern. Borrower is not a Foreign Entity of Concern.

ARTICLE VII AFFIRMATIVE COVENANTS; REPORTING; COMPLIANCE

Section 7.1. Use of Proceeds. Borrower shall use all proceeds of the Loans solely for the purposes and subject to the restrictions set forth in this Section 7.1:

(a) Borrower shall use all proceeds of the Loans including Program Income, to provide Eligible Investments to Qualified Projects. When consistent with applicable Law and the EPA Terms & Conditions, Borrower may deduct reasonable and necessary costs incidental to the generation of Program Income from gross income to determine Program Income;

(b) Borrower shall not use any funds awarded and transferred to Borrower under this Agreement for any prohibited use under Section III.E of the EPA Terms & Conditions. Borrower shall not make any participant support cost payments to entities excluded from participation in federal nonprocurement programs under 2 CFR Part 180;

(c) Borrower shall use at least 40% (and shall use commercially reasonable efforts to use at least 50%) of the Loans under this Agreement for the purposes of providing Financial Assistance to Qualified Projects in Low-income and Disadvantaged Communities (“**LIDACs**”). Borrower shall use commercially reasonable efforts to ensure that at least 20% of the proceeds of Loans under this Agreement are used for the purposes of providing Financial Assistance to Qualified Projects in rural communities and at least 2% of the proceeds of Loans under this Agreement are used for the purposes of providing Financial Assistance to Qualified Projects in Tribal communities; and

(d) Borrower shall not use any funds awarded and transferred to Borrower under this Agreement to fund any Qualified Projects that are not in the Priority Project Categories without the prior written consent of Borrower in accordance with Section 7.13 hereof; provided that Borrower may agree to waive this requirement for certain categories of Qualified Projects that are not in the Priority Project Categories.

Section 7.2. Financial Statements, Reports, Certificates. Without limiting any applicable reporting requirements in the EPA Terms & Conditions, Borrower shall comply with the following reporting requirements until the Termination Date:

(a) Within sixty (60) days after the end of each fiscal quarter, Borrower shall deliver an unaudited consolidated balance sheet of Borrower as of the end of such fiscal quarter and consolidated statements of income, cash flow and stockholders’ equity of Borrower for such fiscal quarter, prepared in accordance with GAAP and certified as complete and correct by a Responsible Officer of Borrower (subject to normal year-end audit adjustments and the absence of footnotes);

(b) Within one hundred and twenty (120) days following the end of Borrower’s fiscal year, Borrower shall deliver an audited consolidated balance sheet of Borrower, and the related consolidated statements of income, cash flow and stockholders’ equity of Borrower for such fiscal year, all prepared in accordance with GAAP and accompanied by an opinion of independent public accountants of recognized national standing reasonably acceptable to Lender (which opinion shall not be qualified as to scope or contain any explanatory paragraph expressing substantial doubt about the ability of Borrower to continue as a going concern), stating that such financial statements fairly present, in all material respects, the consolidated financial condition, results of operations and cash flows of such Borrower as of the dates and for the periods specified in accordance with GAAP; provided that if Borrower is not required by applicable Law to prepare audited financial statements, Borrower will provide company prepared annual financial statements within seventy-five (75) days of year end];

(c) Contemporaneously with the furnishing of the financial statements required pursuant to Sections 7.2(a) and (b), Borrower shall cause to be delivered a duly completed Compliance Certificate signed by a Responsible Officer of Borrower, (i) certifying that as of the end of such period covered by the applicable financial statements, each Borrower was in compliance with all of the terms and conditions of this Agreement, (ii) such officer has not become aware of any Default or Event of Default that has occurred and is continuing or, if there is any such Default or Event of Default, describing it and the steps, if any, being taken to cure it, and providing such other information as required thereby, and (iii) setting forth such other information as Lender may reasonably request;

(d) Borrower shall submit information for the semi-annual reports covering six (6) months of the calendar year in accordance with information collection instruments approved through GGRF Accomplishment Reporting (EPA ICR Number 2783.01, OMB Control Number 2090-NEW). The semi-annual reporting periods are as follows: July 1 to December 31; January 1 to June 30. The first semi-annual reporting period ends on December 31, 2024, and covers all activities beginning on the first day of the Term;

- (i) Borrower shall submit information for the semi-annual report to Lender within five (5) calendar days after the semi-annual reporting period ends; and
 - (ii) Borrower's information for the semi-annual report should cover activities from the preceding two (2) quarters, except for, if applicable, the semi-annual report for the semi-annual reporting period ending on December 31, 2024, which should cover all activities from April 1, 2024 to December 31, 2024;
- (e) Borrower shall submit quarterly transaction-level and project-level data in accordance with information collection instruments approved through GGRF Accomplishment Reporting (EPA ICR Number 2783.01, OMB Control Number 2090-NEW) within thirty (30) calendar days after the end of each calendar quarter;
- (f) Borrower shall submit annual organizational disclosures to Lender, in accordance with the information collection instruments approved through GGRF Accomplishment Reporting (EPA ICR Number 2783.01, OMB Control Number 2090-NEW, including the information set forth below, starting with the fiscal year ending [●], 2025. Such annual disclosures shall be provided within forty-five (45) days after the Borrower's fiscal year end date;
- (i) Net Asset Ratio: The net asset ratio is defined as net assets divided by total assets.
 - (ii) Current Ratio: The current ratio is defined as current assets divided by current liabilities, where current assets is equal to the value of all assets that are reasonably expected to be converted into cash within the coming 12-month period in the normal course of business and current liabilities is equal to the total value of all debts or obligations that must be paid within the coming 12-month period.
 - (iii) Delinquency Rate: The delinquency rate is defined as the value of loans outstanding that are 90+ calendar days delinquent divided by the value of loans outstanding, where loans 90+ calendar days delinquent includes those with outstanding balances 90+ calendar days overdue and still accruing interest as well as those in nonaccrual status.
 - (iv) Net Charge-Off Rate: The net charge-off rate is defined as the value of loans charged-off over the past fiscal year, minus the value of loan recoveries over the past fiscal year, divided by the value of loans outstanding.
 - (v) Concentration: The concentration of the portfolio, as demonstrated by calculating and reporting on recipient-level exposure, defined as on-balance sheet exposures to a single consolidated entity over all on-balance sheet exposures, for top ten highest exposures.
- (g) Within three (3) Business Days of delivery, Borrower shall deliver to Lender copies of all statements, reports and notices not otherwise enumerated in this Section 7.2 that are made available generally to any Borrower's security holders (including any debt securities or loans);

(h) Promptly after any request by Lender, Borrower shall deliver copies of any detailed audit reports, management letters or recommendations submitted or prepared by Borrower's independent accountants in connection with the accounts or books of Borrower, or any audit of Borrower;

(i) As soon as possible and in any event within three (3) days after becoming aware of the occurrence or existence of a Default hereunder, Borrower shall deliver a written statement of a Responsible Officer setting forth details of the Default, and the action which Borrower has taken or proposes to take with respect thereto;

(j) Promptly and in any event within three (3) days after the Borrower becomes aware of any following event, written notice of (A) any proceeding being instituted or threatened to be instituted by or against the Borrower in any federal, state, local or foreign court or before any commission or other Governmental Authority (federal, state, local or foreign) which has had or could reasonably be expected to have a Material Adverse Change, (B) any order, judgment or decree entered against the Borrower or any of its property or assets which has had or could reasonably be expected to have a Material Adverse Change, (C) any notice or correspondence issued to the Borrower by a Governmental Authority warning, threatening or advising of the commencement of any investigation involving the Borrower or any of its property or assets which has had or, if adversely determined, could reasonably be expected to have a Material Adverse Change, or (D) any proposed or actual change, development or event which has had or could reasonably be expected to have a Material Adverse Change;

(k) Promptly and in any event within ten (10) days of its occurrence, written notice of:

- (i) changes to Borrower's independent certified public accounting firm;
- (ii) non-reliance on previously issued financial statements or a related audit report or completed interim audit review of Borrower;
- (iii) material impairments to Borrower's assets;
- (iv) intention of Borrower to file bankruptcy petition or enter into receivership;
- (v) submission of annual Form 990 to the IRS (if applicable); and

(l) Promptly, from time to time, Borrower shall provide to Lender such other information regarding Borrower or compliance with the terms of any Loan Document as reasonably requested by Lender.

Section 7.3. Performance Monitoring

(a) Performance of Borrower under the Agreement will be assessed on a quarterly basis beginning with the period beginning on the Effective Date through the last day of the calendar quarter in which the Effective Date occurs, and for each full calendar quarter occurring thereafter (each such period, a "**Quarterly Performance Period**"). Performance will be determined by comparing actual use of funds during such Quarterly Performance Period to the anticipated use of funds set forth in the Borrower Planning Documents.

(b) Within five (5) Business Days of the end of each Quarterly Performance Period occurring during the term of this Agreement, Borrower will submit a Quarterly Performance Progress Report that includes information regarding Borrower's use of funds under the Agreement during the applicable Quarterly Performance Period in comparison to:

- (i) The use of funds reflected in the Borrower Budget; and
- (ii) The use of funds for Eligible Investments reflected in the Loan Implementation Plan.

(c) Borrower shall ensure that (x) Eligible Disbursements of Loan funds comply with 100% of the requirements contained in the Borrower Budget (as it may be modified with the approval of Lender, such approval not to be unreasonably withheld or delayed), and (y) Eligible Investments using Loan funds are made in a manner consistent in all material respects with the Loan Implementation Plan (as it may be modified with the approval of Lender, such approval not to be unreasonably withheld or delayed).

(d) If Borrower's use of Loan funds during any Quarterly Performance Period does not comply with clause (c) above, Lender and Borrower will jointly develop a quarterly performance progress improvement plan to be implemented during the immediately succeeding Quarterly Performance Period.

Section 7.4. Government Compliance

(a) Borrower shall comply with all Federal Requirements applicable to this Agreement and the Loans, including all terms and conditions of the EPA Award, including the EPA Terms & Conditions and the EPA general terms and conditions incorporated by reference therein that are applicable (whether directly or in the form of "flow down" requirements from the EPA Award) to the use of funds for Financial Assistance and to Financial Intermediary Subrecipients (including, but not limited to, compliance with cybersecurity requirements to the extent applicable pursuant to Section II.B of the EPA Terms & Conditions, compliance with the Real Property Programmatic Terms and Conditions pursuant to Section II.H of the EPA Terms & Conditions, compliance with Davis-Bacon Act labor standards pursuant to Section III.L(1) of the EPA Terms & Conditions, compliance with the Build America, Buy America Act domestic preference to the extent applicable pursuant to Section III.M of the EPA Terms & Conditions, and compliance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act and 49 CFR Part 34 pursuant to Section III.R of the EPA Terms & Conditions). By accepting this award, Borrower acknowledges and agrees to, and shall cause each Program Beneficiary to acknowledge and agree to, the terms and conditions provided in the "DBRA Requirements for EPA Subrecipients" referred to in the EPA Terms & Conditions.

(b) Borrower shall not use the Loans to support or oppose union organizing, whether directly or as an offset for other funds.

(c) Borrower shall comply with other applicable federal Laws related to labor and equitable workforce development as well as to enforce compliance with contractors, and other partners (*e.g.*, by including such provisions in contractual agreements). This includes but is not limited to applicable health and safety regulations as administered by the Occupational Safety and Health Administration.

(d) Borrower agrees that any geospatial data created under this Agreement must be consistent with Federal Geographic Data Committee ("FGDC") endorsed standards.

(e) Borrower agrees that any use of the EPA logo must not be used to imply that any of the activities undertaken under this Agreement are being conducted by the EPA.

(f) To the extent the Borrower is engaged in public or media events publicizing the accomplishment of significant activities related to this Agreement and the Loans hereunder, Borrower must provide Lender with no fewer than 15 calendar days' notice of any such event.

(g) Borrower shall maintain its legal existence and good standing in their respective jurisdictions of formation and maintain qualification in each jurisdiction in which the failure to so qualify could reasonably be expected to be a Material Adverse Change. Borrower shall, and shall cause each Subsidiary to, comply with all other applicable Laws in all material respects, and shall maintain, and shall cause each of its Subsidiaries to maintain, in force all licenses, approvals and agreements, the loss of which or the failure to comply with which could reasonably be expected to be a Material Adverse Change.

(h) Borrower acknowledges that Lender is subject to the requirements outlined in Sections 16-245n of the Connecticut General Statutes and Borrower is responsible for complying with applicable state contracting requirements including those set forth in Attachment A.

Section 7.5. Investment Policy; Monitoring System and Internal Controls.

(a) Borrower shall (i) with respect to any investment of Loan proceeds, comply at all times with CGC's investment policy furnished to Borrower prior to the Effective Date and attached as Exhibit H, unless and until Borrower establishes written investment and credit underwriting policies reasonably satisfactory to Lender (such approval not to be unreasonably withheld, conditioned or delayed), after which, Borrower shall comply at all times with such approved investment and credit underwriting policies, (ii) use reasonable best efforts to do customary and appropriate due diligence on Qualified Projects that will receive Financial Assistance funded using Loan Proceeds, (iii) include in any agreement for Financial Assistance relevant covenants to assure that such Financial Assistance and Qualified Projects funded thereby are implemented, developed, constructed and maintained in compliance with all applicable health or safety standards or regulations and shall use commercially reasonable efforts to enforce such covenants, and (iv) maintain records available to Lender upon request throughout the Term reflecting completion of such due diligence, compliance of such with Borrower's investment and credit underwriting policies, and any other material due diligence findings.

(b) Borrower shall establish and comply at all times with performance and portfolio monitoring policies and systems, internal controls (including internal control requirements specified at 2 CFR 200.303) and audit requirements (including the audit requirements specified at 2 CFR Part 200, Subpart F, "Audit Requirements"), in each case reasonably satisfactory to Lender. Borrower shall cooperate with an annual compliance review with respect to such policies, systems, controls and requirements.

Section 7.6. Maintenance of GHG Emissions Reductions. In addition to other record keeping required by the EPA Terms & Conditions, Borrower shall obtain and retain documentation supporting the GHG Emissions Reduction achieved (based on calculations in accordance with the GHG Emissions Reduction Methodologies) and reflected in its performance reporting required under this Agreement, in each case sufficient to support a "limited assurance" report by an independent auditor.

Section 7.7. Accounts

(a) As promptly as practicable and in any event, prior to the first Funding Date, Borrower shall enter into an ACA in respect of each deposit account or securities account of Borrower into which any Loan funds shall be deposited. Borrower shall maintain in existence the Borrower Bank Accounts until the Termination Date.

(b) Borrower shall cause all Loan funds received by Borrower to be deposited into, and remain in, a Borrower Bank Account and subject to the ACA at all times until disbursed (i) at the direction of Borrower as an Eligible Disbursement in compliance with this Agreement and the ACA or (ii) at the direction of Lender in accordance with Lender's rights under this Agreement and the ACA.

(c) Borrower acknowledges and agrees that the ACA will incorporate all requirements set forth in the “Deposit Account at Financial Agent” term and condition in the EPA Terms & Conditions that Lender, in its sole discretion, deems necessary and appropriate to flow down to Borrower, including but not limited to the requirement to establish a deposit account and within such account, a “Budget Account”, “Reserve Account”, and “Program Income from Operations Account”, and the requirements for the initiation and receipt of transfers of Loan funds between and among such accounts.

Section 7.8. Access to Collateral; Books and Records. At reasonable times and with reasonable prior notice (provided no notice is required if an Event of Default has occurred and is continuing), Lender, or their representatives, shall have the right to visit and inspect the Collateral and Borrower’s properties, examine and copy Borrower’s (and as may apply, Borrower’s Subsidiaries) books and discuss its affairs and finances with its directors, officers and independent public accountants (and Borrower hereby authorizes such independent public accountant to discuss their financial and other matters with Lender or its representatives whether or not any representative of Borrower is present), in each case to the extent reasonably related to Borrower’s verification or evaluation of matters relating to this Agreement and the related Transaction Documents; provided that unless an Event of Default has occurred and is continuing, such visits shall be limited to once per fiscal year.

Section 7.9. Permits and Licenses. Borrower will possess all Permits, contracts, licenses, trademarks, trade names, patents, copyrights and other authorizations and matters necessary to enable Borrower to conduct its business in the ordinary course, except those the absence of which could not reasonably be expected to have a Material Adverse Change.

Section 7.10. Foreign Entities of Concern; Sanctioned Persons. Borrower shall not permit any proceeds of the Loans to be paid to any Foreign Entity of Concern or any Sanctioned Person and shall maintain in effect policies and procedures designed to promote and ensure compliance with this Section 7.10.

Section 7.11. Further Assurances; Cooperation.

(a) At any time and from time to time, Borrower shall execute and deliver such further instruments and take such further action as may reasonably be requested by Lender to effect the purposes of this Agreement and the other Loan Documents and to support Lender’s compliance with the CGC-CGB Subgrant Agreement and the requirements of the EPA. Borrower shall not take any action that would challenge, dispute, retract or otherwise detrimentally affect Lender’s ability to perform its obligations under the CGC-CGB Subgrant Agreement or satisfy the requirements of the EPA.

(b) The Parties will endeavor to collaborate to share best practices and lessons learned in meeting the overarching objectives of the GGRF program at no additional cost; provided that where additional programmatic, regulatory, accounting, legal or compliance support is necessary to ensure fulfillment or success with the underlying requirements of the CGC-CGB Subgrant Agreement, the Parties will work in good faith to expeditiously come up with a plan to address and compensate Lender for the additional time and resources involved.

Section 7.12. Information Rights. Borrower shall provide Lender the information rights set forth on Exhibit G.

Section 7.13. Lender Review of Non-Priority Projects. Unless Lender has agreed to waive prior consent in accordance with Section 7.1(d), Borrower shall provide Lender with at least 10 Business Days’ advance written notice of any plan to use proceeds of the Loans to fund any Qualified Project that is not in a Priority Project Category. Upon receipt of such notice and such other information as Borrower may

reasonably request regarding the proposed use of proceeds, Lender shall evaluate the proposed use in good faith and, in the exercise of its reasonable discretion, promptly determine whether to consent to such use (such consent not to be unreasonably withheld, conditioned or delayed).

Section 7.14. Specific Conditions. With reasonable notice to Borrower, Lender may adjust specific terms of this Agreement as needed, in accordance with 2 CFR 200.208, based on an analysis of the factors set forth in 2 CFR 200.208(b): (i) the criteria set forth in 2 CFR 200.206; (ii) Borrower's history of compliance with the general or specific terms and conditions of this Agreement or of the EPA Award; (iii) Borrower's ability to reasonably meet its expected performance goals as described in this Agreement and the attachments hereto; or (iv) an inadequate financial capability determination of the Borrower. Consistent with 2 CFR 200.208, additional specific conditions that may be adjusted by Lender include items such as the following: (i) requiring payments as reimbursements rather than advance payments; (ii) withholding authority to proceed to the next phase until receipt of evidence of acceptable performance within a given performance period; (iii) requiring additional, more detailed financial reports; (iv) requiring additional project monitoring; (v) requiring Borrower to obtain technical or management assistance; or (vi) establishing additional prior approval requirements. In accordance with 2 CFR 200.208(d), Lender shall notify Borrower as to: (1) the nature of the specific condition(s); (2) the reason why the specific condition(s) is being imposed; (3) the nature of the action needed to remove the specific condition(s); (4) the time allowed for completing the actions; and (5) the method for requesting Lender to reconsider imposing a specific condition. In accordance with 2 CFR 200.208(e), Lender shall remove any such specific conditions promptly once the conditions that prompted them have been satisfied. In addition to and without limiting the foregoing, Lender may adjust specific terms of this Agreement as needed to conform to adjustments of the terms of the CGC-CGB Subgrant Agreement imposed on Lender by CGC.

Section 7.15. American Green Bank Consortium. At all times during the Term of this Agreement, Borrower shall comply in all material respects with its obligations under the Network Partner Agreement as a member of the American Green Bank Consortium.

ARTICLE VIII NEGATIVE COVENANTS

Borrower covenants and agrees that, until the Termination Date, Borrower shall not directly or indirectly:

Section 8.1. Dispositions. Convey, sell, lease, transfer, assign, or otherwise dispose of (collectively, "**Dispositions**") any Collateral, except for Permitted Dispositions.

Section 8.2. Changes in Business, Management, Control, or Business Locations. (a) Engage in any business other than the businesses materially similar to that currently engaged in by Borrower, as applicable, or reasonably related thereto or consistent with business plans announced publicly prior to the Effective Date; or (b) permit or suffer any Material Adverse Change.

Section 8.3. Mergers or Acquisitions. Merge or consolidate with any other Person, liquidate, dissolve, enter into, or permit any of its Subsidiaries to enter into, any Division/Series Transaction (it being understood that none of the provisions in this Agreement nor any other Loan Document shall be deemed to permit any Division/Series Transaction), or acquire, or permit any of its Subsidiaries to acquire, all or substantially all of the capital stock, property or business (or any division thereof) of another Person (including by the formation of any Subsidiary). A Subsidiary may merge or consolidate into the Borrower if the Borrower is the surviving Person).

Section 8.4. Liens.

(a) Create, incur, allow, or suffer any Lien on any Collateral, except for Permitted Liens;

(b) Permit any Collateral not to be subject to the first priority security interest granted herein (other than pursuant to Permitted Liens); or

(c) enter into any agreement, document, instrument or other arrangement (except with or in favor of Lender) with any Person that directly or indirectly prohibits or has the effect of prohibiting Borrower from assigning, mortgaging, pledging, granting a security interest in or upon, or encumbering any of Borrower; provided, that this subclause (c) shall not prohibit Borrower from entering into agreements, documents, instruments or other arrangements that contain customary restrictions on security interests, leases, subleases, licenses or asset sale agreements entered into in the ordinary course of business and otherwise permitted hereby so long as such restrictions relate to the assets subject thereto.

Section 8.5. Compliance. Become an “investment company” or a company controlled by an “investment company”, under the Investment Company Act of 1940, as amended, or undertake as one of its important activities extending credit to purchase or carry margin stock (as defined in Regulation U of the Board of Governors of the Federal Reserve System), or use the proceeds of any Loans for that purpose; fail to comply with the Federal Fair Labor Standards Act or violate any other Law, if the violation could reasonably be expected to be a Material Adverse Change; or withdraw to withdraw, from participation in, permit partial or complete termination of, or permit the occurrence of any other event with respect to, any present pension, profit sharing and deferred compensation plan that could reasonably be expected to result in any liability of Borrower, including any liability to the Pension Benefit Guaranty Corporation or its successors or any other governmental agency.

Section 8.6. Certain Amendments.

(a) Amend, modify or change any of its Operating Documents (i) in a manner materially adverse to Lender or (ii) if the effect thereof is to cause a Default or Event of Default.

(b) Amend, modify or change the Borrower Budget or Loan Implementation Plan without prior written consent from Lender (such consent not to be unreasonably withheld or delayed).

(c) Without at least thirty (30) days’ prior written notice to Lender, change its fiscal year.

(d) Change its fiscal year or its jurisdiction of organization.

(e) Without at least ten (30) days’ prior written notice to Lender: (i) change its organizational structure or type or (ii) change its legal name.

(f) Enter into any agreement or arrangement which would restrict in any respect the ability of Borrower to fulfill its Obligations under the Loan Documents.

**ARTICLE IX
INDEMNIFICATION; LIMITATION OF LIABILITY**

Section 9.1. Indemnification. Borrower agrees to (i) indemnify, defend, exonerate and hold Lender and its partners, directors, officers, employees, agents, advisors, and representatives (collectively, the “**Indemnified Parties**”) free and harmless from and against any and all actions, causes of action, suits, losses, costs, liabilities, obligations and damages or claims of any kind, whether incurred in connection with

actions between the parties hereto or the parties hereto and third parties (“**Losses**”), and (ii) reimburse the Indemnified Parties for all reasonable expenses (including reasonable and documented out of pocket attorneys’ fees and professionals fees and disbursements) incurred by such Indemnified Parties in connection with investigating, preparing or defending against any such Losses, in each case arising from (A) Borrower’s non-compliance with any condition, representation, warranty or covenant in this Agreement; (B) Borrower’s non-compliance with applicable Laws, including any Federal Requirements; (C) any transaction entered into by Borrower in which Borrower used Loan funds (in whole or in part) for such transaction; (D) any decision by Borrower with respect to use or non-use of Loan funds; or (E) fraud, gross negligence or willful misconduct of Borrower. Borrower’s obligations under this Section 9.1 shall exclude, as to any Indemnified Party, any Losses (i) directly caused by the gross negligence or willful misconduct of such Indemnified Party as determined by a court of competent jurisdiction in a final and non-appealable judgment or (ii) resulting from disputes solely among the Indemnified Parties that are not arising out of any act or omission by Borrower or any Affiliate of Borrower.

Section 9.2. Waiver and Release of Liability. Borrower agrees that none of the Indemnified Parties shall have any liability (whether direct or indirect, in contract, tort or otherwise and whether or not related to third party claims or the rights referred to in Section 9.1 to Borrower or any of its securityholders or creditors with respect to any matter arising from or related to this Agreement, except where any such liability directly arises from the gross negligence or willful misconduct of the applicable Indemnified Party as determined by a court of competent jurisdiction in a final and non-appealable judgment.

Section 9.3. Indemnity Holdback. Borrower shall reserve and maintain in a Borrower Bank Account (or, at the sole discretion of Lender, any other deposit account) until December 31, 2032 (or, at the sole discretion of Lender, such earlier date), an amount equal to \$1,012,513.5 (the “**Holdback Amount**”). Borrower shall pay on demand by Lender all amounts necessary to satisfy Borrower’s obligations under Section 9.1 out of the Holdback Amount; provided that where such payment is not permissible in whole or in part under applicable Laws, or in the event that the Holdback Amount is insufficient to cover such payment, Borrower shall remain obligated to make such payment to Lender from other funds. For avoidance of doubt, the Holdback Amount is not a limitation or cap on Borrower’s liability to Lender under this Article IX. Following completion of the second annual financial statement audit in accordance with 2 CFR Part 200, Subpart F, “Audit Requirements”, the Parties will confer and consider in good faith a reduction or release of the Holdback Amount.

Section 9.4. Limitation of Liability. Borrower shall not be liable to Lender or to any other Person for any special, incidental, consequential, or indirect damages, or for any loss of profits, loss of revenue, or business interruption.

ARTICLE X DEFAULTS AND REMEDIES

Section 10.1. Events of Default. Each of the following events or occurrences shall constitute an event of default (an “Event of Default”) under this Agreement:

(a) Payment Default. Borrower fails to pay to Lender any amount payable under this Agreement within five (5) Business Days after the same becomes due;

(c) Non-Performance of Covenants. Borrower fails or neglects to perform, keep or observe any term, provision, condition, covenant or agreement contained this Agreement and (i) as to any default under the covenants set forth in Sections 7.5 (*Investment Policy; Monitoring System and Internal Controls*), 7.8 (*Access to Collateral; Books and Records*), 7.11 (*Further Assurances; Cooperation*), 7.12 (*Information Rights*) and 7.15 (*American Green Bank Consortium*) that can be cured, has failed to cure such

default within thirty (30) days after the earlier of (x) knowledge by Borrower of the occurrence thereof or (y) notice by Lender thereof; provided, however, that, in the case of a default under Sections 7.5(b), 7.8 7.11 or 7.15, if the default cannot by its nature be cured within the thirty (30) day period or cannot after diligent attempts by Borrower be cured within such thirty (30) day period, and such default is likely to be cured within a reasonable time, then Borrower shall have an additional period (which shall not in any case exceed thirty (30) days) to attempt to cure such default, and within such reasonable time period the failure to cure the default shall not be deemed an Event of Default, and (ii) as to any default under any other covenant herein that can be cured, has failed to cure such default within five (5) Business Days after the earlier of (x) knowledge by Borrower of the occurrence thereof or (y) notice by Lender thereof; provided that a breach of Borrower's obligations under Section 7.2 (*Financial Statements, Reports, Certifications*) or Section 7.3 (*Performance Monitoring*) shall not constitute an Event of Default so long as such breach, individually and in the aggregate with any other breaches by Borrower under Section 7.2 or Section 7.3, (i) is immaterial, (ii) does not delay or impair Lender's ability to satisfy its own reporting obligations under the CGC-CGB Subgrant Agreement and other Federal requirements and (iii) Borrower uses good faith efforts to cure such breach promptly after the earlier of knowledge by Borrower of the occurrence of such breach and notice by Lender thereof;

(d) Attachment; Levy; Restraint on Business.

(i) The service of process seeking to attach, by trustee or similar process, any material portion of funds of Borrower or (ii) a notice of lien or levy is filed against a material portion of Borrower's assets by any Governmental Authority, and the same under subclauses (i) and (ii) hereof are not, within twenty (20) days after the occurrence thereof, discharged or stayed (whether through the posting of a bond or otherwise); or

(i) any material portion of Borrower's assets is attached, seized, levied on, or comes into possession of a trustee, receiver or Person acting in similar capacity, or (ii) any court order enjoins, restrains, or prevents Borrower from conducting all or any material part of its business;

(e) Insolvency. Borrower (i) files in any court or agency pursuant to any statute or regulation a petition in bankruptcy or insolvency or for reorganization or similar arrangement, or for the appointment of a receiver or trustee of Borrower or its assets; (ii) proposes a written agreement of composition or extension of its debts; (iii) is served with an involuntary petition against it in any insolvency proceeding and such involuntary petition is not stayed or dismissed within ninety (90) calendar days of the date on which the petition is filed; or (iv) makes an assignment for the benefit of its creditors;

(f) Default on Other Indebtedness. A default shall occur in the payment of any amount when due (subject to any applicable grace period), whether by acceleration or otherwise, of any principal or stated amount of, or interest or fees on, any Indebtedness of Borrower having a principal or stated amount, individually or in the aggregate, in excess of \$250,000, or a default shall occur in the performance or observance of any obligation or condition with respect to such Indebtedness if the effect of such default is to accelerate the maturity of any such Indebtedness or such default shall continue unremedied for any applicable period of time sufficient to permit the holder or holders of such Indebtedness, or any trustee or agent for such holders, to cause or declare such Indebtedness to become due and payable or to require such Indebtedness to be prepaid, redeemed, purchased or defeased, or require an offer to purchase or defease such Indebtedness to be made, prior to its expressed maturity;

(g) Cross Default to Certain Agreements. An “Event of Default” or similar event shall have occurred under the terms of any other Transaction Document or the Technical Assistance Subgrant Agreement;

(h) Judgments; Penalties. One or more fines, penalties or final judgments, orders or decrees for the payment of money in an amount, individually or in the aggregate, of at least \$250,000 shall be rendered against Borrower, and the same are not, within twenty (20) days after the entry, assessment or issuance thereof, discharged, satisfied, or paid, or after execution thereof, stayed or bonded pending appeal, or such judgments are not discharged prior to the expiration of any such stay;

(i) Misrepresentations. Any representation, warranty, certification or statement of fact made or deemed made by or on behalf of Borrower herein, in any other Loan Document or in any document delivered in connection herewith or therewith shall be incorrect or misleading in any material respect when made or deemed made, taking into account any knowledge qualifiers at the time made;

(j) Impairment of Security. (A) Any Loan Document or any Lien granted thereunder shall (except in accordance with its terms), in whole or in part, terminate, cease to be effective or cease to be the legally valid, binding and enforceable obligation of Borrower, (B) Borrower or any other party shall, directly or indirectly, contest in any manner the effectiveness, validity, binding nature or enforceability of any Loan Document, or (C) except as permitted under any Loan Document, any Lien securing any Obligation shall, in whole or in part, cease to be a perfected first priority Lien; or

(k) Material Adverse Change. There occurs any circumstance that has caused or could reasonably be expected to cause a Material Adverse Change.

Section 10.2. Rights and Remedies. Upon the occurrence and during the continuance of an Event of Default (subject to any applicable grace periods or rights of cure), Lender may, without notice or demand (unless exercising the right to terminate this Agreement set forth in Section 10.2(p)), do any or all of the following:

(a) declare all Obligations immediately due and payable (provided that upon the occurrence of an Event of Default described in Section 10.2(g), all Obligations shall become immediately due and payable without any action by Lender), without presentment, demand, protest or other notice of any kind, all of which are hereby expressly waived by Borrower;

(b) terminate the commitment of Lender to make Loans and stop advancing money or extending credit for Borrower’s benefit under this Agreement or under any other Loan Document;

(c) verify the amount of, demand payment of and performance under, and collect any Accounts and general intangibles that constitute Collateral, settle or adjust disputes and claims directly with account debtors for amounts on terms and in any order that Lender considers advisable, and notify any Person owing Borrower money of Lender’s security interest in such funds. Borrower shall collect all payments in trust for Lender and, if requested by Lender, immediately deliver the payments to Lender in the form received from the account debtor, with proper endorsements for deposit;

(d) make any payments and do any acts it considers necessary or reasonable to protect the Collateral or its security interest in the Collateral;

(e) enter premises where the Collateral is located, take and maintain possession of any part of the Collateral, and pay, purchase, contest, or compromise any Lien which appears to be prior or superior to its security interest and pay all expenses incurred in connection therewith. Borrower hereby

grants Lender a license to enter and occupy any premises of Borrower, without charge, to exercise any of Lender's rights or remedies. Borrower shall assemble the Collateral if Lender requests and make it available as Lender reasonably designates;

(f) setoff and apply to the Obligations any amount held by Lender owing to or for the credit or the account of Borrower;

(g) ship, reclaim, recover, store, finish, maintain, repair, prepare for sale, advertise for sale, and sell the Collateral, it being understood that Lender is hereby granted a non-exclusive, royalty-free license or other right to use, without charge, Borrower's labels, patents, copyrights, mask works, rights of use of any name, trade secrets, trade names, trademarks, and advertising matter, or any similar property, in each case as it pertains to the Collateral, in completing production of, advertising for sale, and selling any Collateral and, in connection with Lender's exercise of its rights under this Section 10.2, Borrower's rights under any licenses or all franchise agreements that are part of or the Collateral inure to Lender;

(h) deliver a notice of exclusive control, any entitlement order, or other directions or instructions pursuant to any ACA or similar agreements providing control of any Collateral;

(i) sell the Collateral at either a public or private sale, or both, by way of one or more contracts or transactions, for cash or on terms, in such manner and at such places (including any Borrower's premises) as Lender determines is commercially reasonable, and apply any proceeds to the Obligations in whatever manner or order Lender deems appropriate;

(j) sell the Collateral without giving any warranties as to the Collateral; provided that Lender may specifically disclaim any warranties of title or the like, and this procedure will not be considered adversely to affect the commercial reasonableness of any sale of the Collateral; if Lender sells any of the Collateral upon credit, Borrower will be credited only with payments actually made by the purchaser, received by Lender and applied to the indebtedness of the purchaser; and if the purchaser fails to pay for the Collateral, Lender may resell the Collateral and Borrower shall be credited with the proceeds of the sale. Lender may credit bid and purchase at any public sale;

(k) apply for the appointment of a receiver, trustee, liquidator or conservator of the Collateral, without notice and without regard to the adequacy of the security for the Obligations and without regard to the solvency of Borrower or any other Person liable for any of the Obligations;

(l) demand and receive possession of the Borrower's Books;

(m) disallow (that is, deny both use of funds and any applicable matching credit for) all or part of the cost of any Borrower activity not in compliance with this Agreement and require Borrower to use best efforts to recover and repay to Lender any such disallowed costs;

(n) enforce claims under Article IX of this Agreement;

(o) exercise all rights and remedies available to Lender under the Loan Documents or at law or equity, including all remedies provided under the Code (including disposal of the Collateral pursuant to the terms thereof); and

(p) terminate this Agreement by delivering written notice to Borrower.

Section 10.3. Power of Attorney. Borrower hereby irrevocably appoints Lender as its lawful attorney-in-fact, exercisable following the occurrence and during the continuance of an Event of Default,

to: (a) endorse Borrower's name on any checks, payment instruments, or other forms of payment or security; (b) sign Borrower's name on any invoice or bill of lading for any Account or drafts against account debtors; (c) demand, collect, sue, and give releases to any account debtor for monies due, settle and adjust disputes and claims about the Accounts directly with account debtors, and compromise, prosecute, or defend any action, claim, case or proceeding about any Collateral (including filing a claim or voting a claim in any bankruptcy case in Lender's name); (d) make, settle, and adjust all claims under Borrower's insurance policies; (e) pay, contest or settle any Lien, charge, encumbrance, security interest, or other claim in or to the Collateral, or any judgment based thereon, or otherwise take any action to terminate or discharge the same; (f) dispose of the Collateral; and (g) transfer the Collateral into the name of Lender or a third party as the Code permits. Borrower hereby appoints Lender as its lawful attorney-in-fact to sign Borrower's name on any documents necessary to perfect or continue the perfection of Lender's security interest in the Collateral regardless of whether an Event of Default has occurred until the occurrence of the Termination Date. Lender's foregoing appointment as Borrower's attorney-in-fact, and all of Lender's rights and powers, coupled with an interest, are irrevocable until the occurrence of the Termination Date.

Section 10.4. Application of Payments and Proceeds. Notwithstanding anything herein to the contrary, following the occurrence and during the continuance of an Event of Default, and notice thereof to Lender by the Borrower, all payments received on account of the Obligations, whether from Borrower's payments, proceeds realized as the result of any collection of Accounts or other disposition of the Collateral, or otherwise, shall be applied by Lender as follows:

- (a) first, to payment of that portion of the Obligations constituting fees, indemnities, expenses and other amounts payable to Lender in its capacity as such;
- (b) second, to payment of that portion of the Obligations constituting fees, indemnities and other amounts (other than principal and interest) payable to Lender arising under the Loan Documents;
- (c) third, to payment of that portion of the Obligations constituting accrued and unpaid interest on the Loans;
- (d) fourth, to payment of that portion of the Obligations constituting unpaid principal of the Loans;
- (e) fifth, to the payment in full of all other Obligations; and
- (f) finally, the balance, if any, after all Obligations have been indefeasibly paid in full, to the Borrower or as otherwise required by Law.

For the avoidance of doubt, Borrower shall remain liable to Lender for any deficiency. If Lender, directly or indirectly, enters into a deferred payment or other credit transaction with any purchaser at any sale of Collateral, Lender shall have the option, exercisable at any time, of either reducing the Obligations by the principal amount of the purchase price or deferring the reduction of the Obligations until the actual receipt by Lender of cash therefor.

Section 10.5. Liability for Collateral. Lender shall not be liable or responsible for: (a) the safekeeping of the Collateral; (b) any loss or damage to the Collateral; (c) any diminution in the value of the Collateral; or (d) any act or default of any carrier, warehouseman, bailee, or other Person. Borrower bear all risk of loss, damage or destruction of the Collateral.

Section 10.6. Remedies Cumulative. The rights and remedies of Lender under this Agreement and the other Loan Documents are cumulative. In addition to the rights and remedies contained in or arising

under this Agreement, Lender shall retain all rights and remedies provided under the Code, by law, or in equity, without limitation. The exercise of one right or remedy by Lender is not an election and shall not limit or preclude Lender from exercising any other remedy under this Agreement or any other Loan Document or other remedy available at law or in equity, and any waiver shall be effective only in the specific circumstances provided for and only for the purposes for which it is given. A delay by Lender in exercising any remedy is not a waiver, election, or acquiescence.

ARTICLE XI CLOSEOUT

Section 11.1. Closeout. Upon the earlier of (i) the conclusion of the Term, (ii) the first date when all required work of Borrower of the federal award has been completed in accordance with 2 CFR 200.344, or (iii) the end of the Period of Performance, Lender shall proceed to close out the federal award and Borrower shall comply with all closeout requirements set forth in 2 CFR 200.344 and the EPA Terms & Conditions. In accordance with 2 CFR 200.344(a), if Borrower fails to complete the necessary administrative actions or the required work under the federal award, Lender shall proceed to close out the award based on the information available. In accordance with 2 CFR 200.344 and 2 CFR 200.346, any funds paid or lent to the Borrower in excess of the amount to which the Borrower is finally determined to be entitled under the terms of this Agreement and the EPA Award constitute a debt to Lender and shall be promptly repaid in full within 90 calendar days of demand, irrespective of the provisions of Section 3.2(e). Interest shall be charged on any overdue debt in accordance with the Federal Claims Collection Standards (31 CFR parts 900 through 999). The date from which interest is computed shall not be extended by litigation nor by arbitration.

Section 11.2. Closeout Agreement. Upon the earlier of (i) the termination of this Agreement (whether at the end of the Term or pursuant to Section 10.2 and 11.1), (ii) the first date when all required work of Borrower of the federal award has been completed in accordance with 2 CFR 200.344 and Borrower has met the requirements for closeout and (iii) the end of the Period of Performance, Borrower will remain subject to a Closeout Agreement (“**Closeout Agreement**”) on the terms and conditions set forth in Section III.V of the EPA Terms & Conditions. Borrower hereby acknowledges that the term and condition set forth in Section III.V of the EPA Terms & Conditions (with references to “EPA” replaced with references to “Lender” and references to “Recipient” replaced with references to “Borrower”) will be the entire Closeout Agreement and therefore, will be self-executing. Borrower shall be required to comply with the terms and conditions of the Closeout Agreement until either (1) Borrower no longer holds Post-Closeout Program Income and does not anticipate generating additional Post-Closeout Program Income or (2) Borrower and Lender mutually agree to terminate the Closeout Agreement and Borrower remits current and future Post-Closeout Program Income to Lender.

For the avoidance of doubt, the obligations of Borrower under this Article XI shall survive any expiration or termination of this Agreement.

ARTICLE XII CHOICE OF LAW; DISPUTE RESOLUTION

(a) THIS AGREEMENT, THE OTHER LOAN DOCUMENTS AND ANY CLAIMS, CONTROVERSIES, DISPUTES OR CAUSES OF ACTION (WHETHER IN CONTRACT OR TORT OR OTHERWISE) BASED UPON, ARISING OUT OF, OR RELATING TO, THIS AGREEMENT, ANY OTHER LOAN DOCUMENT OR ANY OTHER AGREEMENT OR INSTRUMENT CONTEMPLATED HEREBY SHALL BE GOVERNED BY, AND CONSTRUCTED IN ACCORDANCE WITH, THE INTERNAL LAWS OF NEW YORK WITHOUT REGARD TO CONFLICT OF LAW PRINCIPLES.

(b) The Parties agree that the procedures set forth in this Section 12(b) shall be the exclusive mechanism for resolving any dispute, controversy, or claim of any nature between the Parties that may arise out of or in relation to this Agreement, any other Loan Document or the breach, termination, enforcement, interpretation or validity thereof (each, a “**Dispute**,” and, collectively, the “**Disputes**”).

- (i) In the event of any Dispute, the Parties shall first attempt in good faith to resolve such Dispute by negotiation and consultation between themselves. In the event that such Dispute is not resolved on such informal basis within thirty (30) days of the delivery to the other Party of written notice of such Dispute (“**Notice of Legal Dispute**”), each Party may, in its discretion, seek resolution of the Dispute in accordance with Section 12(b)(ii), below. Notices of Legal Dispute must be in writing and must set forth the facts of the Dispute and the relief requested.
- (ii) Any unresolved Dispute that has been subject to, and exhausted the procedures of, Section 12(b)(i) shall be settled by final and binding arbitration administered by the American Arbitration Association in accordance with its Commercial Arbitration Rules. The Dispute(s) shall be heard by one arbitrator mutually selected by the Parties; if the Parties cannot agree on an arbitrator within thirty (30) days, then the American Arbitration Association shall assign an arbitrator. The place of arbitration shall be Connecticut, and the arbitration shall be governed by the laws of New York. All proceedings and communications shall be in English. Judgment on the award may be entered in any court of competent jurisdiction. This clause shall not preclude the Parties from seeking provisional remedies in aid of arbitration from a court of competent jurisdiction. Both Parties expressly and irrevocably waive the right to trial by jury.
- (iii) Except to the extent necessary to confirm or enforce an award, or as may be required by applicable Law, neither a Party nor an arbitrator may disclose the existence, content, or results of an arbitration without the prior written consent of both Parties.

ARTICLE XIII GENERAL PROVISIONS

Section 13.1. Waivers; Amendments. No amendment or waiver of any provision of this Agreement, and no consent to any departure by Borrower from its obligations hereunder, shall be effective unless in writing and signed by Lender and Borrower; provided that Lender may amend this Agreement unilaterally with reasonable notice to and without the consent of Borrower if such amendment (a) corresponds to a revision or amendment to the CGC-CGB Subgrant Agreement, the EPA Award, or the EPA Terms & Conditions, or is otherwise required by EPA or CGC, (b) is determined by Lender to be necessary to ensure compliance with Federal Requirements or the Coalition Work Plan, or is a temporary amendment to address an emergency or other unanticipated circumstance so long as such temporary amendment is in effect for no more than sixty (60) days; provided, further, that Subrecipient may dispute the unilateral amendment by providing notice to CGC within five (5) Business Days of the amendment under this Section and the parties will negotiate in good faith to reach a mutually acceptable amendment of the Agreement. Any waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

Section 13.2. Notices; Time. All notices and other communication to be provided under this Agreement shall be in writing or by email and addressed, delivered or transmitted to the applicable Party at its address or email address set forth below, or such other address or email address as may be designated in writing by such Party in a written notice to the other Party. Any notice properly addressed and mailed shall be deemed given when received; any notice transmitted by email shall be deemed given upon the earlier of confirmation of receipt by the recipient and the opening of business on the next Business Day of the recipient.

If to Borrower:⁷

c/o Borrower

[REDACTED]

Attn: []

Email: []

With a copy (not constituting notice) to:

[•]

[Address]

Attn: [•]

Email: [•]

If to Lender:

Lender

[REDACTED]

Attn: []

Email: []

With a copy (not constituting notice) to:

[•]

[Address]

Attn: [•]

Email: [•]

Section 13.3. Survival. Notwithstanding anything to the contrary hereunder, Section 3.6 (*Withholding*), Article IX (*Indemnification*), Article X (*Defaults and Remedies*), Article XI (*Closeout*), Article XII (*Choice of Law; Dispute Resolution*), Section 13.3 (*Survival*), Section 13.4 (*Entire Agreement*), Section 13.5 (*Severability of Provisions*), Section 13.8 (*Successors and Assigns*), and Section 13.9 (*Relationship of Parties; No Third-Party Beneficiaries*) of this Agreement shall in each case survive any termination of this Agreement. All representations and warranties made or deemed to be made by Borrower in this Agreement or in any agreement, certificate or other document delivered hereto shall survive the execution and delivery hereof or thereof.

Section 13.4. Entire Agreement. This Agreement (including the Exhibits and Schedules hereto) constitutes the entire understanding between the Parties with respect to the subject matter hereof, and shall supersede any prior agreements, written or oral, with respect thereto between the Parties.

Section 13.5. Severability of Provisions. Any provision of this Agreement or any agreement or instrument contemplated hereby which is prohibited or unenforceable in any jurisdiction shall, as to such provision and such jurisdiction, be ineffective only to the extent of such prohibition or unenforceability

⁷ Note to Borrower: Please confirm/update.

without invalidating the remaining provisions of this Agreement or such other agreement or instrument or affecting the validity or enforceability of such provision in any other jurisdiction.

Section 13.6. Headings. The headings used in this Agreement are for convenience only and shall not affect the interpretation of this Agreement or any provisions hereof.

Section 13.7. Execution in Counterparts. This Agreement may be executed in any number of counterparts and by different parties on separate counterparts, each of which, when executed and delivered, is an original, and all taken together, constitute one Agreement. Executed copies of the signature pages of this Agreement sent by facsimile or transmitted electronically in Portable Document Format (“pdf”), or any similar format, shall be treated as originals, fully binding and with full legal force and effect, and the parties waive any rights they may have to object to such treatment. The words “execution,” “signed,” “signature,” and words of like import in this Agreement and the other Loan Documents shall be deemed to include electronic signatures or electronic records, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable Law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act.

Section 13.8. Successors and Assigns. This Agreement binds and is for the benefit of the successors and permitted assigns of each party. Borrower shall not assign this Agreement or any rights or obligations under it without the prior written consent of Lender (which may be granted or withheld in their sole discretion, respectively). Lender has the right, without the consent of or notice to Borrower, to sell, transfer, assign, negotiate, or grant participations in all or any part of, or any interest in, Lender’s obligations, rights, and benefits under this Agreement and the other Loan Documents.

Section 13.9. Relationship of Parties; No Third Party Beneficiaries.

(a) The relationship of the Parties to this Agreement is determined solely by the provisions of this Agreement and the other Transaction Documents. The Parties do not intend to create any agency, partnership, joint venture, trust, fiduciary or other relationship with duties or incidents different from those of parties to an arm’s-length contract.

(b) Borrower acknowledges and agrees that (i) this Agreement and the transactions contemplated hereunder are arm’s-length transactions between Borrower and Lender, (ii) Lender and each of its applicable affiliates is acting solely as a principal and not as an agent or fiduciary of Borrower or its affiliates, (iii) Lender and its applicable affiliates have no advisory or fiduciary responsibility or other obligation in favor of Borrower or its affiliates with respect to the transactions contemplated hereunder except to the extent expressly set forth in this Agreement and (iv) Borrower has consulted its own legal and financial advisors to the extent it deems appropriate.

(c) Nothing in this Agreement, whether express or implied, is intended to: (a) confer any benefits, rights or remedies under or by reason of this Agreement on any persons other than the express parties to it and their respective permitted successors and assigns; (b) relieve or discharge the obligation or liability of any person not an express party to this Agreement; or (c) give any person not an express party to this Agreement any right of subrogation or action against any Party to this Agreement.

Section 13.10. Time of Essence. Time is of the essence for the performance of all Obligations in this Agreement.

Section 13.11. Marshalling; Payments Set Aside; Right of Setoff.

(a) Lender shall not be under any obligation to marshal any assets in favor of Borrower or any other Person or against or in payment of any or all of the Obligations. To the extent that Borrower makes a payment or payments to Lender, or Lender enforces its Liens or exercises its rights of set-off, and such payment or payments or the proceeds of such enforcement or set-off or any part thereof are subsequently invalidated, declared to be fraudulent or preferential, set aside or required (including pursuant to any settlement entered into by Lender in its discretion) to be repaid to a trustee, receiver or any other party in connection with any bankruptcy, insolvency, examinership or similar proceeding, or otherwise, then to the extent of such recovery, the obligation hereunder or part thereof originally intended to be satisfied shall be revived and continued in full force and effect as if such payment had not been made or such enforcement or set-off had not occurred.

(b) Borrower hereby grants to Lender, a Lien and a right of setoff as security for all Obligations owing to Lender, whether now existing or hereafter arising upon and against all deposits, credits, collateral and property, now or hereafter in the possession, custody, safekeeping or control of Lender or any entity under the control of Lender (including a Subsidiary or Affiliate thereof) or in transit to any of them. At any time after the occurrence and during the continuance of an Event of Default, without demand or notice, Lender may setoff the same or any part thereof and apply the same to any liability or Obligation of Borrower even though unmatured and regardless of the adequacy of any other collateral securing the Obligations. **ANY AND ALL RIGHTS TO REQUIRE LENDER TO EXERCISE ITS RIGHTS OR REMEDIES WITH RESPECT TO ANY OTHER COLLATERAL WHICH SECURES THE OBLIGATIONS, PRIOR TO EXERCISING ITS RIGHT OF SETOFF WITH RESPECT TO SUCH DEPOSITS, CREDITS OR OTHER PROPERTY OF BORROWER, ARE HEREBY KNOWINGLY, VOLUNTARILY AND IRREVOCABLY WAIVED.**

Section 13.12. Interest Rate Limitation. Notwithstanding anything to the contrary contained in any Loan Document, the agreements made by Borrower with respect to this Agreement and the other Loan Documents are expressly limited so that in no event shall the amount of interest received, charged, or contracted for by Lender exceed the highest lawful amount of interest permissible under the Laws applicable to the Loan. If at any time performance of any provision of this Agreement or the other Loan Documents results in the highest lawful rate of interest permissible under applicable Laws being exceeded, then the amount of interest received, charged, or contracted for by Lender shall automatically and without further action by any party be deemed to have been reduced to the highest lawful amount of interest then permissible under applicable Laws. If Lender shall ever receive, charge, or contract for, as interest, an amount which is unlawful, the amount of unlawful interest shall be refunded to Borrower (if actually paid). To the fullest extent permitted by applicable Laws, any amounts contracted for, charged, or received under the Loan Documents included for the purpose of determining whether the total amounts due under the Loans or the Default Rate would exceed the highest lawful rate shall be calculated by allocating and spreading such payments to and over the full stated term of the Loans.

Section 13.13. Taxes. Borrower is solely responsible for any Taxes, duties, or governmental fees of any kind that are assessed or assessable with respect to the Loans or Lender's making of the Loans to Borrower; Borrower shall pay any such taxes promptly or, if such taxes are paid by Lender, Borrower shall promptly reimburse Lender for the same.

Section 13.14. Collateral Matters. Lender shall release any Lien granted to or held by Lender under any Loan Document (i) upon the occurrence of the Termination Date; or (ii) constituting property sold or to be sold or disposed of as part of or in connection with any sale or other disposition permitted under the Loan Documents. Lender shall have the right, in accordance with the Loan Documents, to sell, lease or otherwise dispose of any Collateral for cash, credit or any combination thereof, and Lender may purchase any Collateral at public or, if permitted by law, private sale and, in lieu of actual payment of the purchase price, may credit bid and setoff the amount of such price against the Obligations.

Section 13.15. Term. Unless sooner terminated pursuant to Article X of this Agreement, the term of this Agreement will extend from and including the Effective Date through and including September 30, 2031 (the “**Term**”).

[Signature page follows.]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the Effective Date.

PUERTO RICO GREEN ENERGY TRUST

By _____
Name:
Title

CONNECTICUT GREEN BANK

By _____
Name:
Title

SCHEDULE OF EXCEPTIONS

Borrower Bank Accounts

[]

Prior Names

[]

Litigation

[]

Permitted Liens

[]

SCHEDULE A – BORROWER BUDGET

SCHEDULE B – LOAN IMPLEMENTATION PLAN

[To be attached]

EXHIBIT A – COLLATERAL DESCRIPTION

The Collateral consists of Borrower's right, title and interest in and to the following personal property:⁸

⁸ Please see definition of Collateral. Borrower to propose collateral equaling at least 1.5x the Commitment.

EXHIBIT B – COMPLIANCE CERTIFICATE

CERTIFICATION DATE: _____, 20__

This Compliance Certificate (this “Certificate”) is delivered pursuant to Section 7.2(c) of the Loan and Security Agreement, dated as of [___], 2025 (as amended, supplemented or otherwise modified from time to time, the “Agreement”), is made among Puerto Rico Green Energy Trust (the “Borrower”), [] and Connecticut Green Bank (“Lender”). Unless otherwise defined herein or the context otherwise requires, capitalized terms used in this Certificate have the meanings provided in the Agreement.

This Certificate relates to the [fiscal quarter][fiscal year] commencing on _____, 20__ and ending on _____, 20__ (such latter date being the “Certification Date”).

The undersigned is duly authorized to execute and deliver this Certificate on behalf of Borrower. By executing this Certificate on behalf of Borrower (and not in his or her personal capacity), the undersigned hereby certifies to CGC, that as of the Certification Date:

(a) [Attached hereto as Annex I is an unaudited consolidated balance sheet of Borrower as of the end of the fiscal quarter ending on the Certification Date and consolidated statements of income, cash flow and stockholders’ equity of Borrower for such fiscal quarter, prepared in accordance with GAAP and certified as complete and correct by a Responsible Officer of Borrower (subject to normal year-end audit adjustments and the absence of footnotes).]⁹

[Attached hereto as Annex I is a copy of the consolidated balance sheet of Borrower, and the related consolidated statements of income, cash flow and stockholders’ equity of Borrower for the fiscal year ending on the Certification Date, all prepared in accordance with GAAP [and accompanied by an opinion of independent public accountants of recognized national standing reasonably acceptable to Lender (which opinion is not qualified as to scope and does not contain any explanatory paragraph expressing substantial doubt about the ability of Borrower to continue as a going concern), stating that such financial statements fairly present, in all material respects, the consolidated financial condition, results of operations and cash flows of Borrower and their Subsidiaries as of the dates and for the periods specified in accordance with GAAP] / [, certified as complete and correct by a Responsible Officer of Borrower]¹⁰.]¹¹

(b) The financial statements delivered with this Certificate in accordance with Section 7.2(a) and (b) of the Agreement are complete and correct and fairly present in all material respects the financial condition of Borrower (subject to the absence of footnotes and to normal year-end audit adjustments in the case of unaudited financial statements).

(c) As of the Certification Date, Borrower is in compliance in all respects with all of the terms and conditions of the Agreement.

(d) No Event of Default or Default has occurred and is continuing except as set forth on Attachment 1 hereto, which includes a description of the nature and period of existence of such

⁹ INCLUDE FOR QUARTERLY FINANCIAL DELIVERABLES.

¹⁰ NTD: Applicable for Borrowers that are not required by law to prepare audited financial statements and submit company-prepared financial statements.

¹¹ INCLUDE FOR ANNUAL FINANCIAL STATEMENTS.

Event of Default or Default and what action Borrower has taken, is taking, or proposes to take with respect thereto.

(e) [Set forth on Attachment 2 hereto is a notification of all applicable after-acquired property of Borrower constituting Collateral that has not been previously disclosed in writing to Lender pursuant to Section 4.2(c) of the Agreement.]¹²

[Signature Page Follows]

¹² INCLUDE FOR QUARTERLY AND ANNUAL FINANCIAL DELIVERABLES.

IN WITNESS WHEREOF, the undersigned has caused this Certificate to be executed and delivered, and the certification and warranties contained herein to be made by a Responsible Officer of Borrower, as of the date first above written.

Puerto Rico Green Energy Trust, as Borrower

By:_____

Name:

Title:

EXHIBIT C - FORM OF BORROWING REQUEST

[_____]
Attn: [_____]
Email: [_____]
Phone: [_____]

[DATE]¹³

Ladies and Gentlemen:

Reference is hereby made to that certain Loan and Security Agreement, dated as of [_____] (as amended, supplemented or otherwise modified from time to time and in effect on the date hereof, the “Agreement”), by and between Puerto Rico Green Energy Trust (“Borrower”) and Connecticut Greenbank (“Lender”).

Unless otherwise defined herein or the context otherwise requires, terms used herein have the meanings provided in the Agreement.

Pursuant to the provisions of Section 3.2(a) of the Agreement, the Borrower hereby requests a Loan to be made on the Proposed Funding Date set forth below, with the following specifications:

1. Proposed Funding Date: _____¹⁴
2. Principal Amount of Loan: \$ _____¹⁵
3. Borrower Bank Account Wire Instructions:

[Depository Bank]
[City, State]
ABA: [●]
For Account Of: [●]
Account Number: [●]

The undersigned, solely in his or her capacity as the [Chief Executive Officer][Chief Financial Officer][Chief Compliance Officer] of Borrower, hereby represents, warrants and certifies, on behalf of Borrower, to Lender that:

(a) no Default or Event of Default has occurred and is continuing or would result from the proposed Loan;

¹³ Date of Borrowing Request shall be the Initial Borrowing Request Date, a Quarterly Request Date or an Ad Hoc Request Date.

¹⁴ Shall be a Business Day during the Availability Period, and not less than ten (10) Business Days after the date of the Borrowing Request.

¹⁵ [Shall be in a minimum of \$[_____] and multiples of \$1,000,000 in excess thereof.]

(b) the representations and warranties in the Agreement and the other Loan Documents are true and complete in all material respects (without duplication of any materiality qualifiers) on the date of this Borrowing Request and the Proposed Funding Date; provided, however, that those representations and warranties expressly referring to a specific date are true, accurate and complete in all material respects (without duplication of any materiality qualifiers) as of such date; and

(c) the making of the proposed Loan and the intended use of proceeds thereof shall comply with all terms of the Agreement and all applicable Laws, including all Federal Requirements, and no proceeds of the requested Loan shall be used for any prohibited use under Section III.E of the EPA Terms & Conditions;

(d) it acknowledges and agrees that any knowing and wilful false statements made by Borrower to Lender may be subject to prosecution under 18 U.S.C. 1001 and other criminal, civil and administrative sanctions; and

(e) such officer signing below is the [Chief Executive Officer][Chief Financial Officer][Chief Compliance Officer] of Borrower and is authorized to request the Loan contemplated hereby and issue this Borrowing Request on behalf of Borrower.

[Signature Page Follows.]

Very truly yours,

Puerto Rico Green Energy Trust, as Borrower

By: _____

Name:

Title:

EXHIBIT D – FORM OF ACCOUNT CONTROL AGREEMENT

[To be attached]

EXHIBIT E – COALITION WORK PLAN

[To be attached]

EXHIBIT F – EPA TERMS & CONDITIONS

See attached.

EXHIBIT G – INFORMATION RIGHTS

Until the occurrence of the Termination Date, Borrower shall promptly deliver to Lender all notices and materials delivered to the Board or any committees thereof in connection with a meeting of the Board or committee, or with any action to be taken by written consent, including drafts of any material resolutions or actions proposed to be adopted by written consent and minutes of any meeting of the Board or any committee thereof to the extent such notices and materials relate to this Agreement. Lender shall keep all information, documents and other materials delivered to it by Borrower under this paragraph confidential, except for any nonexempt materials under any applicable freedom of information laws.

If any issue is to be discussed or otherwise arises at any meeting of the Board or committee thereof, which, in the reasonable good faith judgment of the Board, cannot be disclosed to Lender pursuant to the terms of the paragraph above (i) in order to avoid an actual or potential conflict of interest on the part of Lender or (ii) because (and only to the extent) that receipt of any such materials by Lender would violate, jeopardize, impair or otherwise adversely affect an attorney-client privilege, then any materials delivered to the Board pertaining to such issue (whether before or after such meeting) need not be delivered to Lender, so long as Lender is given notice of the occurrence of such judgment by the Board and that certain materials will not be delivered to Lender.

EXHIBIT H – CGC INVESTMENT POLICY

[To be attached]

[STATE CONTRACTING PROVISIONS]

[To be attached]

PRIVILEGED & CONFIDENTIAL
ATTORNEY WORK PRODUCT
1/21/2025

Beveridge & Diamond
[DRAFT]

**NATIONAL CLEAN INVESTMENT FUND
LOAN AND SECURITY AGREEMENT**

BETWEEN

CONNECTICUT GREEN BANK

AND

NEW HAMPSHIRE COMMUNITY LOAN FUND

Dated as of [●], 2025

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[DRAFT]

NATIONAL CLEAN INVESTMENT FUND LOAN AND SECURITY AGREEMENT

This LOAN AND SECURITY AGREEMENT (this “**Agreement**”) is effective as of [●] (the “**Effective Date**”) between CONNECTICUT GREEN BANK, a quasi-public authority established under Connecticut General Statute 16-245n (“**Lender**”) and New Hampshire Community Loan Fund (“**Borrower**”). Lender and Borrower may be referred to herein as a “**Party**” and collectively as the “**Parties**”.

WHEREAS, the Coalition for Green Capital (“**CGC**”), a 501(c)3 nonprofit organization, submitted on behalf of itself and its 18 coalition members, including Lender, on October 12, 2023, to the EPA under the notice of funding opportunity for the National Clean Investment Fund (“**NCIF**”) of the Greenhouse Gas Reduction Fund (“**GGRF**”), an application for a grant;

WHEREAS, the CGC grant application included additional resources that would be administered by Lender on behalf of Borrower;

WHEREAS, on August 8, 2024, CGC entered into a Grant Agreement (“**EPA Award**”) with the United States Environmental Protection Agency (“**EPA**”) under the NCIF of the GGRF for the establishment and operation of a national green bank and associated network of state and local green banks and other nonprofit capital providers for clean energy products, technologies, and services, for the purposes of (i) providing Financial Assistance to Qualified Projects, (ii) conducting Market-Building Activities, (iii) conducting Predevelopment Activities and (iv) conducting Program Administration Activities (the “**Program**”);

WHEREAS, CGC and Lender entered into a Subgrant Agreement for Financial Assistance (“**CGC-CGB Subgrant Agreement**”) pursuant to which CGC made a Subgrant to Lender (the “**CGC-CGB Subgrant**”) and Lender is a Financial Assistance Subrecipient for the purpose of performing certain activities consistent with the Program and to be funded on the terms and subject to the conditions set forth in the CGC-CGB Subgrant Agreement;

WHEREAS, in conjunction with this Agreement, Lender and Borrower have separately entered into a Subgrant Agreement for Technical Assistance (“**Technical Assistance Subgrant Agreement**”), pursuant to which Lender has agreed to make a Subgrant to Borrower and Borrower is a Technical Assistance Subrecipient for the purpose of performing Predevelopment Activities, Market-Building Activities, and Program Administration Activities consistent with the Program and to be funded on the terms and subject to the conditions set forth in the Technical Assistance Subgrant Agreement;

WHEREAS, in conjunction with this this Agreement, Borrower has entered into an AGBC Network Partner Agreement (a “**Network Partner Agreement**”) and agreed to formalize its role as a network partner of AGBC on the terms and subject and conditions set forth in such Network Partner Agreement; and

WHEREAS, in consideration of the mutual covenants set forth in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which the Parties hereby acknowledge, the Parties hereby agree as follows:

ARTICLE I

Section 1.1. Federal Award Identification.

- 1) Borrower: New Hampshire Community Loan Fund
- 2) Borrower’s Unique Entity Identifier (“**UEI**”): [●]
- 3) Federal Award Identification Number (“**FAIN**”): 84094201
- 4) EPA Award Date: August 8, 2024

- a. CGC-CGB Subgrant Date: January 5, 2025
- 5) Subaward Performance Period Start and End Dates: [start date] & December 31, 2026
- 6) Amount of EPA Funds Obligated under initial subaward: \$2,263,000
- 7) Total or cumulative amount of EPA funds obligated to Borrower under initial subaward plus any subsequent funded amendments: \$2,263,000
- 8) Total Amount of the EPA funds committed to Borrower by Lender: \$2,263,000
- 9) Award program description, as required for the Federal Funding Accountability and Transparency Act ("FFATA"): The Program to be funded under the EPA Award will establish and operate a national green bank and associated network of green banks and other green finance providers for the purposes of providing Financial Assistance to Qualified Projects, conducting Market-Building Activities, conducting Predevelopment Activities and conducting Program Administration Activities.
- 10) Federal awarding agency: EPA
- 11) Pass-through entity: Connecticut Green Bank
- 12) Connecticut Green Bank's awarding official for this subaward and contact information:
 - a. Bryan Garcia
 - b. Bryan.Garcia@ctgreenbank.com
 - c. 860-257-2170
 - d. 75 Charter Oak Ave, Suite 1-103, Hartford, CT 06106
- 13) Assistance Listing Number: 66.957
- 14) Funding Opportunity Name: National Clean Investment Fund (NCIF)
- 15) Funding Opportunity Number: EPA-R-HQ-NCIF-23

ARTICLE II DEFINITIONS

Section 2.1. Recitals. The recitals set forth above form an integral and substantive part of this Agreement and are incorporated herein.

Section 2.2. Definitions Incorporated by Reference. Capitalized terms used but not defined herein shall have the meanings given to such terms in the EPA Terms & Conditions, including Financial Assistance, Financial Assistance Subrecipient, Financial Intermediary Subrecipient, Qualified Project, Post-Closeout Program Income, Program Income, Program Beneficiary and Subrecipient.

Section 2.3. Defined Terms.

(a) "ACA" means an account control agreement between Borrower, Lender and the depository bank or securities intermediary, as applicable, in substantially the form attached as Exhibit D.

(b) "Ad Hoc Request Date" has the meaning set forth in Section 3.2(a).

(c) "Account" means any "account" as defined in the Code with such additions to such term as may hereafter be made, and includes all accounts receivable and other sums owing to any Borrower or Subsidiary.

(d) "Affiliate" means, with respect to any Person, each other Person that owns or controls directly or indirectly the Person, any Person that controls or is controlled by or is under common control with the Person, and each of that Person's officers, directors and employees. Lender shall not be deemed an Affiliate of Borrower.

(e) "Agreement" has the definition provided in the preamble.

(f) “**Availability Period**” means the period from January 1, 2025, to December 31, 2026.

(g) “**Baseline Emissions**” means estimated GHG Emissions from any source identified by the Borrower that are intended to be avoided or abated by a Qualified Project.

(h) “**Beneficial Ownership Certification**” means a certification regarding beneficial ownership required by the Beneficial Ownership Regulation.

(i) “**Beneficial Ownership Regulation**” means 31 C.F.R. § 1010.230.

(j) “**Board**” means the board of directors of Borrower.

(k) “**Borrower Bank Account**” means each deposit account or securities account in the name of Borrower which is subject to an ACA among Borrower, Lender and the depository bank or securities intermediary, as applicable, in compliance with Section 4.2(g).

(l) “**Borrower Budget**” means the budget attached hereto as Schedule A, indicating how funds received by Borrower under this Agreement will be used, in form and substance satisfactory to Lender, as such budget may be updated from time to time by Borrower with the consent of Lender or otherwise in compliance with this Agreement.

(m) “**Borrower’s Books**” are Borrower’s (including any of its Subsidiaries existing as of Effective Date and thereafter as Borrower may establish) books and records including ledgers, federal and state tax returns, records regarding Borrower’s and any and all Subsidiaries’ assets or liabilities, the Collateral, business operations or financial condition, and all computer programs or storage or any equipment containing such information.

(n) “**Borrower Planning Documents**” means collectively, the Borrower Budget and the Loan Implementation Plan.

(o) “**Borrowing Request**” is defined in Section 4.2(e).

(p) “**Business Day**” means any day which is not a Saturday or Sunday or a legal holiday on which banks are authorized or required to be closed in Washington, DC or Connecticut.

(q) “**Capital Stock**” means all shares of capital stock (whether denominated as common stock or preferred stock), equity interests, beneficial, partnership or membership interests, joint venture interests, participations or warrants, rights or options for the purchase or acquisition from such Person of such shares (or such other interests), and all other ownership or profit interests in, or Stock Equivalents (regardless of how designated) of, a Person (other than an individual), whether voting or non-voting.

(r) “**CGC-CGB Subgrant ACA**” means the account control agreement among Lender, CGC and the depository bank or securities intermediary executed in connection with the CGC-CGB Subgrant Agreement.

(s) “**CGC-CGB Subgrant Agreement**” means the Subgrant Agreement, dated as of January 3, 2025, between Lender and CGC, as may be amended, supplemented or otherwise modified from time to time.

(t) “**CGC-CGB Subgrant Amount**” means the “Subgrant Amount” as defined in the CGC-CGB Subgrant Agreement.

(u) “**Closeout Agreement**” has the meaning set forth in Section 11.2.

(v) “**Coalition Work Plan**” means the updated work plan submitted by CGC, on behalf of itself and its coalition members to the EPA as may be amended from time to time with EPA’s approval, attached hereto as Exhibit E.

(w) “**Code**” means the Uniform Commercial Code, as the same may, from time to time, be enacted and in effect in the State of New York; provided, that, to the extent that the Code is used to define any term herein or in any Loan Document and such term is defined differently in different Articles or Divisions of the Code, the definition of such term contained in Article or Division 9 shall govern; provided further, that in the event that, by reason of mandatory provisions of law, any or all of the attachment, perfection or priority of, or remedies with respect to, Lender’s Lien on any Collateral is governed by the Uniform Commercial Code in effect in a jurisdiction other than the State of New York, the term “Code” means the Uniform Commercial Code as enacted and in effect in such other jurisdiction solely for purposes of the provisions thereof relating to such attachment, perfection, priority or remedies and for purposes of definitions relating to such provisions.

(x) “**Collateral**” means with respect to Borrower, any and all properties, rights and assets of Borrower described on Exhibit A.¹

(y) “**Commitment**” means Lender’s obligation to make the Loans to Borrower pursuant to Section 2.2. The aggregate principal amount of the Commitment of Lender as in effect on the Effective Date is \$[2,263,000]. The Commitment of Lender shall be reduced to zero after the funding of the Loans with respect thereto.

(z) “**Compliance Certificate**” is that certain certificate in the form attached hereto as Exhibit B.

(aa) “**Contingent Obligation**” is, for any Person, any direct or indirect liability, contingent or not, of that Person for (a) any indebtedness, lease, dividend, letter of credit or other obligation of another such as an obligation, in each case, directly or indirectly guaranteed, endorsed, co-made, discounted or sold with recourse by that Person, or for which that Person is directly or indirectly liable; (b) any obligations for undrawn letters of credit for the account of that Person; and (c) all obligations from any interest rate, currency or commodity swap agreement, interest rate cap or collar agreement, or other agreement or arrangement designated to protect a Person against fluctuation in interest rates, currency exchange rates or commodity prices; but “Contingent Obligation” does not include endorsements in the ordinary course of business. The amount of a Contingent Obligation is the stated or determined amount of the primary obligation for which the Contingent Obligation is made or, if not determinable, the maximum reasonably anticipated liability for it determined by the Person in good faith, but the amount may not exceed the maximum of the obligations under any guarantee or other support arrangement.

(bb) “**Debtor Relief Laws**” means the Bankruptcy Code of the United States, and all other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor relief Laws of the United States or other applicable jurisdictions from time to time in effect.

¹ NTD: Borrower to propose 1.5x in collateral.

(cc) “**Default**” means any Event of Default or any condition, occurrence or event which, after notice or lapse of time or both, would constitute an Event of Default.

(dd) “**Default Rate**” is defined in Section 3.3(b).

(ee) “**Disposition**” is defined in Section 8.1.

(ff) “**Dispute**” or “**Disputes**” is defined in Section 12(b).

(gg) “**Disqualified Stock**” means any Capital Stock that, by its terms (or by the terms of any security or other Capital Stock into which it is convertible or for which it is exchangeable), or upon the happening of any event or condition (other than customary asset sale offers and redemptions upon the change of control, in each case so long as any rights of the holders thereof upon the occurrence of such change of control or asset sale shall be subject to the prior repayment in full of the Obligations), less than 180 days after the last day of the term of this Agreement (a) matures or is mandatorily redeemable, pursuant to a sinking fund obligation or otherwise, (b) is redeemable at the option of the holder thereof, in whole or in part, (c) provides for the scheduled payments of dividends or distributions in cash, or (d) is or becomes convertible into or exchangeable for Indebtedness or any other Capital Stock that would constitute Disqualified Stock.

(hh) “**Division/Series Transaction**” means any transaction under the laws of the State of Delaware or any other jurisdiction in which any such Person (a) divides into two or more Persons (whether or not the original Person survives such division) or (b) creates, or reorganizes into, one or more series.

(ii) “**Dollars**”, “**dollars**” or use of the sign “**\$**” means only lawful money of the United States and not any other currency, regardless of whether that currency uses the “**\$**” sign to denote its currency or may be readily converted into lawful money of the United States.

(jj) “**Ecority Bid Protest**” means the Dispute of Competitive Assistance Award Denial filed by Ecority on April 9, 2024, and any litigation arising therefrom challenging the selection of CGC for awards under the NCIF.

(kk) “**Effective Date**” is defined in the preamble hereof.

(ll) “**Eligible Disbursements**” means disbursements out of any Borrower Bank Account that are Eligible Investments.

(mm) “**Eligible Investments**” means Financial Assistance provided by Borrower to Qualified Projects within the Geographic Region.

(nn) “**EPA**” has the meaning set forth in the Recitals.

(oo) “**EPA Award**” has the meaning set forth in the Recitals.

(pp) “**EPA Terms & Conditions**” means the final NCIF Terms and Conditions approved by the EPA, as amended as of December 12, 2024, and attached hereto as Exhibit F, and as may be further amended, supplemented or otherwise modified from time to time.

(qq) “**Event of Default**” has the meaning set forth in Section 10.1.

(rr) “**Federal Requirements**” means all Federal statutes, regulations, policies, directives, terms, and conditions that are applicable to the use of funds under this Agreement, including the terms and conditions applicable to the EPA Award that are not limited in their application to CGC, Lender, or both.

(ss) “**CGC-CGB Subgrant**” means the “Subgrant” as defined in the CGC-CGB Subgrant Agreement.

(tt) “**Foreign Entity of Concern**” means (a) an entity owned by, controlled by, or subject to the direction of a government of a covered nation under 10 U.S.C. 4872(d); (b) an entity headquartered in a covered nation under 10 U.S.C. 4872(d); or (c) a subsidiary of an entity described in (a) or (b). As of the Effective Date, covered nations under 10 U.S.C. § 4872(d) are the Democratic People’s Republic of North Korea; the People’s Republic of China; the Russian Federation; and the Islamic Republic of Iran.

(uu) “**Forgivable Loan Amount**” has the meaning set forth in Section 3.2(e).

(vv) “**Forgiveness Date**” has the meaning set forth in Section 3.2(e).

(ww) “**Funding Date**” means the date on which the Loan is made to or for the account of Borrower.

(xx) “**GAAP**” means generally accepted accounting principles, as in effect from time to time in the United States, set forth in the opinions and pronouncements of the Accounting Principles Board of the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board or in such other statements by such other Person as may be approved by a significant segment of the accounting profession, which are applicable to the circumstances as of the date of determination.

(yy) “**Geographic Region**” means New Hampshire.

(zz) “**GGRF**” has the meaning set forth in the Recitals.

(aaa) “**GHG Emissions**” means emissions of greenhouse gases.

(bbb) “**GHG Emissions Reduction**” means the amount of GHG Emissions that would be avoided or abated by a Qualified Project measured against Baseline Emissions, calculated based on the GHG Emissions Reduction Methodologies.

(ccc) “**GHG Emissions Reduction Methodologies**” means, with respect to any Qualified Project, methods of calculating GHG Emissions Reduction for such Qualified Project based on and in accordance with (i) calculators provided by EPA for the applicable Priority Project Category or for other Qualified Projects, (ii) other calculations or methodologies for determining GHG Emissions Reduction issued by EPA following the Effective Date and (iii) such other calculation method as may be mutually agreed to by the Parties.

(ddd) “**Governmental Authority**” means any nation or government, any state or other political subdivision thereof, any agency (including the EPA), authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative functions of or pertaining to government, any securities exchange and any self-regulatory organization.

(eee) “**Indebtedness**” means, with respect to any Person, (a) all indebtedness for borrowed money or the deferred price of property or services (excluding trade accounts payable in the ordinary course of business which are not overdue for a period of more than 90 days), including earn-out obligations due and payable or that are required to appear as liabilities on the balance sheet of such Person under GAAP and reimbursement and other obligations with respect to surety bonds and letters of credit, (b) all obligations evidenced by notes, bonds, debentures or similar instruments, (c) all capital lease obligations (excluding obligations under operating leases), (d) all Contingent Obligations, (e) all obligations of such Person in respect of Disqualified Stock, and (f) all indebtedness secured by a Lien on the property of such Person, whether or not such indebtedness shall have been assumed by such Person (with the amount thereof being measured as the fair market value of such property).

(fff) “**Initial Borrowing Request Date**” is defined in Section 3.2(a).

(ggg) “**Insolvency Proceeding**” means any proceeding by or against any Person under Debtor Relief Laws, or any other bankruptcy or insolvency law, including assignments for the benefit of creditors, compositions, extensions generally with its creditors, or proceedings seeking reorganization, arrangement, or other relief.

(hhh) “**Interest Rate**” is defined in Section 3.3(a).

(iii) “**Laws**” means, collectively, all international, foreign, federal, state, territory, and local statutes, treaties, rules, guidelines, regulations, ordinances, codes and administrative or judicial precedents or authorities, including the interpretation or administration thereof by any Governmental Authority charged with the enforcement, interpretation or administration thereof, and all applicable administrative orders, directed duties, requests, licenses, authorizations and permits of, and agreements with, any Governmental Authority, in each case whether or not having the force of law.

(jjj) “**LIDACs**” means “Low-Income and Disadvantaged Communities” as defined in the EPA Terms & Conditions.

(kkk) “**Lien**” is a claim, mortgage, deed of trust, levy, charge, pledge, security interest or other encumbrance of any kind, whether voluntarily incurred or arising by operation of law or otherwise against any property.

(lll) “**Loan Documents**” are, collectively, this Agreement and any schedules, exhibits, certificates, notices, requests, and any other documents related to this Agreement and the ACA.

(mmm) “**Loan Implementation Plan**” means the plan attached hereto as Schedule B, describing as of the Effective Date, certain requested information about Borrower’s expected use of Loan proceeds during the Availability Period, and the percentage of Borrower’s Loan proceeds for Financial Assistance to Qualified Projects that is expected to be applied to Qualified Projects in LIDACs, rural communities and Tribal communities.

(nnn) “**Loan**” is defined in Section 3.2(a).

(ooo) “**Mandatory Repayment Date**” means January 15, 2027.

(ppp) “**Material Adverse Change**” is (a) a material impairment in the perfection or priority of Lender’s Lien in the Collateral or in the value of such Collateral; (b) a material adverse change in the business, properties, operations or condition (financial or otherwise) of Borrower or any of its Subsidiaries; or (c) a material impairment of the prospect of repayment of any portion of the Obligations.

(qqq) “**Network Partner Agreement**” has the meaning set forth in the recitals.

(rrr) “**NCIF**” has the meaning set forth in the Recitals.

(sss) “**Notice of Legal Dispute**” is defined in Section 12(b)(i).

(ttt) “**Obligations**” are Borrower’s obligations to pay when due any debts, principal, interest (including interest at the Default Rate, if any), fees and other amounts owed to Lender now or later, whether under this Agreement, the other Loan Documents, or otherwise, including all obligations relating to interest accruing after Insolvency Proceedings begin and debts, liabilities or obligations of Borrower assigned to Lender, and to perform Borrower’s duties under the Loan Documents.

(uuu) “**OFAC**” means the Office of Foreign Assets Control of the U.S. Department of the Treasury.

(vvv) “**Operating Documents**” are, for any Person, such Person’s formation documents, as certified by the Secretary of State (or equivalent agency) of such Person’s jurisdiction of organization on a date that is no earlier than 30 days prior to the Effective Date, and, (a) if such Person is a corporation, its bylaws, (b) if such Person is a limited liability company, its limited liability company agreement (or similar agreement), and (c) if such Person is a partnership, its partnership agreement (or similar agreement), each of the foregoing with all current amendments or modifications thereto.

(www) “**Payment Date**” means (x) as to interest on any Loan, the last Business Day of each March, June, September and December of each year, commencing on the first such date to occur after the first Funding Date and (y) the Mandatory Repayment Date.

(xxx) “**Perfection Certificate**” means a completed certificate, dated as of the Effective Date, signed by Borrower entitled “Perfection Certificate”.

(yyy) “**Period of Performance**” means the period from the Effective Date to December 31, 2026.

(zzz) “**Permits**” means all permits, licenses, registrations, certificates, orders, approvals, clearances, authorizations, consents, waivers, franchises, variances and similar rights issued by or obtained from any Governmental Authority or any other Person.

(aaaa) “**Permitted Dispositions**” means the following Dispositions:

- (i) of inventory in the ordinary course of business;
- (ii) of worn-out or obsolete equipment that is, in the reasonable judgment of Borrower [or Subsidiary], no longer economically practicable to maintain or useful in the ordinary course of business of Borrower [or Subsidiary];
- (iii) consisting of Permitted Liens;
- (iv) consisting of Borrower’s [or Subsidiary’s use] or transfer of money or cash equivalents in the ordinary course of its business in a manner that is not prohibited by the terms of the Loan Documents;

- (v) consisting of non-exclusive licenses and sublicenses for the use of the property of Borrower [or its Subsidiaries] in the ordinary course of business and not interfering with the business of Borrower [and its Subsidiaries]; and
- (vi) consisting of the syndication, sale or other transfer of financial products.

(bbbb) **"Permitted Liens"** means:

- (i) Liens securing payment of the Obligations;
- (ii) Liens existing on the Effective Date that are shown in the Schedule of Exceptions and refinancings of such Indebtedness; provided that, no such Lien shall encumber any additional property and the amount of Indebtedness secured by such Lien is not increased from that existing on the Effective Date (as such Indebtedness may have been permanently reduced after the Effective Date);
- (iii) Liens for taxes, fees, assessments or other government charges or levies, either (i) not due and payable or (ii) being contested in good faith and for which the Loan Parties maintain adequate reserves on Borrower's Books, provided that no notice of any such Lien has been filed or recorded under the Internal Revenue Code of 1986, as amended, and the Treasury Regulations adopted thereunder;
- (iv) Carriers', warehousemen's, mechanics', materialmen's, repairmen's or other like Liens arising in the ordinary course of business which are not overdue for a period of more than 45 days or which are being contested in good faith and by appropriate proceedings diligently conducted, if adequate reserves with respect thereto are maintained on the books of the applicable Person;
- (v) Liens to secure payment of workers' compensation, employment insurance, old-age pensions, social security and other like obligations incurred in the ordinary course of business (other than Liens imposed by the Employee Retirement Income Security Act of 1974);
- (vi) Leases or subleases of real property granted in the ordinary course of the Loan Parties' business (or, if referring to another Person, in the ordinary course of such Person's business), and leases, subleases, non-exclusive licenses or sublicenses of personal property granted in the ordinary course of the Loan Parties' business (or, if referring to another Person, in the ordinary course of such Person's business), if the leases, subleases, licenses and sublicenses do not prohibit granting CGC a security interest therein;
- (vii) Non-exclusive licenses of intellectual property granted to third parties in the ordinary course of business permitted by clause (e) of the definition of Permitted Dispositions;

- (viii) Banker's liens and rights of setoff in favor of financial institutions incurred made in the ordinary course of business arising in connection with a Borrower's deposit accounts or securities accounts held at such institutions to secure solely payment of fees and similar costs and expenses and provided such accounts are maintained in compliance with Section 6.7 of this Agreement;
- (ix) Liens securing judgments for the payment of money not constituting an Event of Default;
- (x) Liens incurred in the ordinary course of business; and
- (xi) Liens to facilitate secured or no-recourse loans, investments, financial arrangements, or grants to third parties.

(cccc) "**Person**" is any individual, sole proprietorship, partnership, limited liability company, joint venture, company, trust, unincorporated organization, association, corporation, institution, public benefit corporation, firm, joint stock company, estate, entity, political subdivision, or government agency.

(dddd) "**Quarterly Performance Period**" is defined in Section 7.3.

(eeee) "**Quarterly Request Date**" means each March 15, June 15, September 15, and December 15 of each year occurring during the Availability Period (provided that if such date is not a Business Day, the applicable Quarterly Request Date shall be the next succeeding Business Day).

(ffff) "**Remaining Loan Proceeds**" means, as of the end of the Availability Period, the proceeds of the Loan less the Forgivable Loan Amount.

(gggg) "**Responsible Officer**" means, as to any Person, the chief executive officer, the president, chief operating officer, chief financial officer, treasurer, vice president of finance or the controller of such Person or any other officer having substantially the same authority and responsibility.

(hhhh) "**Sanctioned Country**" means, at any time, a country, region or territory which is itself the subject or target of comprehensive country-wide or territory-wide Sanctions.

(iiii) "**Sanctioned Person**" means (a) any Person identified on any list of designated Persons maintained by any Sanctions Authority, (b) any Person located, organized or resident in a Sanctioned Country, (c) any Person owned fifty percent (50%) or more by any such Person or Persons described in the foregoing clauses (a) or (b), or (d) any Person that is otherwise the subject to target of any Sanctions.

(jjjj) "**Sanctions**" means any and all Laws concerning or relating to economic, financial or trade sanctions, embargoes, or similar restrictive measures imposed, administered, enacted or enforced by a Sanctions Authority.

(kkkk) "**Sanctions Authority**" means any agency, department, division or instrumentality of the United States federal government, including OFAC, the U.S. Department of State, and the Bureau of Industry and Security.

(llll) "**Service Fee**" has the meaning set forth in Section 3.4.

(mmmm) “**Schedule of Exceptions**” means the Schedule of Exceptions attached to this Agreement.

(nnnn) “**Stock Equivalents**” means all equity securities convertible into or exchangeable for Capital Stock or any other Stock Equivalent, and all warrants, options or other rights to purchase, subscribe for or otherwise acquire any Capital Stock or any other Stock Equivalent, whether or not presently convertible, exchangeable or exercisable. For the avoidance of doubt, “Stock Equivalent” shall not include debt instruments that are convertible into Capital Stock or Stock Equivalents.

(oooo) “**Subsidiary**” is, as to any Person, a corporation, partnership, limited liability company or other entity of which shares of stock or other ownership interests having ordinary voting power (other than stock or such other ownership interests having such power only by reason of the happening of a contingency) to elect a majority of the board of directors or other managers of such corporation, partnership or other entity are at the time owned, or the management of which is otherwise controlled, directly or indirectly through one or more intermediaries, or both, by such Person. Unless the context otherwise requires, each reference to a Subsidiary herein shall be a reference to a Subsidiary of Borrower.

(pppp) “**Taxes**” means all income, stamp, goods and services tax or other taxes, duties, levies, imposts, charges, assessments, fees, deductions or withholdings, now or hereafter imposed, levied, collected, withheld or assessed by any Governmental Authority, and all interest, penalties or similar liabilities with respect thereto.

(qqqq) “**Term**” is defined in Section 13.15.

(rrrr) “**Termination Date**” is defined in Section 5.1.

(ssss) “**Transaction Documents**” means each Loan Document entered into in connection with this Agreement (including the ACA entered into in connection with this Agreement) and the Network Partner Agreement.

Section 2.4. Interpretative Matters. Any term used in the Code and not defined herein shall have the meaning provided by the Code to the extent such terms are defined therein. Defined terms in this Agreement shall apply equally to both the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words “include”, “includes” and “including” shall be deemed to be followed by the phrase “without limitation”. The word “will” shall be construed to have the same meaning and effect as the word “shall”; the word “shall” is mandatory; the word “may” is permissive; the word “or” is not exclusive and the words “asset” and “property” shall be construed as having the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights.

ARTICLE III LOANS AND TERMS OF PAYMENT

Section 3.1. Promise to Pay. Borrower hereby unconditionally promises to pay Lender the outstanding principal amount of the Loans and accrued and unpaid interest thereon as and when due in accordance with this Agreement; provided that Borrower shall not be required to pay the outstanding principal of the Loans when the conditions set forth in Section 3.2(e) are satisfied.

Section 3.2. Term Loans

(a) Availability, Funding. Subject to the terms and conditions of this Agreement, during the Availability Period and (x) on or after the later to occur of the Effective Date and the date on which the ACA has been executed (the “Initial Borrowing Request Date”) for each Borrower Bank Account into which the Loan funds or Program Income shall be deposited, (y) on each Quarterly Request Date thereafter and (z) on one other request date (the “Ad Hoc Request Date”) during the Availability Period, Borrower may request that Lender make a term loan (each, a “Loan” and collectively, the “Loans”) to Borrower in the principal amount set forth on the Borrowing Request for such Loan, and Lender shall deposit funds for such Loans into Borrower’s Bank Account designated by Borrower for the receipt of Loan funds within five (5) Business Days of request; provided that in no event shall the aggregate amount of Loans requested or borrowed hereunder exceed the Commitment; and provided further that Lender’s obligation to deposit funds into Borrower’s Bank Account is subject to Section 4.2 of this Agreement. Upon the end of the Availability Period, Lender’s obligation to make Loans to Borrower shall terminate, and any undrawn Loan funds shall be used by Lender as permitted under the EPA Award and the EPA Terms & Conditions. By accepting the Loans, Borrower is a “Financial Intermediary Subrecipient” within the meaning of the EPA Terms & Conditions.

(b) Interest Payments. Commencing on the first Payment Date following the Effective Date and continuing on the Payment Date of each fiscal quarter thereafter, Borrower shall make quarterly payments of interest, in arrears, on the outstanding principal amount of the Loans at the rate set forth in Section 3.3(a).

(c) Mandatory Repayment. On the Mandatory Repayment Date, Borrower shall make a mandatory repayment of the Loans, in an amount equal to the Remaining Loan Proceeds calculated as of December 31, 2026, to be applied as set forth in Section 3.5.

(d) Mandatory Repayment Upon an Acceleration. If the Loans are accelerated by Lender following the occurrence and during the continuance of an Event of Default, Borrower shall immediately pay to Lender an amount equal to the sum of all outstanding principal of and accrued and unpaid interest on the Loans and all other Obligations.

(e) Forgiveness of Loans. Notwithstanding Borrower’s requirement to pay principal or interest as otherwise set forth in this Agreement, on December 31, 2026 (the “Forgiveness Date”), Lender shall forgive the Obligations of Borrower in the amount of the principal of the Loans funded or obligated to Qualified Projects as of the Forgiveness Date (the “Forgivable Loan Amount”), provided that each of the following conditions is satisfied to the reasonable satisfaction of Lender on the Forgiveness Date:

- (i) The EPA Award remains in full force and effect;
- (ii) The CGC-CGB Subgrant Agreement remains effective and binding upon CGC and Lender;
- (iii) Lender’s financial accounts remain under Lender’s control in accordance with the CGC-CGB Subgrant ACA;
- (iv) No action by any Governmental Authority or CGC prevents Lender from forgiving all or part of the Forgivable Loan Amount on the Forgiveness Date;
- (v) the representations and warranties in this Agreement and the other Loan Documents shall be true and complete in all material respects (without

Commented [BF1]: NH - please feel free to propose language here (or elsewhere in the loan agreement) that NH has access to funds beyond the \$2.2MM budget submitted through the availability period. This would address your concern about not having to state in future funding applications that they have “returned” federal funds.

duplication of any materiality qualifiers); provided, however, that those representations and warranties expressly referring to a specific date shall be true, accurate and complete in all material respects (without duplication of any materiality qualifiers) as of such date;

- (vi) no Borrower Default or Event of Default shall have occurred and be continuing from the Loans;
- (vii) No Borrower Default or Event of Default shall have occurred and be continuing under any Transaction Document;
- (viii) Borrower is not in arrears on any payment owing to Lender as of the Forgiveness Date;
- (ix) the use of proceeds of the Forgivable Loan Amount shall comply with all terms of this Agreement, the EPA Award, the EPA Terms & Conditions, and all Federal Requirements, and no proceeds of the Loans shall be used for any prohibited use under Section III.E of the EPA Terms & Conditions; and
- (x) it is acknowledged and agreed that any knowing and willful false statements made by Borrower to Lender may be subject to prosecution under 18 U.S.C. 1001 and other criminal, civil, or administrative sanctions.

Section 3.3. Payment of Interest on the Loans

(a) **Interest Rate.** Subject to Section 3.3(b), the outstanding principal amount of the Loans shall accrue interest at a rate per annum equal to 0.50% (the “**Interest Rate**”).

(b) **Default Rate.** Immediately upon the occurrence and during the continuance of an Event of Default, the Obligations shall bear interest at a rate per annum that is equal to the lesser of (i) 2.00% above the Interest Rate that is otherwise applicable thereto (the “**Default Rate**”) and (ii) the maximum amount permitted to be charged under applicable Law. Fees and expenses that are required to be paid by Borrower pursuant to the Loan Documents but are not paid when due shall bear interest until paid at the Default Rate. Payment or acceptance of the increased interest rate provided in this Section 3.3(b) is not a permitted alternative to timely payment and shall not constitute a waiver of any Event of Default or otherwise prejudice or limit any rights or remedies of.

(c) **Payment; Interest Computation.** Interest is payable on each Payment Date and shall be computed on the basis of a 360-day year for the actual number of days elapsed. In computing interest, (i) all payments received after 2:00 p.m. Eastern time on any day shall be deemed received at the opening of business on the next Business Day, and (ii) the date of the making of any Loan shall be included and the date of payment shall be excluded.

Section 3.4. Service Fee. Borrower agrees to pay Lender a service fee of \$74,500 (the “**Service Fee**”). Borrower shall pay Lender the Service Fee in twelve (12) monthly installment payments of \$6,208.33 due on the 1st day of each month. The first Service Fee monthly installment payment shall be due on the 1st day of the month following the Effective Date.

Section 3.5. Payments; Application of Payments

(a) Payments. All payments on the Loans and other Obligations shall be made to the account of Lender specified by Lender in immediately available funds in Dollars, without setoff or counterclaim, before 4:00 p.m. Eastern time on the date when due and payments received after such time are considered received by Lender on the next Business Day (including for computing interest). When a payment is due on a day that is not a Business Day, the payment shall be due the next Business Day, and additional fees or interest, as applicable, shall continue to accrue until paid.

(b) Application of Insufficient Payments. Subject to Section 10.4, if at any time insufficient funds are received by and available to Lender to pay fully all amounts of principal, interest, fees and other amounts then due hereunder, such funds shall be applied (i) first, to pay interest, fees and other amounts then due hereunder, and (ii) second, to pay principal then due hereunder. Borrower shall have no right to specify the order or the accounts to which Lender shall allocate or apply any payments required to be made by Borrower to Lender or otherwise received by Lender under this Agreement when any such allocation or application is not specified elsewhere in this Agreement.

Section 3.6. Withholding. Payments received by Lender from Borrower under this Agreement will be made free and clear of and without deduction for any and all Taxes. Specifically, however, if at any time any Governmental Authority, applicable Law, regulation or international agreement require Borrower to make any withholding or deduction from any such payment or other sum payable hereunder to Lender, Borrower hereby covenants and agrees that Borrower shall be entitled to make such withholding or deduction, shall timely pay the full amount withheld or deducted to the relevant Governmental Authority, and if such tax is indemnified by Borrower pursuant to Article IX, the amount due from Borrower with respect to such payment or other sum payable hereunder will be increased to the extent necessary to ensure that, after the making of such required withholding or deduction, Lender receives a net sum equal to the sum which it would have received had no withholding or deduction been required. Borrower will, upon request, furnish Lender with proof reasonably satisfactory to Lender indicating that Borrower has made such withholding payment; provided, however, that Borrower need not make any withholding payment if the amount or validity of such withholding payment is contested in good faith by appropriate and timely proceedings and as to which payment in full is bonded or reserved against by Borrower.

ARTICLE IV CONDITIONS PRECEDENT; CONDITIONS OF LOANS

Section 4.1. Conditions Precedent to Effectiveness. The Parties acknowledge and agree that this Agreement shall become effective only upon completion of such matters as Lender may reasonably deem necessary or appropriate, including:

- (a) The EPA Award remains in full force and effect;
- (b) The CGC-CGB Subgrant Agreement has been duly executed by CGC and Lender, with all conditions precedent satisfied, and is effective and binding upon CGC and Lender;
- (c) The CGC-CGB Subgrant has been fully funded into Lender's financial accounts designated for such purpose under the CGC-CGB Subgrant Agreement and such accounts remain under Lender's control in accordance with the CGB-CGC Subgrant ACA;
- (d) The Technical Assistance Subgrant Agreement has been duly executed by Lender and Borrower, with all conditions precedent satisfied, and is effective and binding upon Lender and Borrower;

(e) The Network Partner Agreement has been duly executed by Borrower, with all conditions precedent satisfied, and is effective and binding upon Borrower;

(f) Lender shall have received, in form and substance satisfactory to Lender, such documents, and completion of such other matters, as Lender may reasonably deem necessary or appropriate, including:

- (i) duly executed counterparts to this Agreement;
- (ii) the following deliverables relating to perfection and priority of security interests:
 - (A) UCC, tax lien and judgment lien searches of Borrower, copies of any financing statements on file against Borrower and evidence that no Liens exist other than Permitted Liens;
 - (B) Uniform Commercial Code financing statements for each appropriate jurisdiction as is necessary or advisable to perfect Lender's security interest in the Collateral;
 - (C) all certificates evidencing Capital Stock, promissory notes and other instruments pledged to Lender, together with duly executed and undated blank transfer forms attached thereto;² and
 - (D) duly executed consents as are necessary or advisable to perfect Lender's security interest in the Collateral;

(g) the organizational or governing documents and a long-form good standing certificates of Borrower, if applicable, certified by the Secretary of State (or equivalent agency) of Borrower's jurisdiction of organization or formation and each jurisdiction in which Borrower is qualified to conduct business as of a date no earlier than thirty (30) Business Days prior to the Effective Date;³

(h) a secretary's certificate of Borrower with respect to its organizational or governing documents, incumbency, specimen signatures and board (or equivalent) resolutions signed or otherwise duly approved by each of Borrower's directors [and shareholder resolutions, in each case]⁴ authorizing the execution and delivery of this Agreement and the other Loan Documents to which it is a party;

(i) proof that Borrower qualifies and holds the status of an exempt organization under IRC Section 501(c)(3);

(j) a Perfection Certificate, duly executed by Borrower;

(k) a copy of Borrower's Budget in form and substance satisfactory to Lender and attached hereto as Schedule A, and a copy of Borrower's Loan Implementation Plan, in form and substance satisfactory to Lender and attached hereto as Schedule B;

² NTD: To the extent applicable.

³ NTD: To modify for Financial Intermediaries governed by an authorizing/enacting statute rather than a charter.

⁴ NTD: To confirm authorizations needed to approve the transaction.

(l) copies of Borrower's existing investment policies (as may be amended from time to time after the Effective Date);

(m) Lender shall have timely received all "know your customer" information reasonably requested by Lender, which, in any case, unless a shorter time is agreed to by the recipient, shall have been provided within five (5) Business Days before the Effective Date and, if Borrower qualifies as a "legal entity customer" under the Beneficial Ownership Regulation, Borrower shall deliver to Lender that so requests, in a form acceptable to Lender, a Beneficial Ownership Certification in relation to Borrower at least five (5) Business Days prior to the Effective Date; and

(n) a legal opinion from Borrower's transaction counsel addressed to Lender, dated as of the Effective Date, and assuring that:

- (i) Borrower is duly organized under the laws of the jurisdiction of its organization and validly existing and in good standing, with full power and authority under law to execute and deliver the Transaction Documents and consummate the transactions contemplated thereby in accordance with the terms thereof;
- (ii) the Transaction Documents are duly authorized, executed and delivered by Borrower;
- (iii) the Transaction Documents constitute the valid and binding agreement of the Borrower enforceable in accordance with their terms;
- (iv) No consent of any third party is required for the execution, delivery and performance of the Transaction Documents by Borrower; and
- (v) the execution, delivery and performance of the Transaction Documents by Borrower do not conflict with any applicable Laws known to the provider of the opinion.

Section 4.2. Conditions Precedent to all Loans. Lender's obligation to advance the Loans is subject to the following conditions precedent:

- (a) The EPA Award remains in full force and effect;
- (b) The CGC-CGB Subgrant Agreement remains effective and binding upon CGC and Lender;
- (c) Lender's financial accounts remain under Lender's control in accordance with the CGC-CGB Subgrant ACA;
- (d) No action by any Governmental Authority or CGC prevents Lender from advancing the Loans;
- (e) Receipt by Lender on a Quarterly Request Date of a borrowing request substantially in the form attached hereto as Exhibit C (a "**Borrowing Request**") duly executed by the chief executive officer, chief financial officer, chief compliance officer, or equivalent officer with signatory authority of Borrower, certifying that the conditions specified in Section 4.2(e) have been satisfied;

(f) The representations and warranties in this Agreement and the other Loan Documents shall be true and complete in all material respects (without duplication of any materiality qualifiers) on the date of the Borrowing Request and on the Funding Date of such Loan; provided, however, that those representations and warranties expressly referring to a specific date shall be true, accurate and complete in all material respects (without duplication of any materiality qualifiers) as of such date; (ii) no Default or Event of Default shall have occurred and be continuing or would result from the Loan; (iii) the making of the Loans and the intended use of proceeds thereof shall comply with all terms of this Agreement, the EPA Award, the EPA Terms & Conditions, and all Federal Requirements, and no proceeds of the requested Loans shall be used for any prohibited use under Section III.E of the EPA Terms & Conditions; and (iv) it is acknowledged and agreed that any knowing and willful false statements made by Borrower to Lender be subject to prosecution under 18 U.S.C. 1001 and other criminal, civil and administrative sanctions;

(g) The ACA shall have been fully executed and delivered with respect to the accounts in the name of Borrower into which the Loans shall be deposited and held prior to disbursement; and

(h) Receipt by Lender of copies of Borrower's then existing investment policies (if said investment policies have been amended following any prior submission by Borrower to Lender).

The Borrowing Request submitted by Borrower shall be deemed to be a representation and warranty that the conditions specified in Section 4.2(f) have been satisfied on and as of the Funding Date of such Loan.

ARTICLE V CREATION OF SECURITY INTEREST AND PLEDGE

Section 5.1. Grant of Security Interest. Borrower hereby grants to Lender, to secure the payment and performance in full of all of the Obligations, a continuing security interest in, and pledges and collaterally assigns to Lender, the Collateral, wherever located, whether now owned or hereafter acquired or arising, and all proceeds and products thereof.

Lender's Liens in the Collateral shall continue until (a) the Obligations (other than (i) inchoate indemnity obligations for which no claim has been asserted and (ii) Obligations forgiven in accordance with the conditions set forth in Section 3.2(e)) are repaid in full in cash and (b) such time as Lender's obligation to make Loans has terminated (the occurrence of clauses (a) and (b), collectively, the "**Termination Date**"). Upon the Termination Date, Lender shall, at the written request and the sole cost and expense of Borrower, release its Liens in the Collateral and all rights therein shall revert to Borrower.

Section 5.2. Perfection of Security Interest

(a) Perfection. Borrower authorizes Lender to file at any time financing statements, continuation statements, and amendments thereto that (a) specifically describe the Collateral or use a generic description such as "all assets" and (b) contain any other information required by the Code for the sufficiency of filing office acceptance of any financing statement, continuation statement, or amendment, including whether Borrower is an organization, the type of organization and any organizational identification number issued to such Borrower, if applicable. Borrower shall have possession of the Collateral, except where expressly otherwise provided in this Agreement or where Lender chooses to perfect its security interest by possession, pursuant to the terms hereof, in addition to the filing of a financing statement. Borrower shall take such other actions as Lender reasonably requests to perfect its security interests in the Collateral granted under this Agreement.

(b) Capital Stock, Debt Instruments and Investment Property. Borrower shall deliver to Lender (i) simultaneously with or promptly following the execution and delivery of this Agreement, all certificates and instruments (if any) representing Capital Stock, debt instruments and investment property owned by Borrower on the Effective Date and (ii) promptly upon the receipt thereof by or on behalf of Borrower, all other certificates and instruments representing Capital Stock, debt instruments and investment property. Prior to delivery to Lender, all such Capital Stock, debt instruments and investment property shall be held in trust by Borrower for the benefit of Lender pursuant hereto. All such certificates and instruments shall be delivered in suitable form for transfer by delivery or shall be accompanied by duly executed instruments of transfer or assignment in blank.

(a) Certain After-Acquired Property. Borrower shall notify Lender promptly (but in any event not later than the delivery by Borrower of the next Compliance Certificate required pursuant to Section 7.2) upon the acquisition by any Borrower of any chattel paper, letter of credit rights, commercial tort claims, instruments, documents, investment property, registered intellectual property and at the request of Lender, shall take such steps as Lender reasonably requests for Lender to obtain control of any such Collateral or otherwise perfect, preserve and protect its first priority security interest in such Collateral.

(b) Pledged Collateral. Upon the occurrence and during the continuance of an Event of Default, and delivery by Lender to Borrower of notice of its intent to exercise its rights, all rights of Borrower to exercise the voting and other consensual rights that it would otherwise be entitled to exercise with respect to Capital Stock, promissory notes or other instruments shall cease and all such rights shall thereupon become vested in Lender, which shall then have the sole right to exercise such voting and other consensual rights. Upon the occurrence and during the continuance of an Event of Default, and delivery by Lender to Borrower of notice of its intent to exercise its rights, all rights of Borrower to receive the dividends, distributions and interest payments that it would otherwise be authorized to receive and retain with respect to such Collateral shall cease and all such rights shall thereupon be vested in Lender, which shall then have the sole right to receive and hold as Collateral such dividends, distributions and interest payments, and all dividends and interest payments that are received by Borrower contrary to the provisions of this paragraph shall be received in trust for the benefit of Lender, shall be segregated from other property or funds of Borrower, and shall be promptly paid over to Lender as Collateral in the exact form received, to be held by Lender as Collateral and as further collateral security for the applicable Obligations.

ARTICLE VI REPRESENTATIONS & WARRANTIES

Borrower represents and warrants as follows:

Section 6.1. Due Organization. Borrower is a validly organized [organizational type] and is in good standing under the laws of the jurisdiction of its organization. Borrower has full power and authority, and holds all material governmental licenses, permits and other approvals required to (a) enter into and perform its obligations under the Transaction Documents and (b) conduct its business substantially as currently conducted by it.

Section 6.2. Authorization; Power and Authority; Validity; Enforceability

(a) The execution, delivery and performance by Borrower of the Transaction Documents to which it is a party are within its organizational powers, have been duly authorized by all necessary organizational action, and do not (i) conflict with any of Borrower's Operating Documents, (ii) contravene, conflict with, constitute a default under or violate any applicable Law, (iii) contravene, conflict or violate any applicable order, writ, judgment, injunction, decree, determination or award of any Governmental Authority by which such Borrower or [any of its Subsidiaries] or any of their property or

assets may be bound or affected, (iv) require any action by, filing, registration, or qualification with, or Permit from, any Governmental Authority (except such Permits which have already been obtained and are in full force and effect), or (v) conflict with, contravene, constitute a default or breach under, or result in or permit the termination or acceleration of, any agreement or instrument by which such Borrower is bound.⁵

(b) Each Loan Document to which Borrower is party constitutes the legal, valid and binding obligations of Borrower, enforceable against Borrower in accordance with their respective terms (except, in any case, as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization or similar laws affecting creditors' rights generally and by principles of equity).

Section 6.3. Collateral Matters

(a) Borrower has good title to, rights in, and the power to transfer each item of the Collateral upon which it purports to grant a Lien hereunder, free and clear of any and all Liens except Permitted Liens. Except for Permitted Liens, the security interest granted under this Agreement constitutes a valid, first priority security interest in the presently existing Collateral, and will constitute a valid, first priority security interest in later-acquired Collateral.

(b) Borrower has no deposit account or securities account other than the deposit accounts and securities accounts listed on the Schedule of Exceptions.

(c) Except as disclosed in the Schedule of Exceptions or as notified pursuant to Section 7.6, Borrower has not done business under any name other than that specified on the signature page hereof, and its exact legal name is as set forth in the first paragraph of this Agreement. The chief executive office of Borrower is located at the address indicated in Section 13.2 hereof.

(d) With respect to each limited liability company or limited partnership controlled by Borrower, if any, whose interests are uncertificated, such limited liability company or limited partnership has not elected, whether in its limited liability company agreement or limited partnership agreement or otherwise, to have such interests be treated as a "Security" within the meaning of Article 8 of the Code.

(e) As of the Effective Date, Borrower has no Subsidiaries [other than []].

Section 6.4. Litigation. Other than the Ecority Bid Protest, there are no actions, suits or proceedings by or before any arbitrator or governmental authority pending or threatened against or affecting the Parties that would be reasonably likely to adversely affect the Transaction Documents or the transactions contemplated hereby.

Section 6.5. Financial Statements; Financial Condition. [The audited financial statements of Borrower furnished to Lender prior to the Effective Date or from time to time in accordance with this Agreement, in each case have been prepared in accordance with GAAP, consistently applied, subject to changes resulting from normal, year-end audit adjustments, and present fairly in all material respects the consolidated financial condition of the persons covered thereby as at the dates thereof and the results of their operations for the periods then ended.]⁶ There has not been any material deterioration in Borrower's consolidated financial condition since the date of the most recent financial statements submitted to Lender.

⁵ Consents under any existing debt arrangements for the incurrence of debt/liens hereunder to be obtained by Borrower.

⁶ To be revised as applicable based on Borrower's financial statements and accounting standards.

Section 6.6. Solvency. Borrower is able to pay its debts (including trade debts) as they mature; the fair saleable value of the Borrower's assets (including goodwill *minus* disposition costs) exceeds the fair value of their liabilities; and, immediately after giving effect to each Loan, Borrower as a whole will not be reasonably considered to be inadequately capitalized.

Section 6.7. Compliance with Laws and Regulations. Borrower is not an "investment company" or a company "controlled" by an "investment company" under the Investment Company Act of 1940, as amended. Borrower is not engaged as one of its important activities in the business of extending credit for the purpose of purchasing or carrying margin stock (within the meaning of Regulations X, T and U of the Board of Governors of the Federal Reserve System). Borrower has complied with all Laws that apply in connection with the performance of its obligations under the Transaction Documents, and Borrower has not violated any applicable Law the violation of which could reasonably be expected to be a Material Adverse Change. None of Borrower's or any of its Subsidiaries' properties or assets has been used by Borrower or any Subsidiary or, to the best of Borrower's knowledge, by previous Persons, in disposing, producing, storing, treating, or transporting any hazardous substance other than legally. Borrower is in compliance with 2 CFR 200. Borrower and each of its Subsidiaries have obtained all consents, approvals and authorizations of, made all declarations or filings with, and given all notices to, all Governmental Authorities that are necessary for the continued operation of their respective businesses as currently conducted, except where the failure to do so could not, individually or in the aggregate, reasonably be expected to have a material adverse effect on the business. None of Borrower or its principals, agents, or employees, are debarred, suspended, proposed for debarment, or otherwise disqualified from entering into agreements with or receiving funding from the U.S. Government or from any state government where Borrower is doing business.

Section 6.8. Accuracy of Information. None of the information furnished in writing to Lender by or on behalf of Borrower in connection with this Agreement, the other Transaction Documents, the Loan Implementation Plan or any transaction contemplated hereby or thereby contains any untrue statement of a material fact, or omits to state any material fact necessary to make any information not misleading in light of the circumstances under which they were made; provided that with respect to projected financial information, Borrower represents only that such information was prepared in good faith based upon assumptions believed to be reasonable at the time.

Section 6.9. Foreign Entity of Concern. Borrower is not a Foreign Entity of Concern.

ARTICLE VII AFFIRMATIVE COVENANTS; REPORTING; COMPLIANCE

Section 7.1. Use of Proceeds. Borrower shall use all proceeds of the Loans solely for the purposes and subject to the restrictions set forth in this Section 7.1:

(a) Borrower shall use all proceeds of the Loans including Program Income, to provide Eligible Investments to Qualified Projects. When consistent with applicable Law and the EPA Terms & Conditions, Borrower may deduct reasonable and necessary costs incidental to the generation of Program Income from gross income to determine Program Income;

(b) Borrower shall not use any funds awarded and transferred to Borrower under this Agreement for any prohibited use under Section III.E of the EPA Terms & Conditions. Borrower shall not make any participant support cost payments to entities excluded from participation in federal nonprocurement programs under 2 CFR Part 180;

(c) Borrower shall use at least 40% (and shall use commercially reasonable efforts to use at least 50%) of the Loans under this Agreement for the purposes of providing Financial Assistance to Qualified Projects in Low-income and Disadvantaged Communities (“LIDACs”). Borrower shall use commercially reasonable efforts to ensure that at least 20% of the proceeds of Loans under this Agreement are used for the purposes of providing Financial Assistance to Qualified Projects in rural communities and at least 2% of the proceeds of Loans under this Agreement are used for the purposes of providing Financial Assistance to Qualified Projects in Tribal communities; and

(d) Borrower shall not use any funds awarded and transferred to Borrower under this Agreement to fund any Qualified Projects that are not in the Priority Project Categories without the prior written consent of Borrower in accordance with Section 7.13 hereof; provided that Borrower may agree to waive this requirement for certain categories of Qualified Projects that are not in the Priority Project Categories.

Section 7.2. Financial Statements, Reports, Certificates. Without limiting any applicable reporting requirements in the EPA Terms & Conditions, Borrower shall comply with the following reporting requirements until the Termination Date:

(a) Within sixty (60) days after the end of each fiscal quarter, Borrower shall deliver an unaudited consolidated balance sheet of Borrower [and its Subsidiaries] as of the end of such fiscal quarter and consolidated statements of income, cash flow and stockholders’ equity of Borrower [and its Subsidiaries] for such fiscal quarter, prepared in accordance with GAAP and certified as complete and correct by a Responsible Officer of Borrower (subject to normal year-end audit adjustments and the absence of footnotes);

(b) Within one hundred and twenty (120) days following the end of Borrower’s fiscal year, Borrower shall deliver an audited consolidated balance sheet of Borrower [and its Subsidiaries], and the related consolidated statements of income, cash flow and stockholders’ equity of Borrower [and its Subsidiaries] for such fiscal year, all prepared in accordance with GAAP and accompanied by an opinion of independent public accountants of recognized national standing reasonably acceptable to Lender (which opinion shall not be qualified as to scope or contain any explanatory paragraph expressing substantial doubt about the ability of Borrower [and its Subsidiaries] to continue as a going concern), stating that such financial statements fairly present, in all material respects, the consolidated financial condition, results of operations and cash flows of such Borrower [and its Subsidiaries] as of the dates and for the periods specified in accordance with GAAP; provided that if Borrower is not required by applicable Law to prepare audited financial statements, Borrower will provide company prepared annual financial statements within seventy-five (75) days of year end];

(c) Contemporaneously with the furnishing of the financial statements required pursuant to Sections 7.2(a) and (b), Borrower shall cause to be delivered a duly completed Compliance Certificate signed by a Responsible Officer of Borrower, (i) certifying that as of the end of such period covered by the applicable financial statements, each Borrower was in compliance with all of the terms and conditions of this Agreement, (ii) such officer has not become aware of any Default or Event of Default that has occurred and is continuing or, if there is any such Default or Event of Default, describing it and the steps, if any, being taken to cure it, and providing such other information as required thereby, and (iii) setting forth such other information as Lender may reasonably request;

(d) Borrower shall submit information for the semi-annual reports covering six (6) months of the calendar year in accordance with information collection instruments approved through GGRF Accomplishment Reporting (EPA ICR Number 2783.01, OMB Control Number 2090-NEW). The semi-annual reporting periods are as follows: July 1 to December 31; January 1 to June 30. The first semi-annual

reporting period ends on December 31, 2024, and covers all activities beginning on the first day of the Term;

- (i) Borrower shall submit information for the semi-annual report to Lender within five (5) calendar days after the semi-annual reporting period ends; and
- (ii) Borrower's information for the semi-annual report should cover activities from the preceding two (2) quarters, except for, if applicable, the semi-annual report for the semi-annual reporting period ending on December 31, 2024, which should cover all activities from April 1, 2024 to December 31, 2024;

(e) Borrower shall submit quarterly transaction-level and project-level data in accordance with information collection instruments approved through GGRF Accomplishment Reporting (EPA ICR Number 2783.01, OMB Control Number 2090-NEW) within thirty (30) calendar days after the end of each calendar quarter;

(f) Borrower shall submit annual organizational disclosures to Lender, in accordance with the information collection instruments approved through GGRF Accomplishment Reporting (EPA ICR Number 2783.01, OMB Control Number 2090-NEW, including the information set forth below, starting with the fiscal year ending [●], 2025. Such annual disclosures shall be provided within forty-five (45) days after the Borrower's fiscal year end date;

- (i) Net Asset Ratio: The net asset ratio is defined as net assets divided by total assets.
- (ii) Current Ratio: The current ratio is defined as current assets divided by current liabilities, where current assets is equal to the value of all assets that are reasonably expected to be converted into cash within the coming 12-month period in the normal course of business and current liabilities is equal to the total value of all debts or obligations that must be paid within the coming 12-month period.
- (iii) Delinquency Rate: The delinquency rate is defined as the value of loans outstanding that are 90+ calendar days delinquent divided by the value of loans outstanding, where loans 90+ calendar days delinquent includes those with outstanding balances 90+ calendar days overdue and still accruing interest as well as those in nonaccrual status.
- (iv) Net Charge-Off Rate: The net charge-off rate is defined as the value of loans charged-off over the past fiscal year, minus the value of loan recoveries over the past fiscal year, divided by the value of loans outstanding.
- (v) Concentration: The concentration of the portfolio, as demonstrated by calculating and reporting on recipient-level exposure, defined as on-balance sheet exposures to a single consolidated entity over all on-balance sheet exposures, for top ten highest exposures.

(g) Within three (3) Business Days of delivery, Borrower shall deliver to Lender copies of all statements, reports and notices not otherwise enumerated in this Section 7.2 that are made available generally to any Borrower's security holders (including any debt securities or loans);

(h) Promptly after any request by Lender, Borrower shall deliver copies of any detailed audit reports, management letters or recommendations submitted or prepared by Borrower's independent accountants in connection with the accounts or books of Borrower, or any audit of Borrower;

(i) As soon as possible and in any event within three (3) days after becoming aware of the occurrence or existence of a Default hereunder, Borrower shall deliver a written statement of a Responsible Officer setting forth details of the Default, and the action which Borrower has taken or proposes to take with respect thereto;

(j) Promptly and in any event within three (3) days after the Borrower becomes aware of any following event, written notice of (A) any proceeding being instituted or threatened to be instituted by or against the Borrower in any federal, state, local or foreign court or before any commission or other Governmental Authority (federal, state, local or foreign) which has had or could reasonably be expected to have a Material Adverse Change, (B) any order, judgment or decree entered against the Borrower or any of its property or assets which has had or could reasonably be expected to have a Material Adverse Change, (C) any notice or correspondence issued to the Borrower by a Governmental Authority warning, threatening or advising of the commencement of any investigation involving the Borrower or any of its property or assets which has had or, if adversely determined, could reasonably be expected to have a Material Adverse Change, or (D) any proposed or actual change, development or event which has had or could reasonably be expected to have a Material Adverse Change;

(k) Promptly and in any event within ten (10) days of its occurrence, written notice of:

- (i) changes to Borrower's independent certified public accounting firm;
- (ii) non-reliance on previously issued financial statements or a related audit report or completed interim audit review of Borrower;
- (iii) material impairments to Borrower's assets;
- (iv) intention of Borrower to file bankruptcy petition or enter into receivership;
- (v) submission of annual Form 990 to the IRS (if applicable); and

(l) Promptly, from time to time, Borrower shall provide to Lender such other information regarding Borrower or compliance with the terms of any Loan Document as reasonably requested by Lender.

Section 7.3. Performance Monitoring

(a) Performance of Borrower under the Agreement will be assessed on a quarterly basis beginning with the period beginning on the Effective Date through the last day of the calendar quarter in which the Effective Date occurs, and for each full calendar quarter occurring thereafter (each such period, a "Quarterly Performance Period"). Performance will be determined by comparing actual use of funds during such Quarterly Performance Period to the anticipated use of funds set forth in the Borrower Planning Documents.

(b) Within five (5) Business Days of the end of each Quarterly Performance Period occurring during the term of this Agreement, Borrower will submit a Quarterly Performance Progress Report that includes information regarding Borrower's use of funds under the Agreement during the applicable Quarterly Performance Period in comparison to:

- (i) The use of funds reflected in the Borrower Budget; and
- (ii) The use of funds for Eligible Investments reflected in the Loan Implementation Plan.

(c) Borrower shall ensure that (x) Eligible Disbursements of Loan funds comply with 100% of the requirements contained in the Borrower Budget (as it may be modified with the approval of Lender, such approval not to be unreasonably withheld or delayed), and (y) Eligible Investments using Loan funds are made in a manner consistent in all material respects with the Loan Implementation Plan (as it may be modified with the approval of Lender, such approval not to be unreasonably withheld or delayed).

(d) If Borrower's use of Loan funds during any Quarterly Performance Period does not comply with clause (c) above, Lender and Borrower will jointly develop a quarterly performance progress improvement plan to be implemented during the immediately succeeding Quarterly Performance Period.

Section 7.4. Government Compliance

(a) Borrower shall comply with all Federal Requirements applicable to this Agreement and the Loans, including all terms and conditions of the EPA Award, including the EPA Terms & Conditions and the EPA general terms and conditions incorporated by reference therein that are applicable (whether directly or in the form of "flow down" requirements from the EPA Award) to the use of funds for Financial Assistance and to Financial Intermediary Subrecipients (including, but not limited to, compliance with cybersecurity requirements to the extent applicable pursuant to Section II.B of the EPA Terms & Conditions, compliance with the Real Property Programmatic Terms and Conditions pursuant to Section II.H of the EPA Terms & Conditions, compliance with Davis-Bacon Act labor standards pursuant to Section III.L(1) of the EPA Terms & Conditions, compliance with the Build America, Buy America Act domestic preference to the extent applicable pursuant to Section III.M of the EPA Terms & Conditions, and compliance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act and 49 CFR Part 34 pursuant to Section III.R of the EPA Terms & Conditions). By accepting this award, Borrower acknowledges and agrees to, and shall cause each Program Beneficiary to acknowledge and agree to, the terms and conditions provided in the "DBRA Requirements for EPA Subrecipients" referred to in the EPA Terms & Conditions.

(b) Borrower shall not use the Loans to support or oppose union organizing, whether directly or as an offset for other funds.

(c) Borrower shall comply with other applicable federal Laws related to labor and equitable workforce development as well as to enforce compliance with contractors, and other partners (*e.g.*, by including such provisions in contractual agreements). This includes but is not limited to applicable health and safety regulations as administered by the Occupational Safety and Health Administration.

(d) Borrower agrees that any geospatial data created under this Agreement must be consistent with Federal Geographic Data Committee ("FGDC") endorsed standards.

(e) Borrower agrees that any use of the EPA logo must not be used to imply that any of the activities undertaken under this Agreement are being conducted by the EPA.

(f) To the extent the Borrower is engaged in public or media events publicizing the accomplishment of significant activities related to this Agreement and the Loans hereunder, Borrower must provide Lender with no fewer than 15 calendar days' notice of any such event.

(g) Borrower shall [and shall cause each of its Subsidiaries to,] maintain its [and each of its Subsidiaries'] legal existence and good standing in their respective jurisdictions of formation and maintain qualification in each jurisdiction in which the failure to so qualify could reasonably be expected to be a Material Adverse Change. Borrower shall, and shall cause each Subsidiary to, comply with all other applicable Laws in all material respects, and shall maintain, and shall cause each of its Subsidiaries to maintain, in force all licenses, approvals and agreements, the loss of which or the failure to comply with which could reasonably be expected to be a Material Adverse Change.

(h) Borrower acknowledges that Lender is subject to the requirements outlined in Sections 16-245n of the Connecticut General Statutes and Borrower is responsible for complying with applicable state contracting requirements including those set forth in Attachment A.

Section 7.5. Investment Policy; Monitoring System and Internal Controls.

(a) Borrower shall (i) with respect to any investment of Loan proceeds, comply at all times with CGC's investment policy furnished to Borrower prior to the Effective Date and attached as Exhibit H, unless and until Borrower establishes written investment and credit underwriting policies reasonably satisfactory to Lender (such approval not to be unreasonably withheld, conditioned or delayed), after which, Borrower shall comply at all times with such approved investment and credit underwriting policies, (ii) use reasonable best efforts to do customary and appropriate due diligence on Qualified Projects that will receive Financial Assistance funded using Loan Proceeds, (iii) include in any agreement for Financial Assistance relevant covenants to assure that such Financial Assistance and Qualified Projects funded thereby are implemented, developed, constructed and maintained in compliance with all applicable health or safety standards or regulations and shall use commercially reasonable efforts to enforce such covenants, and (iv) maintain records available to Lender upon request throughout the Term reflecting completion of such due diligence, compliance of such with Borrower's investment and credit underwriting policies, and any other material due diligence findings.

(b) Borrower shall establish and comply at all times with performance and portfolio monitoring policies and systems, internal controls (including internal control requirements specified at 2 CFR 200.303) and audit requirements (including the audit requirements specified at 2 CFR Part 200, Subpart F, "Audit Requirements"), in each case reasonably satisfactory to Lender. Borrower shall cooperate with an annual compliance review with respect to such policies, systems, controls and requirements.

Section 7.6. Maintenance of GHG Emissions Reductions. In addition to other record keeping required by the EPA Terms & Conditions, Borrower shall obtain and retain documentation supporting the GHG Emissions Reduction achieved (based on calculations in accordance with the GHG Emissions Reduction Methodologies) and reflected in its performance reporting required under this Agreement, in each case sufficient to support a "limited assurance" report by an independent auditor.

Section 7.7. Accounts

(a) As promptly as practicable and in any event, prior to the first Funding Date, Borrower shall enter into an ACA in respect of each deposit account or securities account of Borrower into which any Loan funds shall be deposited. Borrower shall maintain in existence the Borrower Bank Accounts until the Termination Date.

(b) Borrower shall cause all Loan funds received by Borrower to be deposited into, and remain in, a Borrower Bank Account and subject to the ACA at all times until disbursed (i) at the direction of Borrower as an Eligible Disbursement in compliance with this Agreement and the ACA or (ii) at the direction of Lender in accordance with Lender's rights under this Agreement and the ACA.

(c) Borrower acknowledges and agrees that the ACA will incorporate all requirements set forth in the "Deposit Account at Financial Agent" term and condition in the EPA Terms & Conditions that Lender, in its sole discretion, deems necessary and appropriate to flow down to Borrower, including but not limited to the requirement to establish a deposit account and within such account, a "Budget Account", "Reserve Account", and "Program Income from Operations Account", and the requirements for the initiation and receipt of transfers of Loan funds between and among such accounts.

Section 7.8. Access to Collateral; Books and Records. At reasonable times and with reasonable prior notice (provided no notice is required if an Event of Default has occurred and is continuing), Lender, or their representatives, shall have the right to visit and inspect the Collateral and Borrower's properties, examine and copy Borrower's (and as may apply, Borrower's Subsidiaries) books and discuss its affairs and finances with its directors, officers and independent public accountants (and Borrower hereby authorizes such independent public accountant to discuss their financial and other matters with Lender or its representatives whether or not any representative of Borrower is present), in each case to the extent reasonably related to Borrower's verification or evaluation of matters relating to this Agreement and the related Transaction Documents; provided that unless an Event of Default has occurred and is continuing, such visits shall be limited to once per fiscal year.

Section 7.9. Permits and Licenses. Borrower will possess all Permits, contracts, licenses, trademarks, trade names, patents, copyrights and other authorizations and matters necessary to enable Borrower to conduct its business in the ordinary course, except those the absence of which could not reasonably be expected to have a Material Adverse Change.

Section 7.10. Foreign Entities of Concern; Sanctioned Persons. Borrower shall not permit any proceeds of the Loans to be paid to any Foreign Entity of Concern or any Sanctioned Person and shall maintain in effect policies and procedures designed to promote and ensure compliance with this Section 7.10.

Section 7.11. Further Assurances; Cooperation.

(a) At any time and from time to time, Borrower shall execute and deliver such further instruments and take such further action as may reasonably be requested by Lender to effect the purposes of this Agreement and the other Loan Documents and to support Lender's compliance with the CGC-CGB Subgrant Agreement and the requirements of the EPA. Borrower shall not take any action that would challenge, dispute, retract or otherwise detrimentally affect Lender's ability to perform its obligations under the CGC-CGB Subgrant Agreement or satisfy the requirements of the EPA.

(b) The Parties will endeavor to collaborate to share best practices and lessons learned in meeting the overarching objectives of the GGRF program at no additional cost; provided that where additional programmatic, regulatory, accounting, legal or compliance support is necessary to ensure fulfillment or success with the underlying requirements of the CGC-CGB Subgrant Agreement, the Parties

will work in good faith to expeditiously come up with a plan to address and compensate Lender for the additional time and resources involved.

Section 7.12. Information Rights. Borrower shall provide Lender the information rights set forth on Exhibit G.

Section 7.13. Lender Review of Non-Priority Projects. Unless Lender has agreed to waive prior consent in accordance with Section 7.1(d), Borrower shall provide Lender with at least 10 Business Days' advance written notice of any plan to use proceeds of the Loans to fund any Qualified Project that is not in a Priority Project Category. Upon receipt of such notice and such other information as Borrower may reasonably request regarding the proposed use of proceeds, Lender shall evaluate the proposed use in good faith and, in the exercise of its reasonable discretion, promptly determine whether to consent to such use (such consent not to be unreasonably withheld, conditioned or delayed).

Section 7.14. Specific Conditions. With reasonable notice to Borrower, Lender may adjust specific terms of this Agreement as needed, in accordance with 2 CFR 200.208, based on an analysis of the factors set forth in 2 CFR 200.208(b): (i) the criteria set forth in 2 CFR 200.206; (ii) Borrower's history of compliance with the general or specific terms and conditions of this Agreement or of the EPA Award; (iii) Borrower's ability to reasonably meet its expected performance goals as described in this Agreement and the attachments hereto; or (iv) an inadequate financial capability determination of the Borrower. Consistent with 2 CFR 200.208, additional specific conditions that may be adjusted by Lender include items such as the following: (i) requiring payments as reimbursements rather than advance payments; (ii) withholding authority to proceed to the next phase until receipt of evidence of acceptable performance within a given performance period; (iii) requiring additional, more detailed financial reports; (iv) requiring additional project monitoring; (v) requiring Borrower to obtain technical or management assistance; or (vi) establishing additional prior approval requirements. In accordance with 2 CFR 200.208(d), Lender shall notify Borrower as to: (1) the nature of the specific condition(s); (2) the reason why the specific condition(s) is being imposed; (3) the nature of the action needed to remove the specific condition(s); (4) the time allowed for completing the actions; and (5) the method for requesting Lender to reconsider imposing a specific condition. In accordance with 2 CFR 200.208(e), Lender shall remove any such specific conditions promptly once the conditions that prompted them have been satisfied. In addition to and without limiting the foregoing, Lender may adjust specific terms of this Agreement as needed to conform to adjustments of the terms of the CGC-CGB Subgrant Agreement imposed on Lender by CGC.

Section 7.15. American Green Bank Consortium. At all times during the Term of this Agreement, Borrower shall comply in all material respects with its obligations under the Network Partner Agreement as a member of the American Green Bank Consortium.

ARTICLE VIII NEGATIVE COVENANTS

Borrower covenants and agrees that, until the Termination Date, Borrower shall not[, and shall not permit any of its Subsidiaries to,] directly or indirectly:

Section 8.1. Dispositions. Convey, sell, lease, transfer, assign, or otherwise dispose of (collectively, "**Dispositions**") any Collateral, except for Permitted Dispositions.

Section 8.2. Changes in Business, Management, Control, or Business Locations. (a) Engage in any business other than the businesses materially similar to that currently engaged in by Borrower [and each such Subsidiary], as applicable, or reasonably related thereto or consistent with business plans announced publicly prior to the Effective Date; or (b) permit or suffer any Material Adverse Change.

Section 8.3. Mergers or Acquisitions. Merge or consolidate with any other Person, liquidate, dissolve, enter into, or permit any of its Subsidiaries to enter into, any Division/Series Transaction (it being understood that none of the provisions in this Agreement nor any other Loan Document shall be deemed to permit any Division/Series Transaction), or acquire, or permit any of its Subsidiaries to acquire, all or substantially all of the capital stock, property or business (or any division thereof) of another Person (including by the formation of any Subsidiary). A Subsidiary may merge or consolidate into the Borrower if the Borrower is the surviving Person).

Section 8.4. Liens.

- (a) Create, incur, allow, or suffer any Lien on any Collateral, except for Permitted Liens;
- (b) Permit any Collateral not to be subject to the first priority security interest granted herein (other than pursuant to Permitted Liens); or
- (c) enter into any agreement, document, instrument or other arrangement (except with or in favor of Lender) with any Person that directly or indirectly prohibits or has the effect of prohibiting Borrower [or any Subsidiary] from assigning, mortgaging, pledging, granting a security interest in or upon, or encumbering any of Borrower [or any Subsidiary's Collateral]; provided, that this subclause (c) shall not prohibit Borrower [and the Subsidiaries] from entering into agreements, documents, instruments or other arrangements that contain customary restrictions on security interests, leases, subleases, licenses or asset sale agreements entered into in the ordinary course of business and otherwise permitted hereby so long as such restrictions relate to the assets subject thereto.

Section 8.5. Compliance. Become an "investment company" or a company controlled by an "investment company", under the Investment Company Act of 1940, as amended, or undertake as one of its important activities extending credit to purchase or carry margin stock (as defined in Regulation U of the Board of Governors of the Federal Reserve System), or use the proceeds of any Loans for that purpose; fail[, or permit any Subsidiary to fail,] to comply with the Federal Fair Labor Standards Act or violate any other Law, if the violation could reasonably be expected to be a Material Adverse Change; or withdraw[, or permit any Subsidiary] to withdraw, from participation in, permit partial or complete termination of, or permit the occurrence of any other event with respect to, any present pension, profit sharing and deferred compensation plan that could reasonably be expected to result in any liability of Borrower [or any Subsidiary], including any liability to the Pension Benefit Guaranty Corporation or its successors or any other governmental agency.

Section 8.6. Certain Amendments.

- (a) Amend, modify or change any of its Operating Documents (i) in a manner materially adverse to Lender or (ii) if the effect thereof is to cause a Default or Event of Default.
- (b) Amend, modify or change the Borrower Budget or Loan Implementation Plan without prior written consent from Lender (such consent not to be unreasonably withheld or delayed).
- (c) Without at least thirty (30) days' prior written notice to Lender, change its fiscal year.
- (d) Change its fiscal year or its jurisdiction of organization.

(e) Without at least ten (30) days' prior written notice to Lender: (i) change its organizational structure or type or (ii) change its legal name.

(f) Enter into any agreement or arrangement which would restrict in any respect the ability of Borrower to fulfill its Obligations under the Loan Documents.

ARTICLE IX INDEMNIFICATION; LIMITATION OF LIABILITY

Section 9.1. Indemnification. Borrower agrees to (i) indemnify, defend, exonerate and hold Lender and its partners, directors, officers, employees, agents, advisors, and representatives (collectively, the "**Indemnified Parties**") free and harmless from and against any and all actions, causes of action, suits, losses, costs, liabilities, obligations and damages or claims of any kind, whether incurred in connection with actions between the parties hereto or the parties hereto and third parties ("**Losses**"), and (ii) reimburse the Indemnified Parties for all reasonable expenses (including reasonable and documented out of pocket attorneys' fees and professionals fees and disbursements) incurred by such Indemnified Parties in connection with investigating, preparing or defending against any such Losses, in each case arising from (A) Borrower's non-compliance with any condition, representation, warranty or covenant in this Agreement; (B) Borrower's non-compliance with applicable Laws, including any Federal Requirements; (C) any transaction entered into by Borrower in which Borrower used Loan funds (in whole or in part) for such transaction; (D) any decision by Borrower with respect to use or non-use of Loan funds; or (E) fraud, gross negligence or willful misconduct of Borrower. Borrower's obligations under this Section 9.1 shall exclude, as to any Indemnified Party, any Losses (i) directly caused by the gross negligence or willful misconduct of such Indemnified Party as determined by a court of competent jurisdiction in a final and non-appealable judgment or (ii) resulting from disputes solely among the Indemnified Parties that are not arising out of any act or omission by Borrower or any Affiliate of Borrower.

Section 9.2. Waiver and Release of Liability. Borrower agrees that none of the Indemnified Parties shall have any liability (whether direct or indirect, in contract, tort or otherwise and whether or not related to third party claims or the rights referred to in Section 9.1 to Borrower or any of its securityholders or creditors with respect to any matter arising from or related to this Agreement, except where any such liability directly arises from the gross negligence or willful misconduct of the applicable Indemnified Party as determined by a court of competent jurisdiction in a final and non-appealable judgment.

Section 9.3. Indemnity Holdback. Borrower shall reserve and maintain in a Borrower Bank Account (or, at the sole discretion of Lender, any other deposit account) until December 31, 2032 (or, at the sole discretion of Lender, such earlier date), an amount equal to \$67,890 (the "**Holdback Amount**"). Borrower shall pay on demand by Lender all amounts necessary to satisfy Borrower's obligations under Section 9.1 out of the Holdback Amount; provided that where such payment is not permissible in whole or in part under applicable Laws, or in the event that the Holdback Amount is insufficient to cover such payment, Borrower shall remain obligated to make such payment to Lender from other funds. For avoidance of doubt, the Holdback Amount is not a limitation or cap on Borrower's liability to Lender under this Article IX. Following completion of the second annual financial statement audit in accordance with 2 CFR Part 200, Subpart F, "Audit Requirements", the Parties will confer and consider in good faith a reduction or release of the Holdback Amount.

Section 9.4. Limitation of Liability. Borrower shall not be liable to Lender or to any other Person for any special, incidental, consequential, or indirect damages, or for any loss of profits, loss of revenue, or business interruption.

ARTICLE X DEFAULTS AND REMEDIES

Section 10.1. Events of Default. Each of the following events or occurrences shall constitute an event of default (an “Event of Default”) under this Agreement:

(a) Payment Default. Borrower fails to pay to Lender any amount payable under this Agreement within five (5) Business Days after the same becomes due;

(c) Non-Performance of Covenants. Borrower fails or neglects to perform, keep or observe any term, provision, condition, covenant or agreement contained in this Agreement and (i) as to any default under the covenants set forth in Sections 7.5 (*Investment Policy; Monitoring System and Internal Controls*), 7.8 (*Access to Collateral; Books and Records*), 7.11 (*Further Assurances; Cooperation*), 7.12 (*Information Rights*) and 7.15 (*American Green Bank Consortium*) that can be cured, has failed to cure such default within thirty (30) days after the earlier of (x) knowledge by Borrower of the occurrence thereof or (y) notice by Lender thereof; provided, however, that, in the case of a default under Sections 7.5(b), 7.8 7.11 or 7.15, if the default cannot by its nature be cured within the thirty (30) day period or cannot after diligent attempts by Borrower be cured within such thirty (30) day period, and such default is likely to be cured within a reasonable time, then Borrower shall have an additional period (which shall not in any case exceed thirty (30) days) to attempt to cure such default, and within such reasonable time period the failure to cure the default shall not be deemed an Event of Default, and (ii) as to any default under any other covenant herein that can be cured, has failed to cure such default within five (5) Business Days after the earlier of (x) knowledge by Borrower of the occurrence thereof or (y) notice by Lender thereof; provided that a breach of Borrower’s obligations under Section 7.2 (*Financial Statements, Reports, Certifications*) or Section 7.3 (*Performance Monitoring*) shall not constitute an Event of Default so long as such breach, individually and in the aggregate with any other breaches by Borrower under Section 7.2 or Section 7.3, (i) is immaterial, (ii) does not delay or impair Lender’s ability to satisfy its own reporting obligations under the CGC-CGB Subgrant Agreement and other Federal requirements and (iii) Borrower uses good faith efforts to cure such breach promptly after the earlier of knowledge by Borrower of the occurrence of such breach and notice by Lender thereof;

(d) Attachment; Levy; Restraint on Business.

(i) The service of process seeking to attach, by trustee or similar process, any material portion of funds of Borrower [or a Borrower Subsidiary] or (ii) a notice of lien or levy is filed against a material portion of Borrower’s assets by any Governmental Authority, and the same under subclauses (i) and (ii) hereof are not, within twenty (20) days after the occurrence thereof, discharged or stayed (whether through the posting of a bond or otherwise); or

(i) any material portion of Borrower’s assets is attached, seized, levied on, or comes into possession of a trustee, receiver or Person acting in similar capacity, or
(ii) any court order enjoins, restrains, or prevents Borrower from conducting all or any material part of its business;

(e) Insolvency. Borrower (i) files in any court or agency pursuant to any statute or regulation a petition in bankruptcy or insolvency or for reorganization or similar arrangement, or for the appointment of a receiver or trustee of Borrower or its assets; (ii) proposes a written agreement of composition or extension of its debts; (iii) is served with an involuntary petition against it in any insolvency proceeding and such involuntary petition is not stayed or dismissed within ninety (90) calendar days of the date on which the petition is filed; or (iv) makes an assignment for the benefit of its creditors;

(f) Default on Other Indebtedness. A default shall occur in the payment of any amount when due (subject to any applicable grace period), whether by acceleration or otherwise, of any principal or stated amount of, or interest or fees on, any Indebtedness of Borrower [or any of the Subsidiaries] having a principal or stated amount, individually or in the aggregate, in excess of \$250,000, or a default shall occur in the performance or observance of any obligation or condition with respect to such Indebtedness if the effect of such default is to accelerate the maturity of any such Indebtedness or such default shall continue unremedied for any applicable period of time sufficient to permit the holder or holders of such Indebtedness, or any trustee or agent for such holders, to cause or declare such Indebtedness to become due and payable or to require such Indebtedness to be prepaid, redeemed, purchased or defeased, or require an offer to purchase or defease such Indebtedness to be made, prior to its expressed maturity;

(g) Cross Default to Certain Agreements. An “Event of Default” or similar event shall have occurred under the terms of any other Transaction Document or the Technical Assistance Subgrant Agreement;

(h) Judgments; Penalties. One or more fines, penalties or final judgments, orders or decrees for the payment of money in an amount, individually or in the aggregate, of at least \$250,000 shall be rendered against Borrower, and the same are not, within twenty (20) days after the entry, assessment or issuance thereof, discharged, satisfied, or paid, or after execution thereof, stayed or bonded pending appeal, or such judgments are not discharged prior to the expiration of any such stay;

(i) Misrepresentations. Any representation, warranty, certification or statement of fact made or deemed made by or on behalf of Borrower herein, in any other Loan Document or in any document delivered in connection herewith or therewith shall be incorrect or misleading in any material respect when made or deemed made, taking into account any knowledge qualifiers at the time made;

(j) Impairment of Security. (A) Any Loan Document or any Lien granted thereunder shall (except in accordance with its terms), in whole or in part, terminate, cease to be effective or cease to be the legally valid, binding and enforceable obligation of Borrower, (B) Borrower or any other party shall, directly or indirectly, contest in any manner the effectiveness, validity, binding nature or enforceability of any Loan Document, or (C) except as permitted under any Loan Document, any Lien securing any Obligation shall, in whole or in part, cease to be a perfected first priority Lien; or

(k) Material Adverse Change. There occurs any circumstance that has caused or could reasonably be expected to cause a Material Adverse Change.

Section 10.2. Rights and Remedies. Upon the occurrence and during the continuance of an Event of Default (subject to any applicable grace periods or rights of cure), Lender may, without notice or demand (unless exercising the right to terminate this Agreement set forth in Section 10.2(p)), do any or all of the following:

(a) declare all Obligations immediately due and payable (provided that upon the occurrence of an Event of Default described in Section 10.2(g), all Obligations shall become immediately due and payable without any action by Lender), without presentment, demand, protest or other notice of any kind, all of which are hereby expressly waived by Borrower;

(b) terminate the commitment of Lender to make Loans and stop advancing money or extending credit for Borrower’s benefit under this Agreement or under any other Loan Document;

(c) verify the amount of, demand payment of and performance under, and collect any Accounts and general intangibles that constitute Collateral, settle or adjust disputes and claims directly with

account debtors for amounts on terms and in any order that Lender considers advisable, and notify any Person owing Borrower money of Lender's security interest in such funds. Borrower shall collect all payments in trust for Lender and, if requested by Lender, immediately deliver the payments to Lender in the form received from the account debtor, with proper endorsements for deposit;

(d) make any payments and do any acts it considers necessary or reasonable to protect the Collateral or its security interest in the Collateral;

(e) enter premises where the Collateral is located, take and maintain possession of any part of the Collateral, and pay, purchase, contest, or compromise any Lien which appears to be prior or superior to its security interest and pay all expenses incurred in connection therewith. Borrower hereby grants Lender a license to enter and occupy any premises of Borrower, without charge, to exercise any of Lender's rights or remedies. Borrower shall assemble the Collateral if Lender requests and make it available as Lender reasonably designates;

(f) setoff and apply to the Obligations any amount held by Lender owing to or for the credit or the account of Borrower;

(g) ship, reclaim, recover, store, finish, maintain, repair, prepare for sale, advertise for sale, and sell the Collateral, it being understood that Lender is hereby granted a non-exclusive, royalty-free license or other right to use, without charge, Borrower's labels, patents, copyrights, mask works, rights of use of any name, trade secrets, trade names, trademarks, and advertising matter, or any similar property, in each case as it pertains to the Collateral, in completing production of, advertising for sale, and selling any Collateral and, in connection with Lender's exercise of its rights under this Section 10.2, Borrower's rights under any licenses or all franchise agreements that are part of or the Collateral inure to Lender;

(h) deliver a notice of exclusive control, any entitlement order, or other directions or instructions pursuant to any ACA or similar agreements providing control of any Collateral;

(i) sell the Collateral at either a public or private sale, or both, by way of one or more contracts or transactions, for cash or on terms, in such manner and at such places (including any Borrower's premises) as Lender determines is commercially reasonable, and apply any proceeds to the Obligations in whatever manner or order Lender deems appropriate;

(j) sell the Collateral without giving any warranties as to the Collateral; provided that Lender may specifically disclaim any warranties of title or the like, and this procedure will not be considered adversely to affect the commercial reasonableness of any sale of the Collateral; if Lender sells any of the Collateral upon credit, Borrower will be credited only with payments actually made by the purchaser, received by Lender and applied to the indebtedness of the purchaser; and if the purchaser fails to pay for the Collateral, Lender may resell the Collateral and Borrower shall be credited with the proceeds of the sale. Lender may credit bid and purchase at any public sale;

(k) apply for the appointment of a receiver, trustee, liquidator or conservator of the Collateral, without notice and without regard to the adequacy of the security for the Obligations and without regard to the solvency of Borrower or any other Person liable for any of the Obligations;

(l) demand and receive possession of the Borrower's Books;

(m) disallow (that is, deny both use of funds and any applicable matching credit for) all or part of the cost of any Borrower activity not in compliance with this Agreement and require Borrower to use best efforts to recover and repay to Lender any such disallowed costs;

(n) enforce claims under Article IX of this Agreement;

(o) exercise all rights and remedies available to Lender under the Loan Documents or at law or equity, including all remedies provided under the Code (including disposal of the Collateral pursuant to the terms thereof); and

(p) terminate this Agreement by delivering written notice to Borrower.

Section 10.3. Power of Attorney. Borrower hereby irrevocably appoints Lender as its lawful attorney-in-fact, exercisable following the occurrence and during the continuance of an Event of Default, to: (a) endorse Borrower's name on any checks, payment instruments, or other forms of payment or security; (b) sign Borrower's name on any invoice or bill of lading for any Account or drafts against account debtors; (c) demand, collect, sue, and give releases to any account debtor for monies due, settle and adjust disputes and claims about the Accounts directly with account debtors, and compromise, prosecute, or defend any action, claim, case or proceeding about any Collateral (including filing a claim or voting a claim in any bankruptcy case in Lender's name); (d) make, settle, and adjust all claims under Borrower's insurance policies; (e) pay, contest or settle any Lien, charge, encumbrance, security interest, or other claim in or to the Collateral, or any judgment based thereon, or otherwise take any action to terminate or discharge the same; (f) dispose of the Collateral; and (g) transfer the Collateral into the name of Lender or a third party as the Code permits. Borrower hereby appoints Lender as its lawful attorney-in-fact to sign Borrower's name on any documents necessary to perfect or continue the perfection of Lender's security interest in the Collateral regardless of whether an Event of Default has occurred until the occurrence of the Termination Date. Lender's foregoing appointment as Borrower's attorney-in-fact, and all of Lender's rights and powers, coupled with an interest, are irrevocable until the occurrence of the Termination Date.

Section 10.4. Application of Payments and Proceeds. Notwithstanding anything herein to the contrary, following the occurrence and during the continuance of an Event of Default, and notice thereof to Lender by the Borrower, all payments received on account of the Obligations, whether from Borrower's payments, proceeds realized as the result of any collection of Accounts or other disposition of the Collateral, or otherwise, shall be applied by Lender as follows:

(a) first, to payment of that portion of the Obligations constituting fees, indemnities, expenses and other amounts payable to Lender in its capacity as such;

(b) second, to payment of that portion of the Obligations constituting fees, indemnities and other amounts (other than principal and interest) payable to Lender arising under the Loan Documents;

(c) third, to payment of that portion of the Obligations constituting accrued and unpaid interest on the Loans;

(d) fourth, to payment of that portion of the Obligations constituting unpaid principal of the Loans;

(e) fifth, to the payment in full of all other Obligations; and

(f) finally, the balance, if any, after all Obligations have been indefeasibly paid in full, to the Borrower or as otherwise required by Law.

For the avoidance of doubt, Borrower shall remain liable to Lender for any deficiency. If Lender, directly or indirectly, enters into a deferred payment or other credit transaction with any purchaser at any sale of Collateral, Lender shall have the option, exercisable at any time, of either reducing the Obligations

by the principal amount of the purchase price or deferring the reduction of the Obligations until the actual receipt by Lender of cash therefor.

Section 10.5. Liability for Collateral. Lender shall not be liable or responsible for: (a) the safekeeping of the Collateral; (b) any loss or damage to the Collateral; (c) any diminution in the value of the Collateral; or (d) any act or default of any carrier, warehouseman, bailee, or other Person. Borrower bear all risk of loss, damage or destruction of the Collateral.

Section 10.6. Remedies Cumulative. The rights and remedies of Lender under this Agreement and the other Loan Documents are cumulative. In addition to the rights and remedies contained in or arising under this Agreement, Lender shall retain all rights and remedies provided under the Code, by law, or in equity, without limitation. The exercise of one right or remedy by Lender is not an election and shall not limit or preclude Lender from exercising any other remedy under this Agreement or any other Loan Document or other remedy available at law or in equity, and any waiver shall be effective only in the specific circumstances provided for and only for the purposes for which it is given. A delay by Lender in exercising any remedy is not a waiver, election, or acquiescence.

ARTICLE XI CLOSEOUT

Section 11.1. Closeout. Upon the earlier of (i) the conclusion of the Term, (ii) the first date when all required work of Borrower of the federal award has been completed in accordance with 2 CFR 200.344, or (iii) the end of the Period of Performance, Lender shall proceed to close out the federal award and Borrower shall comply with all closeout requirements set forth in 2 CFR 200.344 and the EPA Terms & Conditions. In accordance with 2 CFR 200.344(a), if Borrower fails to complete the necessary administrative actions or the required work under the federal award, Lender shall proceed to close out the award based on the information available. In accordance with 2 CFR 200.344 and 2 CFR 200.346, any funds paid or lent to the Borrower in excess of the amount to which the Borrower is finally determined to be entitled under the terms of this Agreement and the EPA Award constitute a debt to Lender and shall be promptly repaid in full within 90 calendar days of demand, irrespective of the provisions of Section 3.2(e). Interest shall be charged on any overdue debt in accordance with the Federal Claims Collection Standards (31 CFR parts 900 through 999). The date from which interest is computed shall not be extended by litigation nor by arbitration.

Section 11.2. Closeout Agreement. Upon the earlier of (i) the termination of this Agreement (whether at the end of the Term or pursuant to Section 10.2 and 11.1), (ii) the first date when all required work of Borrower of the federal award has been completed in accordance with 2 CFR 200.344 and Borrower has met the requirements for closeout and (iii) the end of the Period of Performance, Borrower will remain subject to a Closeout Agreement (“**Closeout Agreement**”) on the terms and conditions set forth in Section III.V of the EPA Terms & Conditions. Borrower hereby acknowledges that the term and condition set forth in Section III.V of the EPA Terms & Conditions (with references to “EPA” replaced with references to “Lender” and references to “Recipient” replaced with references to “Borrower”) will be the entire Closeout Agreement and therefore, will be self-executing. Borrower shall be required to comply with the terms and conditions of the Closeout Agreement until either (1) Borrower no longer holds Post-Closeout Program Income and does not anticipate generating additional Post-Closeout Program Income or (2) Borrower and Lender mutually agree to terminate the Closeout Agreement and Borrower remits current and future Post-Closeout Program Income to Lender.

For the avoidance of doubt, the obligations of Borrower under this Article XI shall survive any expiration or termination of this Agreement.

ARTICLE XII CHOICE OF LAW; DISPUTE RESOLUTION

(a) THIS AGREEMENT, THE OTHER LOAN DOCUMENTS AND ANY CLAIMS, CONTROVERSIES, DISPUTES OR CAUSES OF ACTION (WHETHER IN CONTRACT OR TORT OR OTHERWISE) BASED UPON, ARISING OUT OF, OR RELATING TO, THIS AGREEMENT, ANY OTHER LOAN DOCUMENT OR ANY OTHER AGREEMENT OR INSTRUMENT CONTEMPLATED HEREBY SHALL BE GOVERNED BY, AND CONSTRUCTED IN ACCORDANCE WITH, THE INTERNAL LAWS OF NEW YORK WITHOUT REGARD TO CONFLICT OF LAW PRINCIPLES.

(b) The Parties agree that the procedures set forth in this Section 12(b) shall be the exclusive mechanism for resolving any dispute, controversy, or claim of any nature between the Parties that may arise out of or in relation to this Agreement, any other Loan Document or the breach, termination, enforcement, interpretation or validity thereof (each, a “**Dispute**,” and, collectively, the “**Disputes**”).

- (i) In the event of any Dispute, the Parties shall first attempt in good faith to resolve such Dispute by negotiation and consultation between themselves. In the event that such Dispute is not resolved on such informal basis within thirty (30) days of the delivery to the other Party of written notice of such Dispute (“**Notice of Legal Dispute**”), each Party may, in its discretion, seek resolution of the Dispute in accordance with Section 12(b)(ii), below. Notices of Legal Dispute must be in writing and must set forth the facts of the Dispute and the relief requested.
- (ii) Any unresolved Dispute that has been subject to, and exhausted the procedures of, Section 12(b)(i) shall be settled by final and binding arbitration administered by the American Arbitration Association in accordance with its Commercial Arbitration Rules. The Dispute(s) shall be heard by one arbitrator mutually selected by the Parties; if the Parties cannot agree on an arbitrator within thirty (30) days, then the American Arbitration Association shall assign an arbitrator. The place of arbitration shall be Connecticut, and the arbitration shall be governed by the laws of New York. All proceedings and communications shall be in English. Judgment on the award may be entered in any court of competent jurisdiction. This clause shall not preclude the Parties from seeking provisional remedies in aid of arbitration from a court of competent jurisdiction. Both Parties expressly and irrevocably waive the right to trial by jury.
- (iii) Except to the extent necessary to confirm or enforce an award, or as may be required by applicable Law, neither a Party nor an arbitrator may disclose the existence, content, or results of an arbitration without the prior written consent of both Parties.

ARTICLE XIII GENERAL PROVISIONS

Section 13.1. Waivers; Amendments. No amendment or waiver of any provision of this Agreement, and no consent to any departure by Borrower from its obligations hereunder, shall be effective unless in writing and signed by Lender and Borrower; provided that Lender may amend this Agreement

unilaterally with reasonable notice to and without the consent of Borrower if such amendment (a) corresponds to a revision or amendment to the CGC-CGB Subgrant Agreement, the EPA Award, or the EPA Terms & Conditions, or is otherwise required by EPA or CGC, (b) is determined by Lender to be necessary to ensure compliance with Federal Requirements or the Coalition Work Plan, or is a temporary amendment to address an emergency or other unanticipated circumstance so long as such temporary amendment is in effect for no more than sixty (60) days; provided, further, that Subrecipient may dispute the unilateral amendment by providing notice to CGC within five (5) Business Days of the amendment under this Section and the parties will negotiate in good faith to reach a mutually acceptable amendment of the Agreement. Any waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

Section 13.2. Notices; Time. All notices and other communication to be provided under this Agreement shall be in writing or by email and addressed, delivered or transmitted to the applicable Party at its address or email address set forth below, or such other address or email address as may be designated in writing by such Party in a written notice to the other Party. Any notice properly addressed and mailed shall be deemed given when received; any notice transmitted by email shall be deemed given upon the earlier of confirmation of receipt by the recipient and the opening of business on the next Business Day of the recipient.

If to Borrower:⁷ c/o Borrower
[REDACTED]
Attn: [REDACTED]
Email: [REDACTED]
With a copy (not constituting notice) to:
[REDACTED]
[Address]
Attn: [REDACTED]
Email: [REDACTED]

If to Lender: Lender
[REDACTED]
Attn: [REDACTED]
Email: [REDACTED]
With a copy (not constituting notice) to:
[REDACTED]
[Address]
Attn: [REDACTED]
Email: [REDACTED]

Section 13.3. Survival. Notwithstanding anything to the contrary hereunder, Section 3.6 (*Withholding*), Article IX (*Indemnification*), Article X (*Defaults and Remedies*), Article XI (*Closeout*), Article XII (*Choice of Law; Dispute Resolution*), Section 13.3 (*Survival*), Section 13.4 (*Entire Agreement*), Section 13.5 (*Severability of Provisions*), Section 13.8 (*Successors and Assigns*), and Section 13.9 (*Relationship of Parties; No Third-Party Beneficiaries*) of this Agreement shall in each case survive any termination of this Agreement. All representations and warranties made or deemed to be made by Borrower

⁷ Note to Borrower: Please confirm/update.

in this Agreement or in any agreement, certificate or other document delivered hereto shall survive the execution and delivery hereof or thereof.

Section 13.4. Entire Agreement. This Agreement (including the Exhibits and Schedules hereto) constitutes the entire understanding between the Parties with respect to the subject matter hereof, and shall supersede any prior agreements, written or oral, with respect thereto between the Parties.

Section 13.5. Severability of Provisions. Any provision of this Agreement or any agreement or instrument contemplated hereby which is prohibited or unenforceable in any jurisdiction shall, as to such provision and such jurisdiction, be ineffective only to the extent of such prohibition or unenforceability without invalidating the remaining provisions of this Agreement or such other agreement or instrument or affecting the validity or enforceability of such provision in any other jurisdiction.

Section 13.6. Headings. The headings used in this Agreement are for convenience only and shall not affect the interpretation of this Agreement or any provisions hereof.

Section 13.7. Execution in Counterparts. This Agreement may be executed in any number of counterparts and by different parties on separate counterparts, each of which, when executed and delivered, is an original, and all taken together, constitute one Agreement. Executed copies of the signature pages of this Agreement sent by facsimile or transmitted electronically in Portable Document Format (".pdf"), or any similar format, shall be treated as originals, fully binding and with full legal force and effect, and the parties waive any rights they may have to object to such treatment. The words "execution," "signed," "signature," and words of like import in this Agreement and the other Loan Documents shall be deemed to include electronic signatures or electronic records, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable Law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act.

Section 13.8. Successors and Assigns. This Agreement binds and is for the benefit of the successors and permitted assigns of each party. Borrower shall not assign this Agreement or any rights or obligations under it without the prior written consent of Lender (which may be granted or withheld in their sole discretion, respectively). Lender has the right, without the consent of or notice to Borrower, to sell, transfer, assign, negotiate, or grant participations in all or any part of, or any interest in, Lender's obligations, rights, and benefits under this Agreement and the other Loan Documents.

Section 13.9. Relationship of Parties; No Third Party Beneficiaries.

(a) The relationship of the Parties to this Agreement is determined solely by the provisions of this Agreement and the other Transaction Documents. The Parties do not intend to create any agency, partnership, joint venture, trust, fiduciary or other relationship with duties or incidents different from those of parties to an arm's-length contract.

(b) Borrower acknowledges and agrees that (i) this Agreement and the transactions contemplated hereunder are arm's-length transactions between Borrower and Lender, (ii) Lender and each of its applicable affiliates is acting solely as a principal and not as an agent or fiduciary of Borrower or its affiliates, (iii) Lender and its applicable affiliates have no advisory or fiduciary responsibility or other obligation in favor of Borrower or its affiliates with respect to the transactions contemplated hereunder except to the extent expressly set forth in this Agreement and (iv) Borrower has consulted its own legal and financial advisors to the extent it deems appropriate.

(c) Nothing in this Agreement, whether express or implied, is intended to: (a) confer any benefits, rights or remedies under or by reason of this Agreement on any persons other than the express parties to it and their respective permitted successors and assigns; (b) relieve or discharge the obligation or liability of any person not an express party to this Agreement; or (c) give any person not an express party to this Agreement any right of subrogation or action against any Party to this Agreement.

Section 13.10. Time of Essence. Time is of the essence for the performance of all Obligations in this Agreement.

Section 13.11. Marshalling; Payments Set Aside; Right of Setoff.

(a) Lender shall not be under any obligation to marshal any assets in favor of Borrower or any other Person or against or in payment of any or all of the Obligations. To the extent that Borrower makes a payment or payments to Lender, or Lender enforces its Liens or exercises its rights of set-off, and such payment or payments or the proceeds of such enforcement or set-off or any part thereof are subsequently invalidated, declared to be fraudulent or preferential, set aside or required (including pursuant to any settlement entered into by Lender in its discretion) to be repaid to a trustee, receiver or any other party in connection with any bankruptcy, insolvency, examinership or similar proceeding, or otherwise, then to the extent of such recovery, the obligation hereunder or part thereof originally intended to be satisfied shall be revived and continued in full force and effect as if such payment had not been made or such enforcement or set-off had not occurred.

(b) Borrower hereby grants to Lender, a Lien and a right of setoff as security for all Obligations owing to Lender, whether now existing or hereafter arising upon and against all deposits, credits, collateral and property, now or hereafter in the possession, custody, safekeeping or control of Lender or any entity under the control of Lender (including a Subsidiary or Affiliate thereof) or in transit to any of them. At any time after the occurrence and during the continuance of an Event of Default, without demand or notice, Lender may setoff the same or any part thereof and apply the same to any liability or Obligation of Borrower even though unmatured and regardless of the adequacy of any other collateral securing the Obligations. **ANY AND ALL RIGHTS TO REQUIRE LENDER TO EXERCISE ITS RIGHTS OR REMEDIES WITH RESPECT TO ANY OTHER COLLATERAL WHICH SECURES THE OBLIGATIONS, PRIOR TO EXERCISING ITS RIGHT OF SETOFF WITH RESPECT TO SUCH DEPOSITS, CREDITS OR OTHER PROPERTY OF BORROWER ARE HEREBY KNOWINGLY, VOLUNTARILY AND IRREVOCABLY WAIVED.**

Section 13.12. Interest Rate Limitation. Notwithstanding anything to the contrary contained in any Loan Document, the agreements made by Borrower with respect to this Agreement and the other Loan Documents are expressly limited so that in no event shall the amount of interest received, charged, or contracted for by Lender exceed the highest lawful amount of interest permissible under the Laws applicable to the Loan. If at any time performance of any provision of this Agreement or the other Loan Documents results in the highest lawful rate of interest permissible under applicable Laws being exceeded, then the amount of interest received, charged, or contracted for by Lender shall automatically and without further action by any party be deemed to have been reduced to the highest lawful amount of interest then permissible under applicable Laws. If Lender shall ever receive, charge, or contract for, as interest, an amount which is unlawful, the amount of unlawful interest shall be refunded to Borrower (if actually paid). To the fullest extent permitted by applicable Laws, any amounts contracted for, charged, or received under the Loan Documents included for the purpose of determining whether the total amounts due under the Loans or the Default Rate would exceed the highest lawful rate shall be calculated by allocating and spreading such payments to and over the full stated term of the Loans.

Section 13.13. Taxes. Borrower is solely responsible for any Taxes, duties, or governmental fees of any kind that are assessed or assessable with respect to the Loans or Lender's making of the Loans to Borrower; Borrower shall pay any such taxes promptly or, if such taxes are paid by Lender, Borrower shall promptly reimburse Lender for the same.

Section 13.14. Collateral Matters. Lender shall release any Lien granted to or held by Lender under any Loan Document (i) upon the occurrence of the Termination Date; or (ii) constituting property sold or to be sold or disposed of as part of or in connection with any sale or other disposition permitted under the Loan Documents. Lender shall have the right, in accordance with the Loan Documents, to sell, lease or otherwise dispose of any Collateral for cash, credit or any combination thereof, and Lender may purchase any Collateral at public or, if permitted by law, private sale and, in lieu of actual payment of the purchase price, may credit bid and setoff the amount of such price against the Obligations.

Section 13.15. Term. Unless sooner terminated pursuant to Article X of this Agreement, the term of this Agreement will extend from and including the Effective Date through and including September 30, 2031 (the "**Term**").

[Signature page follows.]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the Effective Date.

NEW HAMPSHIRE COMMUNITY LOAN FUND

By _____
Name:
Title

CONNECTICUT GREEN BANK

By _____
Name:
Title

SCHEDULE OF EXCEPTIONS

Borrower Bank Accounts

[]

Prior Names

[]

Litigation

[]

Permitted Liens

[]

SCHEDULE A – BORROWER BUDGET

SCHEDULE B – LOAN IMPLEMENTATION PLAN

[To be attached]

EXHIBIT A – COLLATERAL DESCRIPTION

The Collateral consists of Borrower's right, title and interest in and to the following personal property:⁸

⁸ Please see definition of Collateral. Borrower to propose collateral equaling at least 1.5x the Commitment.

EXHIBIT B – COMPLIANCE CERTIFICATE

CERTIFICATION DATE: _____, 20__

This Compliance Certificate (this “Certificate”) is delivered pursuant to Section 7.2(c) of the Loan and Security Agreement, dated as of [___], 2025 (as amended, supplemented or otherwise modified from time to time, the “Agreement”), is made among [_____] (the “Borrower”), [] and Connecticut Green Bank (“Lender”). Unless otherwise defined herein or the context otherwise requires, capitalized terms used in this Certificate have the meanings provided in the Agreement.

This Certificate relates to the [fiscal quarter][fiscal year] commencing on _____, 20__ and ending on _____, 20__ (such latter date being the “Certification Date”).

The undersigned is duly authorized to execute and deliver this Certificate on behalf of Borrower. By executing this Certificate on behalf of Borrower (and not in his or her personal capacity), the undersigned hereby certifies to CGC, that as of the Certification Date:

(a) [Attached hereto as Annex I is an unaudited consolidated balance sheet of Borrower and [their Subsidiaries] as of the end of the fiscal quarter ending on the Certification Date and consolidated statements of income, cash flow and stockholders’ equity of Borrower [and their Subsidiaries] for such fiscal quarter, prepared in accordance with GAAP and certified as complete and correct by a Responsible Officer of Borrower (subject to normal year-end audit adjustments and the absence of footnotes).]⁹

[Attached hereto as Annex I is a copy of the consolidated balance sheet of Borrower [and their Subsidiaries], and the related consolidated statements of income, cash flow and stockholders’ equity of Borrower and their Subsidiaries for the fiscal year ending on the Certification Date, all prepared in accordance with GAAP [and accompanied by an opinion of independent public accountants of recognized national standing reasonably acceptable to Lender (which opinion is not qualified as to scope and does not contain any explanatory paragraph expressing substantial doubt about the ability of Borrower and their Subsidiaries to continue as a going concern), stating that such financial statements fairly present, in all material respects, the consolidated financial condition, results of operations and cash flows of Borrower and their Subsidiaries as of the dates and for the periods specified in accordance with GAAP] / [, certified as complete and correct by a Responsible Officer of Borrower]¹⁰.]¹¹

(b) The financial statements delivered with this Certificate in accordance with Section 7.2(a) and (b) of the Agreement are complete and correct and fairly present in all material respects the financial condition of Borrower [and their Subsidiaries] (subject to the absence of footnotes and to normal year-end audit adjustments in the case of unaudited financial statements).

(c) As of the Certification Date, Borrower is in compliance in all respects with all of the terms and conditions of the Agreement.

⁹ INCLUDE FOR QUARTERLY FINANCIAL DELIVERABLES.

¹⁰ NTD: Applicable for Borrowers that are not required by law to prepare audited financial statements and submit company-prepared financial statements.

¹¹ INCLUDE FOR ANNUAL FINANCIAL STATEMENTS.

(d) No Event of Default or Default has occurred and is continuing except as set forth on Attachment 1 hereto, which includes a description of the nature and period of existence of such Event of Default or Default and what action Borrower has taken, is taking, or proposes to take with respect thereto.

(e) [Set forth on Attachment 2 hereto is a notification of all applicable after-acquired property of Borrower constituting Collateral that has not been previously disclosed in writing to Lender pursuant to Section 4.2(c) of the Agreement.]¹²

[Signature Page Follows]

¹² INCLUDE FOR QUARTERLY AND ANNUAL FINANCIAL DELIVERABLES.

IN WITNESS WHEREOF, the undersigned has caused this Certificate to be executed and delivered, and the certification and warranties contained herein to be made by a Responsible Officer of Borrower, as of the date first above written.

[REDACTED], as Borrower

By: _____
Name:
Title:

EXHIBIT C - FORM OF BORROWING REQUEST

[____]
Attn: [____]
Email: [____]
Phone: [____]

[DATE]¹³

Ladies and Gentlemen:

Reference is hereby made to that certain Loan and Security Agreement, dated as of [____] (as amended, supplemented or otherwise modified from time to time and in effect on the date hereof, the “Agreement”), by and between [____] (“Borrower”) and Connecticut Greenbank (“Lender”).

Unless otherwise defined herein or the context otherwise requires, terms used herein have the meanings provided in the Agreement.

Pursuant to the provisions of Section 3.2(a) of the Agreement, the Borrower hereby requests a Loan to be made on the Proposed Funding Date set forth below, with the following specifications:

1. Proposed Funding Date: _____¹⁴
2. Principal Amount of Loan: \$ _____¹⁵
3. Borrower Bank Account Wire Instructions:

[Depository Bank]
[City, State]
ABA: [●]
For Account Of: [●]
Account Number: [●]

The undersigned, solely in his or her capacity as the [Chief Executive Officer][Chief Financial Officer][Chief Compliance Officer] of Borrower, hereby represents, warrants and certifies, on behalf of Borrower, to Lender that:

(a) no Default or Event of Default has occurred and is continuing or would result from the proposed Loan;

(b) the representations and warranties in the Agreement and the other Loan Documents are true and complete in all material respects (without duplication of any materiality qualifiers) on the date of

¹³ Date of Borrowing Request shall be the Initial Borrowing Request Date, a Quarterly Request Date or an Ad Hoc Request Date.

¹⁴ Shall be a Business Day during the Availability Period, and not less than ten (10) Business Days after the date of the Borrowing Request.

¹⁵ [Shall be in a minimum of \$[____] and multiples of \$1,000,000 in excess thereof.]

this Borrowing Request and the Proposed Funding Date; provided, however, that those representations and warranties expressly referring to a specific date are true, accurate and complete in all material respects (without duplication of any materiality qualifiers) as of such date; and

(c) the making of the proposed Loan and the intended use of proceeds thereof shall comply with all terms of the Agreement and all applicable Laws, including all Federal Requirements, and no proceeds of the requested Loan shall be used for any prohibited use under Section III.E of the EPA Terms & Conditions;

(d) it acknowledges and agrees that any knowing and wilful false statements made by Borrower to Lender may be subject to prosecution under 18 U.S.C. 1001 and other criminal, civil and administrative sanctions; and

(e) such officer signing below is the [Chief Executive Officer][Chief Financial Officer][Chief Compliance Officer] of Borrower and is authorized to request the Loan contemplated hereby and issue this Borrowing Request on behalf of Borrower.

[Signature Page Follows.]

Very truly yours,

[REDACTED], as Borrower

By: _____

Name:

Title:

EXHIBIT D – FORM OF ACCOUNT CONTROL AGREEMENT

[To be attached]

EXHIBIT E – COALITION WORK PLAN

[To be attached]

EXHIBIT F – EPA TERMS & CONDITIONS

See attached.

EXHIBIT G – INFORMATION RIGHTS

Until the occurrence of the Termination Date, Borrower shall promptly deliver to Lender all notices and materials delivered to the Board or any committees thereof in connection with a meeting of the Board or committee, or with any action to be taken by written consent, including drafts of any material resolutions or actions proposed to be adopted by written consent and minutes of any meeting of the Board or any committee thereof to the extent such notices and materials relate to this Agreement. Lender shall keep all information, documents and other materials delivered to it by Borrower under this paragraph confidential, except for any nonexempt materials under any applicable freedom of information laws.

If any issue is to be discussed or otherwise arises at any meeting of the Board or committee thereof, which, in the reasonable good faith judgment of the Board, cannot be disclosed to Lender pursuant to the terms of the paragraph above (i) in order to avoid an actual or potential conflict of interest on the part of Lender or (ii) because (and only to the extent) that receipt of any such materials by Lender would violate, jeopardize, impair or otherwise adversely affect an attorney-client privilege, then any materials delivered to the Board pertaining to such issue (whether before or after such meeting) need not be delivered to Lender, so long as Lender is given notice of the occurrence of such judgment by the Board and that certain materials will not be delivered to Lender.

EXHIBIT H – CGC INVESTMENT POLICY

[To be attached]

[STATE CONTRACTING PROVISIONS]

[To be attached]

**NATIONAL CLEAN INVESTMENT FUND
SUBGRANT AGREEMENT FOR TECHNICAL ASSISTANCE**

BETWEEN

CONNECTICUT GREEN BANK

AND

PUERTO RICO GREEN ENERGY TRUST

Dated as of [●], 2025

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**NATIONAL CLEAN INVESTMENT FUND
SUBGRANT AGREEMENT FOR TECHNICAL ASSISTANCE**

This SUBGRANT AGREEMENT FOR TECHNICAL ASSISTANCE (this “**Agreement**”) is effective as of [●] (the “**Effective Date**”) between CONNECTICUT GREEN BANK, a quasi-public authority established under Connecticut General Statute 16-245n (“**CGB**”) and Puerto Rico Green Energy Trust (“**Technical Assistance Subrecipient**”). CGB and Subrecipient may be referred to herein as a “**Party**” and collectively as the “**Parties**”.

WHEREAS, the Coalition for Green Capital (“**CGC**”), a 501(c)3 nonprofit organization, submitted on behalf of itself and its 18 coalition members, including Lender, on October 12, 2023, to the EPA under the notice of funding opportunity for the National Clean Investment Fund (“**NCIF**”) of the Greenhouse Gas Reduction Fund (“**GGRF**”), an application for a grant;

WHEREAS, the CGC grant application included additional resources that would be administered by CGB on behalf of Technical Assistance Subrecipient;

WHEREAS, on August 8, 2024, CGC entered into a Grant Agreement (“**EPA Award**”) with the United States Environmental Protection Agency (“**EPA**”) under the NCIF of the GGRF for the establishment and operation of a national green bank and associated network of state and local green banks and other nonprofit capital providers for clean energy products, technologies, and services, for the purposes of (i) providing Financial Assistance to Qualified Projects, (ii) conducting Market-Building Activities, (iii) conducting Predevelopment Activities and (iv) conducting Program Administration Activities (the “**Program**”);

WHEREAS, CGC and CGB entered into a Subgrant Agreement for Financial Assistance (“**CGC-CGB Subgrant Agreement**”) on January 3, 2025, pursuant to which CGC made a Subgrant to CGB (the “**CGC-CGB Subgrant**”) and CGB is a Financial Assistance Subrecipient, for the purpose of performing certain activities consistent with the Program and to be funded on the terms and subject to the conditions set forth in the CGC-CGB Subgrant Agreement;

WHEREAS, in conjunction with this Agreement, CGB and Technical Assistance Subrecipient have separately entered into a Loan and Security Agreement for Financial Assistance (“**Loan and Security Agreement**”), pursuant to which CGB has agreed to make loans to Subrecipient as a Financial Intermediary Subrecipient for the purpose of providing Financial Assistance to Qualified Projects consistent with the Program and to be funded on the terms and subject to the conditions set forth in the Loan and Security Agreement;

WHEREAS, in conjunction with this Agreement, Technical Assistance Subrecipient has entered into an AGBC Network Partner Agreement (a “**Network Partner Agreement**”) and agreed to formalize its role as a network partner of AGBC on the terms and subject and conditions set forth in such Network Partner Agreement; and

WHEREAS, in consideration of the mutual covenants set forth in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which the Parties hereby acknowledge, the Parties hereby agree as follows:

**ARTICLE I
FEDERAL AWARD IDENTIFICATION**

- 1) Technical Assistance Subrecipient: Puerto Rico Green Energy Trust
- 2) Technical Assistance Subrecipient’s Unique Entity Identifier (“**UEI**”): [●]
- 3) Federal Award Identification Number (“**FAIN**”): 84094201

- 4) EPA Award Date: August 8, 2024
- 5) Technical Assistance Subgrant Performance Period Start and End Dates: [start date] & December 31, 2025
- 6) Amount of EPA Funds Obligated under Technical Assistance Subgrant: \$4,049,550
- 7) Total or cumulative amount of EPA funds obligated to Technical Assistance Subrecipient under Technical Assistance Subgrant plus any subsequent funded amendments: \$4,049,550
- 8) Total Amount of the EPA funds committed to Technical Assistance Subrecipient by CGB: \$4,049,550
- 9) Award program description, as required for the Federal Funding Accountability and Transparency Act ("FFATA"): The Program to be funded under the EPA Award will establish and operate a national green bank and associated network of green banks and other green finance providers for the purposes of providing Financial Assistance to Qualified Projects, conducting Market-Building Activities, conducting Predevelopment Activities and conducting Program Administration Activities.
- 10) Federal awarding agency: EPA
- 11) Pass-through entity: Connecticut Green Bank
- 12) Pass-through entity's awarding official for this Technical Assistance Subgrant and contact information:
 - a. Bryan Garcia
 - b. Bryan.Garcia@ctgreenbank.com
 - c. 860-257-2170
 - d. 75 Charter Oak Ave, Suite 1-103, Hartford, CT 06106
- 13) Assistance Listing Number: 66.957
- 14) Funding Opportunity Name: National Clean Investment Fund (NCIF)
- 15) Funding Opportunity Number: EPA-R-HQ-NCIF-23
- 16) Indirect cost rate for the EPA Award: 15% *de minimis* rate applied to Modified Total Direct Costs as described in [2 CFR 200.414\(f\)](#).

ARTICLE II DEFINITIONS

Section 2.1. Recitals. The recitals set forth above form an integral and substantive part of this Agreement and are incorporated herein.

Section 2.2. Definitions Incorporated by Reference. Capitalized terms used but not defined herein shall have the meanings given to such terms in the EPA Terms & Conditions, including Financial Assistance, Financial Assistance Subrecipient, Financial Intermediary Subrecipient, Market-Building Activities, Pre-Development Activities, Program Administration Activities, Program Income, Program Beneficiary, Qualified Project and Subrecipient.

Section 2.3. Defined Terms. The following terms, when used in this Agreement, shall have the following meanings:

"**Affiliate**" means, with respect to any Person, each other Person that owns or controls directly or indirectly the Person, any Person that controls or is controlled by or is under common control with the Person, and each of that Person's officers, directors and employees. CGB shall not be deemed an Affiliate of Technical Assistance Subrecipient.

"**Agreement**" has the definition provided in the preamble.

"**Board**" means the board of directors of Technical Assistance Subrecipient.

“Business Day” means any day which is not a Saturday or Sunday or a legal holiday on which banks are authorized or required to be closed in Washington, DC or Connecticut.

“CGB” has the definition provided in the preamble.

“CGC-CGB Subgrant” has the definition provided in the recitals.

“CGC-CGB Subgrant ACA” means the account control agreement among CGB, CGC and the depository bank or securities intermediary executed in connection with the CGC-CGB Subgrant Agreement.

“Coalition Grant Application” means the application submitted by CGC, on behalf of itself and its coalition members, on October 12, 2023, to the EPA under the notice of funding opportunity for the NCIF of the GGRF, as modified by the Coalition Work Plan.

“Coalition Work Plan” means the updated work plan submitted by CGC, on behalf of itself and its coalition members to the EPA, as may be amended from time to time with EPA’s approval, attached hereto as Exhibit A.

“Draw Date” has the meaning set forth in Section 3.3(a)(i)(B).

“Draw Request Date” has the meaning set forth in Section 3.3(a)(i).

“Draw Notice” means a notice of the requested Subgrant Draw issued by Technical Assistance Subrecipient in accordance with Section 3.3(a) substantially on the form attached hereto as Exhibit B.

“Ecority Bid Protest” means the Dispute of Competitive Assistance Award Denial filed by Ecority on April 9, 2024, and any litigation arising therefrom, challenging the selection of CGC for awards under the NCIF.

“Effective Date” has the definition provided in the preamble.

“Eligible Disbursements” means disbursements out of the Technical Assistance Subrecipient Bank Account that are Eligible Expenses.

“Eligible Expenses” has the meaning set forth in Section 6.1.

“EPA” has the definition provided in the recitals.

“EPA Award” has the definition provided in the recitals.

“EPA Terms & Conditions” means the final NCIF Terms and Conditions approved by the EPA, as amended as of December 12, 2024, and attached hereto as Exhibit C, and as may be further amended, supplemented or otherwise modified from time to time.

“Events of Default” has the meaning set forth in Section 7.2.

“Federal Requirements” means all Federal statutes, regulations, policies, directives, terms, and conditions that are applicable to the use of funds under this Agreement, including the terms and conditions applicable to the EPA Award that are not limited in their application to CGC or CGB.

“Foreign Entity of Concern” means (a) an entity owned by, controlled by, or subject to the direction of a government of a covered nation under 10 U.S.C. 4872(d); (b) an entity headquartered in a

covered nation under 10 U.S.C. 4872(d); or (c) a subsidiary of an entity described in (a) or (b). As of the Effective Date, covered nations under 10 U.S.C. § 4872(d) are the Democratic People's Republic of North Korea; the People's Republic of China; the Russian Federation; and the Islamic Republic of Iran.

"GAAP" means generally accepted accounting principles, as in effect from time to time in the United States, set forth in the opinions and pronouncements of the Accounting Principles Board of the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board or in such other statements by such other Person as may be approved by a significant segment of the accounting profession, which are applicable to the circumstances as of the date of determination.

"Geographic Region" means Territory of Puerto Rico.

"GGRF" has the definition provided in the recitals.

"Governmental Authority" means any nation or government, any state or other political subdivision thereof, any agency (including the EPA), authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative functions of or pertaining to government, any securities exchange and any self-regulatory organization.

"Laws" means, collectively, all international, foreign, federal, state, territory and local statutes, treaties, rules, guidelines, regulations, ordinances, codes and administrative or judicial precedents or authorities, including the interpretation or administration thereof by any Governmental Authority charged with the enforcement, interpretation or administration thereof, and all applicable administrative orders, directed duties, requests, licenses, authorizations and permits of, and agreements with, any Governmental Authority, in each case whether or not having the force of law.

"LIDACs" means "Low-Income and Disadvantaged Communities" as defined in the EPA Terms & Conditions.

"Network Partner Agreement" has the meaning set forth in the recitals.

"Period of Performance" means the period beginning on the Effective Date and ending on December 31, 2025.

"Person" is any individual, sole proprietorship, partnership, limited liability company, joint venture, company, trust, unincorporated organization, association, corporation, institution, public benefit corporation, firm, joint stock company, estate, entity or government agency.

"Program" has the definition provided in the recitals.

"Remaining Subgrant Proceeds" means any funds that have not been disbursed by Technical Assistance Subrecipient as Eligible Disbursements as of the end of the Period of Performance.

"Sanctioned Country" means, at any time, a country, region or territory which is itself the subject or target of comprehensive country-wide or territory-wide Sanctions.

"Sanctioned Person" means (a) any Person identified on any list of designated Persons maintained by any Sanctions Authority, (b) any Person located, organized or resident in a Sanctioned Country, (c) any Person owned fifty (50%) or more by any such Person or Persons described in the foregoing clauses (a) or (b), or (d) any Person that is otherwise the subject or target of any Sanctions.

“Sanctions” means any and all Laws concerning or relating to economic, financial or trade sanctions, embargoes, or similar restrictive measures imposed, administered, enacted or enforced by a Sanctions Authority.

“Sanctions Authority” means any agency, department, division or instrumentality of the United States federal government, including OFAC, the U.S. Department of State, and the Bureau of Industry and Security.

“Subgrant Amount” has the meaning set forth in Section 3.1.

“Subgrant Budget” means the budget attached hereto as Schedule A indicating how funds received by Technical Assistance Subrecipient under this Agreement will be used, prepared consistent with the instructions, formatting, and requirements applicable to the budget prepared by CGC and approved by EPA as part of the EPA Award, as such budget may be updated from time to time by Technical Assistance Subrecipient with the consent of CGB (such consent not to be unreasonably withheld, conditioned or delayed) or otherwise in compliance with this Agreement.

“Subgrant Draw” has the meaning set forth in Section 3.1.

“Subgrant Implementation Plan” means the plan attached hereto as Schedule B, describing as of the Effective Date, certain requested information about Subrecipient’s expected use of Subgrant proceeds during the Period of Performance.

“Subgrant Planning Documents” means, collectively, the Subgrant Budget and the Subgrant Implementation Plan.

“Technical Assistance Subrecipient Bank Account” means a deposit account established at a depository institution that has been designated by Subrecipient for receipt of the Subgrant proceeds.

“Technical Assistance Subrecipient” has the definition provided in the recitals.

“Term” has the meaning set forth in Section 7.1.

“Transaction Documents” means this Agreement and the Network Partner Agreement.

Section 2.4. Interpretive Matters. Defined terms in this Agreement shall apply equally to both the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words “include”, “includes” and “including” shall be deemed to be followed by the phrase “without limitation”. The word “will” shall be construed to have the same meaning and effect as the word “shall”; the word “shall” is mandatory; the word “may” is permissive; the word “or” is not exclusive and the words “asset” and “property” shall be construed as having the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights.

ARTICLE III

SUBGRANT AND FUNDING PROCEDURES

Section 3.1. Subgrant Commitment. On the terms and subject to the conditions of this Agreement, CGB agrees to provide a Subgrant to Technical Assistance Subrecipient in a single drawing (the “**Subgrant Draw**”) in an aggregate amount of \$[4,049,550] (the “**Subgrant Amount**”). By accepting this Subgrant, Puerto Rico Green Energy Trust shall be a “Technical Assistance Subrecipient” as defined in the EPA Terms & Conditions.

Section 3.2. Availability of Subgrant Funds. Technical Assistance Subrecipient shall request the Subgrant Draw in accordance with the procedures set forth in Section 3.3.

Section 3.3. Funding Procedures and Conditions.

(a) Drawing.

(i) Subject to the terms and conditions of this Agreement, on the Effective Date (the “**Draw Request Date**”), Technical Assistance Subrecipient shall request the Subgrant Draw by delivering a Draw Notice, which shall be in substantially the form attached hereto as Exhibit B and include the following information:

(A) the requested date on which such the Subgrant Draw is to be funded (which date shall be not less than three (3) Business Days, nor more than five (5) Business Days after the date of the Draw Notice);

(B) a certification by one of the chief executive officer, chief financial officer or chief compliance officer of the Technical Assistance Subrecipient (or, if Technical Assistance Subrecipient lacks any of the foregoing, an equivalent officer, manager, controller, or director of Technical Assistance Subrecipient) that (w) no default or Event of Default has occurred and is continuing or would result from the funding of the Subgrant Draw, (x) each representation and warranty of the Technical Assistance Subrecipient in Article V shall be true and correct in all material respects (without duplication of any materiality qualifiers) as of the Draw Request Date and on the date the Subgrant Draw is made (the “**Draw Date**”); provided, however, that those representations and warranties expressly referring to a specific date shall be true, accurate and complete in all material respects (without duplication of any materiality qualifiers) as of such date; (y) the Subgrant Draw, and the intended use of proceeds thereof, shall comply with all terms of this Agreement, including the requirements of Section 6.1, and all Federal Requirements, and no proceeds of the requested Subgrant Draw shall be used for any prohibited use under Section III.E of the EPA Terms & Conditions and (z) such certification is a material representation for the purposes of this Agreement, and knowing and willful false statements may be subject to prosecution under 18 U.S.C. 1001 and other applicable criminal, civil and administrative sanctions; and

(C) Such other information as shall be required by the form of Draw Notice attached hereto as Exhibit B.

(b) **Funding.** On the Draw Date, CGB shall fund the aggregate amount of the Subgrant Draw into Technical Assistance Subrecipient's Bank Account; provided that the Subgrant Draw shall remain in Technical Assistance Subrecipient's Bank Account until disbursed as Eligible Disbursements in accordance with the Subgrant Budget. Upon the complete funding of the Subgrant Draw on the Draw Date into Technical Assistance Subrecipient's Bank Account, CGB's obligation to make any further subgrants to Technical Assistance Subrecipient under this Agreement shall terminate.

Section 3.4. Costs and Expenses

(a) Technical Assistance Subrecipient agrees to pay to CGB, within thirty (30) days of the Effective Date, all reasonable costs and expenses incurred by CGB in connection with the negotiation, preparation, and execution of the Transaction Documents (including out-of-pocket attorney and advisor fees; third party reasonable legal due diligence and background checks) in an amount not to exceed \$15,000.

Section 3.5. Mandatory Prepayment. If at the end of the Period of Performance, Technical Assistance Subrecipient has not used all of the Subgrant proceeds for Eligible Expenses, then on the first Business Day following the end of the Period of Performance, Technical Assistance Subrecipient shall make a mandatory payment to CGB in an amount equal to the remaining Subgrant proceeds ("**Remaining Subgrant Proceeds**").

ARTICLE IV CONDITIONS PRECEDENT

Section 4.1. Conditions Precedent to Effective Date. This Agreement shall become effective upon, and CGB's obligation to make the Subgrant is subject to the condition precedent that:

(a) The CGC-CGB Subgrant Agreement has been duly executed by CGC and CGB, with all conditions precedent satisfied, and is effective and binding upon CGC and CGB;

(b) The CGC-CGB Subgrant has been fully funded into CGB's financial accounts designated for such purpose under the CGC-CGB Subgrant Agreement and such accounts remain under CGB's control in accordance with the CGB-CGC Subgrant ACA;

(c) The Loan and Security Agreement has been duly executed by CGB and Technical Assistance Subrecipient, with all conditions precedent satisfied, and is effective and binding upon CGB and Technical Assistance Subrecipient;

(d) No action by any Governmental Authority or CGC prevents CGB from making the Subgrant;

(e) The Network Partner Agreement has been duly executed by Technical Assistance Subrecipient, with all conditions precedent satisfied, and is effective and binding upon Technical Assistance Subrecipient; and

(f) CGB shall have received, in form and substance satisfactory to CGB, such documents, and completion of such other matters, as CGB may reasonably deem necessary or appropriate, including:

(i) duly executed counterparts to this Agreement;

- (ii) the organizational or governing documents and a long-form good standing certificate of the Technical Assistance Subrecipient, certified by the Secretary of State (or equivalent agency) of Technical Assistance Subrecipient's jurisdiction of organization or formation and each jurisdiction in which Technical Assistance Subrecipient is qualified to conduct business as of a date no earlier than thirty (30) days prior to the Effective Date;
- (iii) a secretary's certificate of Technical Assistance Subrecipient with respect to its organizational or governing documents, incumbency, specimen signatures and board (or equivalent) resolutions signed or otherwise duly approved by Technical Assistance Subrecipient's [directors and shareholder resolutions, in each case] authorizing the execution and delivery of this Agreement and the other Transaction Documents to which it is a party;
- (iv) a copy of Technical Assistance Subrecipient's Subgrant Budget, in form and substance satisfactory to CGB and attached hereto as Schedule A;
- (v) CGB shall have timely received all "know your customer" information requested by CGB, which, in any case, unless a shorter time is agreed to by the recipient, shall have been provided within five (5) days before the Effective Date and, if Technical Assistance Subrecipient qualifies as a "legal entity customer" under the Beneficial Ownership Regulation, Technical Assistance Subrecipient shall deliver to CGB, in a form acceptable to CGB, a Beneficial Ownership Certification in relation to Technical Assistance Subrecipient at least five (5) days prior to the Effective Date; and
- (vi) a legal opinion from Technical Assistance Subrecipient's transaction counsel addressed to CGB, dated as of the Effective Date, and assuring that:
 - (A) Technical Assistance Subrecipient is duly organized under the laws of the jurisdiction of its organization and validly existing and in good standing, with full power and authority under law to execute and deliver the Transaction Documents and consummate the transactions contemplated thereby in accordance with the terms thereof;
 - (B) the Transaction Documents are duly authorized, executed and delivered by Technical Assistance Subrecipient;
 - (C) the Transaction Documents constitute the valid and binding agreement of the Technical Assistance Subrecipient enforceable in accordance with their terms;
 - (D) No consent of any third party is required for the execution, delivery and performance of the Transaction Documents by Technical Assistance Subrecipient; and
 - (E) the execution, delivery and performance of the Transaction Documents by Technical Assistance Subrecipient do not conflict with any applicable Laws known to the provider of the opinion.

ARTICLE V REPRESENTATIONS AND WARRANTIES

In order to induce CGB to enter into this Agreement, Technical Assistance Subrecipient represents and warrants to CGB as of the Effective Date and on each Draw Date that:

Section 5.1. Organization; Etc. Technical Assistance Subrecipient is a validly organized [organizational type] and is in good standing under the laws of the jurisdiction of its organization. Technical Assistance Subrecipient has full power and authority, and holds all material governmental licenses, permits and other approvals required to (a) enter into and perform its obligations under the Transaction Documents and (b) conduct its business substantially as currently conducted by it.

Section 5.2. Due Authorization; Non-Contravention. The execution, delivery and performance by Technical Assistance Subrecipient of the Transaction Documents are within its organizational powers, have been duly authorized by all necessary organizational action, and do not (i) conflict with any of Technical Assistance Subrecipient's organizational or governing documents, (ii) contravene, conflict with, constitute a default under or violate any applicable Law, (iii) contravene, conflict or violate any applicable order, writ, judgment, injunction, decree, determination or award of any Governmental Authority by which Technical Assistance Subrecipient or any of its property or assets may be bound or affected, (iv) require any action by, filing, registration, or qualification with, or permit from, any Governmental Authority (except such permits which have already been obtained and are in full force and effect), or (v) conflict with, contravene, constitute a default or breach under, or result in or permit the termination or acceleration of, any agreement or instrument by which Technical Assistance Subrecipient is bound.

Section 5.3. Validity; Enforceability. This Agreement constitutes the legal, valid and binding obligations of Technical Assistance Subrecipient enforceable against Technical Assistance Subrecipient in accordance with its terms (except, in any case, as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization or similar Laws affecting creditors' rights generally and by principles of equity).

Section 5.4. Financial Information. The audited financial statements of Technical Assistance Subrecipient furnished to CGB prior to the Effective Date or from time to time in accordance with this Agreement, in each case have been prepared in accordance with GAAP, consistently applied, subject to changes resulting from normal, year-end audit adjustments, and present fairly in all material respects the consolidated financial condition of the persons covered thereby as at the dates thereof and the results of their operations for the periods then ended.

Section 5.5. Litigation. Other than the Ecority Bid Protest, there are no actions, suits or proceedings by or before any arbitrator or governmental authority pending or threatened against or affecting Technical Assistance Subrecipient that would be reasonably likely to adversely affect the Transaction Documents or the transactions contemplated hereby.

Section 5.6. Compliance with Laws; Debarment. Technical Assistance Subrecipient is not an "investment company" or a company "controlled" by an "investment company" under the Investment Company Act of 1940, as amended. Technical Assistance Subrecipient is not engaged as one of its important activities in the business of extending credit for the purpose of purchasing or carrying margin stock (within the meaning of Regulations X, T and U of the Board of Governors of the Federal Reserve System). Technical Assistance Subrecipient has complied with all local, state and federal laws and regulations that apply in connection with the performance of its obligations under the Transaction Documents, and Technical Assistance Subrecipient has not violated any applicable Law the violation of

which could reasonably be expected to have a material adverse effect on the business. None of Technical Assistance Subrecipient's properties or assets has been used by Technical Assistance Subrecipient or, to the best of Technical Assistance Subrecipient's knowledge, by previous Persons, in disposing, producing, storing, treating, or transporting any hazardous substance other than legally. Technical Assistance Subrecipient is in compliance with 2 CFR 200. Technical Assistance Subrecipient has obtained all consents, approvals and authorizations of, made all declarations or filings with, and given all notices to, all Governmental Authorities that are necessary for the continued operation of their respective businesses as currently conducted, except where the failure to do so could not, individually or in the aggregate, reasonably be expected to have a material adverse effect on the business. None of Technical Assistance Subrecipient or its principals, agents, or employees, are debarred, suspended, proposed for debarment, or otherwise disqualified from entering into agreements with or receiving funding from the U.S. Government or from any state government where the Technical Assistance Subrecipient is doing business.

Section 5.7. Accuracy of Information. None of the information furnished in writing to CGB by or on behalf of Technical Assistance Subrecipient in connection with this Agreement, the other Transaction Documents, the Subgrant Budget or the Coalition Grant Application or any transaction contemplated hereby or thereby contains any untrue statement of a material fact, or omits to state any material fact necessary to make any information not misleading in light of the circumstances under which they were made; provided that with respect to projected financial information, Technical Assistance Subrecipient represents only that such information was prepared in good faith based upon assumptions believed to be reasonable at the time.

Section 5.8. Foreign Entity of Concern. Technical Assistance Subrecipient is not a Foreign Entity of Concern.

ARTICLE VI COVENANTS OF THE PARTIES

Technical Assistance Subrecipient covenants and agrees with CGB that at all times during the Term, Technical Assistance Subrecipient shall perform and cause to be performed the obligations set forth below:

Section 6.1. Use of Funds.

(a) Technical Assistance Subrecipient shall use all funds awarded and transferred to Technical Assistance Subrecipient under this Agreement solely within the Geographic Region for the allowable activities of (i) conducting Pre-development Activities, (ii) conducting Market-Building Activities and (iii) conducting Program Administration Activities, in each case in accordance with the requirements for allowability under 2 CFR Part 200, Subpart E and any applicable provisions of 2 CFR Part 1500, the EPA Terms & Conditions, and in a manner consistent with the Coalition Work Plan (such uses described in clauses (i), (ii) and (iii) collectively as "**Eligible Expenses**").

(b) Technical Assistance Subrecipient shall not use any funds awarded and transferred to Technical Assistance Subrecipient under this Agreement for any prohibited use under Section III.E of the EPA Terms & Conditions. Technical Assistance Subrecipient shall not make any participant support cost payments to entities excluded from participation in federal nonprocurement programs under 2 CFR Part 180.

(c) Technical Assistance Subrecipient shall use at least 40% (and shall use commercially reasonable efforts to use at least 50%) of the Subgrant funds transferred to Technical

Assistance Subrecipient under this Agreement for the purposes of providing Financial Assistance in LIDACs.

Section 6.2. Reporting Requirements.

Without limiting any applicable reporting requirements in the EPA Terms & Conditions, Technical Assistance Subrecipient shall comply with the following reporting requirements during the Term of this Agreement:

(a) Semi-Annual Reports. Technical Assistance Subrecipient shall submit information for the semi-annual reports covering six (6) months of the calendar year in accordance with information collection instruments approved through GGRF Accomplishment Reporting (EPA ICR Number 2783.01, OMB Control Number 2090-NEW). The semi-annual reporting periods are as follows: July 1 to December 31; January 1 to June 30. The first semi-annual reporting period ends on December 31, 2024, and covers all activities beginning on the first day of the Term.

- (i) Technical Assistance Subrecipient shall submit information for the semi-annual report to CGB within five (5) calendar days after the semi-annual reporting period ends.
- (ii) Subrecipient's information for the semi-annual report should cover activities from the preceding two (2) quarters, except for the semi-annual report for the semi-annual reporting period ending on December 31, 2024, which should cover all activities from April 1, 2024 to December 31, 2024.

(b) Quarterly Reports. Technical Assistance Subrecipient shall submit quarterly transaction-level and project-level data in accordance with the information collection instruments approved through GGRF Accomplishment Reporting (EPA ICR Number 2783.01, OMB Control Number 2090-NEW) within thirty (30) calendar days after the end of each calendar quarter.

(c) Annual Disclosures. Technical Assistance Subrecipient shall submit annual organizational disclosures to CGB, in accordance with the information collection instruments approved through GGRF Accomplishment Reporting (EPA ICR Number 2783.01, OMB Control Number 2090-NEW), including the information set forth below, starting with the fiscal year ending [●], 2025. Such annual disclosures shall be provided within forty-five (45) days after the Technical Assistance Subrecipient's fiscal year end date.

- (i) Net Asset Ratio: The net asset ratio is defined as net assets divided by total assets.
- (ii) Current Ratio: The current ratio is defined as current assets divided by current liabilities, where current assets is equal to the value of all assets that are reasonably expected to be converted into cash within the coming 12-month period in the normal course of business and current liabilities is equal to the total value of all debts or obligations that must be paid in the coming 12-month period.
- (iii) Delinquency Rate: The delinquency rate is defined as the value of loans outstanding that are 90+ calendar days delinquent divided by the value of loans outstanding, where loans 90+ calendar days delinquent includes

those with outstanding balances 90+ calendar days overdue and still accruing interest as well as those in nonaccrual status.

- (iv) Net Charge-Off Rate: The net charge-off rate is defined as the value of loans charged-off over the past fiscal year, minus the value of loan recoveries over the past fiscal year, divided by the value of loans outstanding.
- (v) Concentration: The concentration of the portfolio, as demonstrated by calculating and reporting on recipient-level exposure, defined as on-balance sheet exposures to a single consolidated entity over all on-balance sheet exposures, for top ten highest exposures.

(d) Notice of Other Events. Technical Assistance Subrecipient agrees to notify the CGB of the following events within ten (10) calendar days of their occurrence:

- (i) Changes to the Technical Assistance Subrecipient's independent certified public accounting firm;
- (ii) Non-reliance by Technical Assistance Subrecipient or its independent certified public accounting firm on previously issued financial statements or a related audit report or completed interim audit review;
- (iii) Changes in fiscal year end of the Technical Assistance Subrecipient;
- (iv) Material impairments to the Technical Assistance Subrecipient's assets;
- (v) Intention to file bankruptcy petition or enter into receivership; and
- (vi) Submission of annual Form 990 to the IRS (if applicable).

(e) Other Information. Technical Assistance Subrecipient agrees to use commercially reasonable efforts to provide CGB with other data relating to matters relating to or in connection with this Agreement and the use of Subgrant proceeds hereunder as CGB may reasonably request.

Section 6.3. Performance Monitoring.

(a) Performance of Technical Assistance Subrecipient under the Agreement will be assessed on a quarterly basis beginning with the period beginning on the Effective Date through the last day of the calendar quarter in which the Effective Date occurs, and for each full calendar quarter occurring thereafter (each such period, a "**Quarterly Performance Period**"). Performance will be determined by comparing actual use of funds during such Quarterly Performance Period to the anticipated use of funds set forth in the Subgrant Planning Documents.

(b) Within five (5) Business Days of the end of each Quarterly Performance Period occurring during the Term, Technical Assistance Subrecipient will submit a Quarterly Performance Progress Report that includes information regarding Technical Assistance Subrecipient's use of funds under the Agreement during the applicable Quarterly Performance Period in comparison to the use of funds reflected in the Subgrant Budget.

(c) Technical Assistance Subrecipient shall ensure that (x) Eligible Disbursements of Subaward funds comply with 100% of the requirements contained in the Subgrant Budget (as it may be modified in compliance with Section 6.1(d) or with the approval of CGB), and (y) Eligible Disbursements using Subgrant Funds are made in a manner consistent in all material respects with the Subgrant Implementation Plan (as it may be modified with the approval of CGB) (it being understood that the Subgrant Implementation Plan reflects prospective activities and Technical Assistance Subrecipient's actual Eligible Disbursements may differ from the specific activities identified in the Subgrant Implementation Plan).

(d) If Technical Assistance Subrecipient's use of Subgrant funds during any Quarterly Performance Period does not comply with clause (c) above, CGB and Technical Assistance Subrecipient will jointly develop a quarterly performance progress improvement plan to be implemented during the immediately succeeding Quarterly Performance Period.

Section 6.4. Compliance with Federal Requirements. Technical Assistance Subrecipient shall comply with all Federal Requirements applicable to this Agreement and the Subgrant, including all terms and conditions of the EPA Award, the EPA Terms & Conditions (and the EPA general terms and conditions and EPA Subaward Policy incorporated therein) that are applicable (whether directly or in the form of "flow down" requirements from the EPA Award) to Financial Assistance and Technical Assistance Subrecipients (including, but not limited to, compliance with cybersecurity requirements pursuant to Section II.B of the EPA Terms & Conditions, compliance with the Real Property Programmatic Terms and Conditions pursuant to Section II.H of the EPA Terms & Conditions, compliance with Davis-Bacon Act labor standards pursuant to Section III.L(1) of the EPA Terms & Conditions, compliance with the governance requirements set forth in Section III.N of the EPA Terms & Conditions, compliance with the Build America, Buy America Act domestic preference to the extent applicable pursuant to Section III.M of the EPA Terms & Conditions, and compliance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act and 49 CFR Part 34 pursuant to Section III.R of the EPA Terms & Conditions). By accepting this award, Technical Assistance Subrecipient acknowledges and agrees to, and shall cause each Program Beneficiary to acknowledge and agree to the terms and conditions provided in the "DBRA Requirements for EPA Subrecipients" referred to in the EPA Terms & Conditions.

Section 6.5. Policies and Controls. Technical Assistance Subrecipient shall establish and comply at all times with performance and portfolio monitoring policies and systems, internal controls and requirements (including internal control requirements specified at 2 CFR 200.303) and audit requirements (including the audit requirements specified at 2 CFR Part 200, Subpart F, "Audit Requirements" to the extent applicable), in each case reasonably satisfactory to CGB. Technical Assistance Subrecipient shall cooperate with all reasonable requests related to an annual compliance review with respect to such policies, systems, controls and requirements.

Section 6.6. Access to Books and Records. At reasonable times and with reasonable prior notice (provided no notice is required if an Event of Default has occurred and is continuing), CGB, or its representatives, shall have the right to visit, inspect, examine and copy Technical Assistance Subrecipient's books and records and discuss its affairs and finances with its directors, officers and independent public accountants (and the Technical Assistance Subrecipient hereby authorizes such independent public accountant to discuss their financial and other matters with CGB or its representatives whether or not any representative of the Technical Assistance Subrecipient is present), in each case to the extent reasonably related to CGB's verification or evaluation of matters relating to this Agreement and the related Transaction Documents; provided that unless an Event of Default has occurred and is continuing, such visits shall be limited to once per fiscal year.

Section 6.7. American Green Bank Consortium. At all times during the Term of this Agreement, Technical Assistance Subrecipient shall comply in all material respects with its obligations under the Network Partner Agreement as a member of the American Green Bank Consortium.

Section 6.8. Information Rights. Technical Assistance Subrecipient shall provide CGB the information rights set forth on Exhibit D.

Section 6.9. Specific Conditions. With reasonable notice to Technical Assistance Subrecipient, CGB may adjust specific terms of this Agreement as needed, in accordance with 2 CFR 200.208, based on an analysis of the factors set forth in 2 CFR 200.208(b): (i) the criteria set forth in 2 CFR 200.206; (ii) Technical Assistance Subrecipient's history of compliance with the general or specific terms and conditions of this Agreement or of the EPA Award; (iii) Technical Assistance Subrecipient's ability to reasonably meet its expected performance goals as described in this Agreement and the attachments hereto; or (iv) an inadequate financial capability determination of the Technical Assistance Subrecipient. Consistent with 2 CFR 200.208, additional specific conditions that may be adjusted by CGB include items such as the following: (i) requiring payments as reimbursements rather than advance payments; (ii) withholding authority to proceed to the next phase until receipt of evidence of acceptable performance within a given performance period; (iii) requiring additional, more detailed financial reports; (iv) requiring additional project monitoring; (v) requiring the Technical Assistance Subrecipient to obtain technical or management assistance; or (vi) establishing additional prior approval requirements. In accordance with 2 CFR 200.208(d), CGB shall notify Technical Assistance Subrecipient as to: (1) the nature of the specific condition(s); (2) the reason why the specific condition(s) is being imposed; (3) the nature of the action needed to remove the specific condition(s); (4) the time allowed for completing the actions; and (5) the method for requesting CGB to reconsider imposing a specific condition. In accordance with 2 CFR 200.208(e), CGB shall remove any such specific conditions promptly once the conditions that prompted them have been satisfied. In addition to and without limiting the foregoing, CGB may adjust specific terms of this Agreement as needed to conform to adjustments of the terms of the CGC-CGB Subgrant Agreement imposed on CGB by CGC.

Section 6.10. Foreign Entities of Concern; Sanctioned Persons. The Technical Assistance Subrecipient shall not permit any proceeds of the Subgrant to be paid to any Foreign Entity of Concern or any Sanctioned Person and shall maintain in effect policies and procedures designed to promote and ensure compliance with this Section 6.10.

Section 6.11. Further Assurances and Cooperation. At any time and from time to time, the Technical Assistance Subrecipient shall execute and deliver such further instruments and take such further action as may reasonably be requested by CGB to effect the purposes of this Agreement and the other Transaction Documents and to support CGB's compliance with the CGC-CGB Subgrant Agreement and the requirements of the EPA. Technical Assistance Subrecipient shall not take any action that would challenge, dispute, retract or otherwise detrimentally affect CGB's ability to perform its obligations under the CGC-CGB Subgrant Agreement.

ARTICLE VII TERM; TERMINATION

Section 7.1. Term. Unless sooner terminated pursuant to Section 7.3 below, the term of this Agreement will extend from and including the Effective Date through and including September 30, 2031 (the "**Term**").

Section 7.2. Events of Default. The occurrence of any event described below shall be an "**Event of Default**":

(a) Bankruptcy; Insolvency. The Technical Assistance Subrecipient (i) files in any court or agency pursuant to any statute or regulation a petition in bankruptcy or insolvency or for reorganization or similar arrangement, or for the appointment of a receiver or trustee of Technical Assistance Subrecipient or its assets; (ii) proposes a written agreement of composition or extension of its debts; (iii) is served with an involuntary petition against it in any insolvency proceeding and such involuntary petition is not stayed or dismissed within ninety (90) calendar days of the date on which the petition is filed; or (iv) makes an assignment for the benefit of its creditors.

(b) Non-Performance of Covenants. Technical Assistance Subrecipient fails or neglects to perform, keep or observe any term, provision, condition, covenant or agreement contained this Agreement and (i) as to any default under the covenants set forth in Sections 6.5 (*Policies and Controls*), 6.6 (*Access to Books and Records*), 6.7 (*American Green Bank Consortium*), 6.8 (*Information Rights*), and 6.11 (*Further Assurances and Cooperation*) that can be cured, has failed to cure such default within thirty (30) days after the earlier of (x) knowledge by Technical Assistance Subrecipient of the occurrence thereof or (y) notice by CGB thereof; provided, however, that, in the case of a default under Sections 6.5, 6.6, 6.7 or 6.11, if the default cannot by its nature be cured within the thirty (30) day period or cannot after diligent attempts by Technical Assistance Subrecipient be cured within such thirty (30) day period, and such default is likely to be cured within a reasonable time, then Technical Assistance Subrecipient shall have an additional period (which shall not in any case exceed thirty (30) days) to attempt to cure such default, and within such reasonable time period the failure to cure the default shall not be deemed an Event of Default, and (ii) as to any default under any other covenant herein that can be cured, has failed to cure such default within five (5) Business Days after the earlier of (x) knowledge by Technical Assistance Subrecipient of the occurrence thereof or (y) notice by CGB thereof; provided that a breach of Technical Assistance Subrecipient's obligations under Section 6.2 (*Reporting Requirements*) or Section 6.3 (*Performance Monitoring*) shall not constitute an Event of Default so long as such breach, individually and in the aggregate with any other breaches by Technical Assistance Subrecipient under Section 6.2, (i) is immaterial, (ii) does not delay or impair CGB's ability to satisfy its own reporting obligations under the CGC-CGB Subgrant Agreement and other Federal requirements and (iii) Technical Assistance Subrecipient uses good faith efforts to cure such breach promptly after the earlier of knowledge by Technical Assistance Subrecipient of the occurrence of such breach and notice by CGB thereof.

(c) Breach of Representations or Warranties. Any representation, warranty, certification or statement of fact made or deemed made by or on behalf of Technical Assistance Subrecipient herein, in any other Transaction Document or in any document delivered in connection herewith or therewith shall be incorrect or misleading in any material respect when made or deemed made.

(d) Cross-Default. An "Event of Default" or similar event shall have occurred under the terms of any Transaction Document or the Loan and Security Agreement.

Section 7.3. Remedies; Effect of Termination.

(a) Remedies. Upon the occurrence of an Event of Default, CGB shall be permitted to (i) terminate this Agreement by delivering written notice to Technical Assistance Subrecipient, (ii) disallow (that is, deny both use of funds and any applicable matching credit for) all or part of the cost of the activity not in compliance and require Technical Assistance Subrecipient to use best efforts to recover and repay to CGB any such disallowed costs, and (iii) exercise any other right, remedy, power or privilege provided hereunder or provided by applicable Law. No failure or delay by CGB to exercise any right, remedy, power or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise of any other right, remedy, power or privilege provided hereunder or under applicable Law.

(b) Termination due to Termination of EPA Award. This Agreement shall terminate upon any termination of the EPA Award, whether such Award terminates, expires or otherwise ceases to be in full force and effect, either for cause or convenience. CGB shall provide written notice of termination to Technical Assistance Subrecipient promptly after receiving written notice from CGC or EPA.

(c) Effect of Termination of Agreement. Upon termination of this Agreement, CGB's obligation to make Subgrant Draws to Technical Assistance Subrecipient shall terminate, and CGB shall be permitted to reallocate any undrawn Subgrant amounts to any other purpose or use permitted under the EPA Award. Any funds paid to the Technical Assistance Subrecipient in excess of the amount to which the Technical Assistance Subrecipient is finally determined to be entitled under the terms of this Agreement and the EPA Award constitute a debt to CGB and shall be promptly repaid within 90 calendar days of demand. Interest shall be charged on any overdue debt in accordance with the Federal Claims Collection Standards (31 CFR parts 900 through 999). The date from which interest is computed shall not be extended by litigation nor by arbitration.

(d) Closeout. Upon the earlier of (i) the termination of this Agreement (whether at the end of the Term or pursuant to Section 7.3(a) or (b)), (ii) the end of the Period of Performance, and (iii) the completion of all required work of the subaward by Technical Assistance Subrecipient under this Agreement, CGB shall proceed to close out the subaward and Technical Assistance Subrecipient shall comply with all closeout requirements set forth in 2 CFR 200.344 and the EPA Terms & Conditions. In accordance with 2 CFR 200.344(a), if Technical Assistance Subrecipient fails to complete the necessary administrative actions or the required work under the subaward, CGB shall proceed to close out the subaward based on the information available. For the avoidance of doubt, the obligations of Technical Assistance Subrecipient under this Section 7.3(d) shall survive any termination of this Agreement.

ARTICLE VIII INDEMNIFICATION; LIMITATION OF LIABILITY

Section 8.1. Indemnification. Technical Assistance Subrecipient agrees to (i) indemnify, defend, exonerate and hold CGB and its partners, directors, officers, employees, agents, advisors, and representatives (collectively, the "**Indemnified Parties**") free and harmless from and against any and all actions, causes of action, suits, losses, costs, liabilities, obligations and damages or claims of any kind, whether incurred in connection with actions between the parties hereto or the parties hereto and third parties ("**Losses**"), and (ii) reimburse the Indemnified Parties for all reasonable expenses (including reasonable and documented out of pocket attorneys' fees and professionals fees and disbursements) incurred by such Indemnified Parties in connection with investigating, preparing or defending against any such Losses, in each case arising from (A) Technical Assistance Subrecipient's non-compliance with any condition, representation, warranty or covenant in this Agreement; (B) Technical Assistance Subrecipient's non-compliance with applicable Laws, including any Federal Requirements; (C) any transaction entered into by Technical Assistance Subrecipient in which Technical Assistance Subrecipient used Loan funds (in whole or in part) for such transaction; (D) any decision by Technical Assistance Subrecipient with respect to use or non-use of Subgrant funds; or (E) fraud, gross negligence or willful misconduct of Technical Assistance Subrecipient. Technical Assistance Subrecipient's obligations under this Section 8.1 shall exclude, as to any Indemnified Party, any Losses (i) directly caused by the gross negligence or willful misconduct of such Indemnified Party as determined by a court of competent jurisdiction in a final and non-appealable judgment or (ii) resulting from disputes solely among the Indemnified Parties that are not arising out of any act or omission by Technical Assistance Subrecipient or any Affiliate of Technical Assistance Subrecipient.

Section 8.2. Waiver and Release of Liability. Technical Assistance Subrecipient agrees that none of the Indemnified Parties shall have any liability (whether direct or indirect, in contract, tort or otherwise and whether or not related to third party claims or the rights referred to in Section 8.1 to Technical

Assistance Subrecipient or any of its securityholders or creditors with respect to any matter arising from or related to this Agreement, except where any such liability directly arises from the gross negligence or willful misconduct of the applicable Indemnified Party as determined by a court of competent jurisdiction in a final and non-appealable judgment.

Section 8.3. Indemnity Holdback. Technical Assistance Subrecipient shall reserve and maintain in the Technical Assistance Subrecipient Bank Account (or, at the sole discretion of Lender, any other deposit account) until December 31, 2032 (or, at the sole discretion of Lender, such earlier date), an amount equal to \$121,486.5 (the “**Holdback Amount**”). Technical Assistance Subrecipient shall pay on demand by CGB all amounts necessary to satisfy Technical Assistance Subrecipient’s obligations under Section 8.1 out of the Holdback Amount; provided that where such payment is not permissible in whole or in part under applicable Laws, or in the event that the Holdback Amount is insufficient to cover such payment, Technical Assistance Subrecipient shall remain obligated to make such payment to Lender from other funds. For avoidance of doubt, the Holdback Amount is not a limitation or cap on Technical Assistance Subrecipient’s liability to CGB under this Article VIII. Following completion of the second annual financial statement audit in accordance with 2 CFR Part 200, Subpart F, “Audit Requirements”, the Parties will confer and consider in good faith a reduction or release of the Holdback Amount.

Section 8.4. Limitation of Liability. Technical Assistance Subrecipient shall not be liable to CGB or to any other Person for any special, incidental, consequential, or indirect damages, or for any loss of profits, loss of revenue, or business interruption.

ARTICLE IX CHOICE OF LAW; DISPUTE RESOLUTION

(a) THIS AGREEMENT AND ANY CLAIMS, CONTROVERSIES, DISPUTES OR CAUSES OF ACTION (WHETHER IN CONTRACT OR TORT OR OTHERWISE) BASED UPON, ARISING OUT OF, OR RELATING TO, THIS AGREEMENT OR ANY OTHER AGREEMENT OR INSTRUMENT CONTEMPLATED HEREBY SHALL BE GOVERNED BY, AND CONSTRUCTED IN ACCORDANCE WITH, THE INTERNAL LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO CONFLICT OF LAW PRINCIPLES.

(b) The Parties agree that the procedures set forth in this Section 9 shall be the exclusive mechanism for resolving any dispute, controversy, or claim of any nature between the Parties that may arise out of or in relation to this Agreement or the breach, termination, enforcement, interpretation or validity thereof (each, a “**Dispute**,” and, collectively, the “**Disputes**”).

(c) In the event of any Dispute, the Parties shall first attempt in good faith to resolve such Dispute by negotiation and consultation between themselves. In the event that such Dispute is not resolved on such informal basis within 30 days of the delivery to the other Party of written notice of such Dispute (“**Notice of Legal Dispute**”), each Party may, in its discretion, seek resolution of the Dispute in accordance with Section 9(d), below. Notices of Legal Dispute must be in writing and must set forth the facts of the Dispute and the relief requested.

(d) Any unresolved Dispute that has been subject to, and exhausted the procedures of, Section 9(c) shall be settled by final and binding arbitration administered by the American Arbitration Association in accordance with its Commercial Arbitration Rules. The Dispute(s) shall be heard by one arbitrator. The place of arbitration shall be Connecticut, and the arbitration shall be governed by the laws of New York. All proceedings and communications shall be in English. Judgment on the award may be entered in any court having jurisdiction. This clause shall not preclude the Parties from seeking provisional

remedies in aid of arbitration from a court of competent jurisdiction. Both Parties hereto hereby expressly and irrevocably waive the right to trial by jury.

(e) Except to the extent necessary to confirm an award or as may be required by applicable Law, neither a Party nor an arbitrator may disclose the existence, content, or results of an arbitration without the prior written consent of both Parties.

ARTICLE X MISCELLANEOUS PROVISIONS

Section 10.1. Waivers; Amendments. No amendment or waiver of any provision of this Agreement, and no consent to any departure by Technical Assistance Subrecipient from its obligations hereunder, shall be effective unless in writing and signed by CGB and Technical Assistance Subrecipient; provided that CGB may amend this Agreement unilaterally with reasonable notice to and without the consent of Technical Assistance Subrecipient if such amendment (a) corresponds to a revision of the EPA Award, the EPA Terms & Conditions or the CGC-CGB Subgrant Agreement, or is otherwise required by the EPA or CGC, (b) is determined by CGB to be necessary to ensure compliance with Federal Requirements, the Coalition Work Plan, or the CGC-CGB Subgrant Agreement (c) is a temporary amendment to address an emergency or other unanticipated circumstance so long as such temporary amendment is in effect for no more than sixty (60) days; provided, further, that Technical Assistance Subrecipient may dispute the unilateral amendment by providing notice to CGB within five (5) Business Days of the amendment under this Section and the parties will negotiate in good faith to reach a mutually acceptable amendment of the Agreement. Any waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

Section 10.2. Notices; Time. All notices and other communication to be provided under this Agreement shall be in writing or by email and addressed, delivered or transmitted to the applicable Party at its address or email address set forth on Schedule C hereto, or such other address or email address as may be designated in writing by such Party in a written notice to the other Party. Any notice properly addressed and mailed shall be deemed given when received; any notice transmitted by email shall be deemed given upon the earlier of confirmation of receipt by the recipient and the opening of business on the next Business Day of the recipient.

Section 10.3. Survival. Notwithstanding anything to the contrary hereunder, Section 7.3 (*Remedies; Effect of Termination*), Article 8 (*Indemnification; Limitation of Liability*) Article 9 (*Choice of Law; Dispute Resolution*), Section 10.3 (*Survival*), Section 10.4 (*Entire Agreement*), Section 10.5 (*Severability*), Section 10.8 (*Successors and Assigns*), and Section 10.9 (*Relationship of Parties; No Third-Party Beneficiaries*) of this Agreement shall in each case survive any termination of this Agreement. All representations and warranties made or deemed to be made by Technical Assistance Subrecipient in this Agreement or in any agreement, certificate or other document delivered hereto shall survive the execution and delivery hereof or thereof.

Section 10.4. Entire Agreement. This Agreement (including the Exhibits and Schedules hereto) constitutes the entire understanding between the Parties with respect to the subject matter hereof, and shall supersede any prior agreements, written or oral, with respect thereto.

Section 10.5. Severability of Provisions. Any provision of this Agreement or any agreement or instrument contemplated hereby which is prohibited or unenforceable in any jurisdiction shall, as to such provision and such jurisdiction, be ineffective only to the extent of such prohibition or unenforceability without invalidating the remaining provisions of this Agreement or such other agreement or instrument or affecting the validity or enforceability of such provision in any other jurisdiction.

Section 10.6. Headings. Headings in this Agreement are inserted for convenience only and shall not affect the meaning or interpretation of this Agreement or any provisions hereof.

Section 10.7. Execution in Counterparts. This Agreement may be executed in any number of counterparts and by different parties on separate counterparts, each of which, when executed and delivered, is an original, and all taken together, constitute one Agreement. Executed copies of the signature pages of this Agreement sent by facsimile or transmitted electronically in Portable Document Format (“pdf”), or any similar format, shall be treated as originals, fully binding and with full legal force and effect, and the parties waive any rights they may have to object to such treatment. The words “execution,” “signed,” “signature,” and words of like import in this Agreement and the other Transaction Documents shall be deemed to include electronic signatures or electronic records, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable Law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act.

Section 10.8. Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the Parties, and no Party shall assign or otherwise transfer any of its rights or obligations hereunder to any person except with the written consent of the other Party.

Section 10.9. Relationship of Parties; No Third Party Beneficiaries.

(a) The relationship of the Parties to this Agreement is determined solely by the provisions of this Agreement and the other Transaction Documents. The Parties do not intend to create any agency, partnership, joint venture, trust, fiduciary or other relationship with duties or incidents different from those of parties to an arm’s-length contract.

(b) Technical Assistance Subrecipient acknowledges and agrees that (i) this Agreement and the transactions contemplated hereunder are arm’s-length transactions between Technical Assistance Subrecipient and CGB, (ii) CGB and each of its applicable affiliates is acting solely as a principal and not as an agent or fiduciary of Technical Assistance Subrecipient or its affiliates, (iii) CGB and its applicable affiliates have no advisory or fiduciary responsibility or other obligation in favor of Technical Assistance Subrecipient or its affiliates with respect to the transactions contemplated hereunder except to the extent expressly set forth in this Agreement and (iv) Technical Assistance Subrecipient has consulted its own legal and financial advisors to the extent it deems appropriate.

(c) Nothing in this Agreement, whether express or implied, is intended to: (a) confer any benefits, rights or remedies under or by reason of this Agreement on any persons other than the express parties to it and their respective permitted successors and assigns; (b) relieve or discharge the obligation or liability of any person not an express party to this Agreement; or (c) give any person not an express party to this Agreement any right of subrogation or action against any party to this Agreement.

[Signature pages follow.]

IN WITNESS WHEREOF, each Party hereto has caused this Agreement to be executed by its duly authorized officer as of the date first above written.

CONNECTICUT GREEN BANK,

PUERTO RICO GREEN ENERGY TRUST,
as Technical Assistance Subrecipient

By: _____
Name:
Title:

By: _____
Name:
Title:

EXHIBIT A
COALITION WORK PLAN

[To be attached]

EXHIBIT B
FORM OF DRAW NOTICE

Connecticut Green Bank
75 Charter Oak Ave, Suite 1 – 103
Hartford, CT 06106
Attn: General Counsel
Email: Brian.Farnen@ctgreenbank.com

[DATE]¹

Ladies and Gentlemen:

Reference is hereby made to that certain Subgrant Agreement, dated as of [] (as amended, supplemented or otherwise modified from time to time and in effect on the date hereof, the “**Agreement**”), by and among Puerto Rico Green Energy Trust (“**Technical Assistance Subrecipient**”) and Connecticut Green Bank (“**CGB**”).

Unless otherwise defined herein or the context otherwise requires, terms used herein have the meanings provided in the Agreement.

Pursuant to the provisions of Section 3.3(a) of the Agreement, the Technical Assistance Subrecipient hereby requests a Subgrant Draw to be made on the requested draw date set forth below (the “**Requested Draw Date**”), with the following specifications:

1. Requested Draw Date: _____²
2. Requested Draw Amount: _____³
3. Technical Assistance Subrecipient Bank Account Wire Instructions:
[Bank Name].
[City, State]
ABA: [●]
For Account Of: [●]
Account Number: [●]⁴

The undersigned, solely in his or her capacity as the [Chief Executive Officer][Chief Financial Officer][Chief Compliance Officer] of Technical Assistance Subrecipient, hereby represents, warrants and certifies, on behalf of Technical Assistance Subrecipient, to CGB that:

¹ Date of Draw Notice shall be the Draw Request Date.

² Shall be a Business Day during the Period of Performance, and not less than three (3) Business Days nor more than five (5) Business Days after the date of the Draw Notice.

³ To be the Subgrant Amount.

⁴ To be the wire instructions for Technical Assistance Subrecipient’s Bank Account.

(a) no default or Event of Default has occurred and is continuing or would result from the proposed Subgrant Draw;

(b) the representations and warranties in the Agreement are true and complete in all material respects (without duplication of any materiality qualifiers) on the date of this Draw Notice and the Requested Draw Date; provided, however, that those representations and warranties expressly referring to a specific date are true, accurate and complete in all material respects (without duplication of any materiality qualifiers) as of such date; and

(c) the making of the proposed Subgrant Draw and the intended use of proceeds thereof shall comply with all terms of the Agreement and all applicable Laws, including all Federal Requirements, and no proceeds of the requested Subgrant Draw shall be used for any prohibited use under Section III.E of the EPA Terms & Conditions;

(d) it acknowledges and agrees that any knowing and willful false statements made by the Technical Assistance Subrecipient to CGB may be subject to prosecution under 18 U.S.C. 1001 and other criminal, civil and administrative sanctions; and

(e) such officer signing below is the [Chief Executive Officer][Chief Financial Officer][Chief Compliance Officer] of Technical Assistance Subrecipient and is authorized to request the Subgrant Draw contemplated hereby and issue this Draw Notice on behalf of Technical Assistance Subrecipient.

[Signature Page Follows.]

Very truly yours,

[REDACTED], as Technical Assistance Subrecipient

By: _____

Name:

Title:

EXHIBIT C

EPA TERMS & CONDITIONS

[To be attached]

EXHIBIT D INFORMATION RIGHTS

During the Term of this Agreement, Technical Assistance Subrecipient shall promptly deliver to CGB all notices and materials delivered to the Board or any committees thereof in connection with a meeting of the Board or committee, or with any action to be taken by written consent, including drafts of any material resolutions or actions proposed to be adopted by written consent and minutes of any meeting of the Board or any committee thereof, to the extent relevant to this Agreement or Subrecipient's administration of NCIF funds or NCIF-support projects. CGB shall keep all information, documents and other materials delivered to it by Technical Assistance Subrecipient under this paragraph confidential, except for any nonexempt materials under any applicable freedom of information laws.

If any issue is to be discussed or otherwise arises at any meeting of the Board or committee thereof, which, in the reasonable good faith judgment of the Board, cannot be disclosed to CGB pursuant to the terms of the paragraph above (i) in order to avoid an actual or potential conflict of interest on the part of CGB or (ii) because (and only to the extent) that receipt of any such materials by CGB would violate, jeopardize, impair or otherwise adversely affect an attorney-client privilege, then any materials delivered to the Board pertaining to such issue (whether before or after such meeting) need not be delivered to CGB, so long as CGB is given notice of the occurrence of such judgment by the Board and that certain materials will not be delivered to CGB.

SCHEDULE A
SUBGRANT BUDGET

[To be attached]

SCHEDULE B
SUBGRANT IMPLEMENTATION PLAN

[To be attached]

SCHEDULE C

NOTICES

If to CGB:

[REDACTED]

[ADDRESS]

Attn: [●]

Email: [●]

With a copy (not constituting notice) to:

[●]

[Address]

Attn: [●]

Email: [●]

If to Technical Assistance Subrecipient:

[REDACTED]

[ADDRESS]

Attn: [●]

Email: [●]

With a copy (not constituting notice) to:

[●]

[Address]

Attn: [●]

Email: [●]

**NATIONAL CLEAN INVESTMENT FUND
SUBGRANT AGREEMENT FOR TECHNICAL ASSISTANCE**

BETWEEN

CONNECTICUT GREEN BANK

AND

NEW HAMPSHIRE COMMUNITY LOAN FUND

Dated as of [●], 2025

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**NATIONAL CLEAN INVESTMENT FUND
SUBGRANT AGREEMENT FOR TECHNICAL ASSISTANCE**

This SUBGRANT AGREEMENT FOR TECHNICAL ASSISTANCE (this “**Agreement**”) is effective as of [●] (the “**Effective Date**”) between CONNECTICUT GREEN BANK, a quasi-public authority established under Connecticut General Statute 16-245n (“**CGB**”) and New Hampshire Community Loan Fund (“**Technical Assistance Subrecipient**”). CGB and Subrecipient may be referred to herein as a “**Party**” and collectively as the “**Parties**”.

WHEREAS, the Coalition for Green Capital (“**CGC**”), a 501(c)3 nonprofit organization, submitted on behalf of itself and its 18 coalition members, including Lender, on October 12, 2023, to the EPA under the notice of funding opportunity for the National Clean Investment Fund (“**NCIF**”) of the Greenhouse Gas Reduction Fund (“**GGRF**”), an application for a grant;

WHEREAS, the CGC grant application included additional resources that would be administered by CGB on behalf of Technical Assistance Subrecipient;

WHEREAS, on August 8, 2024, CGC entered into a Grant Agreement (“**EPA Award**”) with the United States Environmental Protection Agency (“**EPA**”) under the NCIF of the GGRF for the establishment and operation of a national green bank and associated network of state and local green banks and other nonprofit capital providers for clean energy products, technologies, and services, for the purposes of (i) providing Financial Assistance to Qualified Projects, (ii) conducting Market-Building Activities, (iii) conducting Predevelopment Activities and (iv) conducting Program Administration Activities (the “**Program**”);

WHEREAS, CGC and CGB entered into a Subgrant Agreement for Financial Assistance (“**CGC-CGB Subgrant Agreement**”) on January 3, 2025, pursuant to which CGC made a Subgrant to CGB (the “**CGC-CGB Subgrant**”) and CGB is a Financial Assistance Subrecipient, for the purpose of performing certain activities consistent with the Program and to be funded on the terms and subject to the conditions set forth in the CGC-CGB Subgrant Agreement;

WHEREAS, in conjunction with this Agreement, CGB and Technical Assistance Subrecipient have separately entered into a Loan and Security Agreement for Financial Assistance (“**Loan and Security Agreement**”), pursuant to which CGB has agreed to make loans to Subrecipient as a Financial Intermediary Subrecipient for the purpose of providing Financial Assistance to Qualified Projects consistent with the Program and to be funded on the terms and subject to the conditions set forth in the Loan and Security Agreement;

WHEREAS, in conjunction with this Agreement, Technical Assistance Subrecipient has entered into an AGBC Network Partner Agreement (a “**Network Partner Agreement**”) and agreed to formalize its role as a network partner of AGBC on the terms and subject and conditions set forth in such Network Partner Agreement; and

WHEREAS, in consideration of the mutual covenants set forth in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which the Parties hereby acknowledge, the Parties hereby agree as follows:

**ARTICLE I
FEDERAL AWARD IDENTIFICATION**

- 1) Technical Assistance Subrecipient: New Hampshire Community Loan Fund
- 2) Technical Assistance Subrecipient’s Unique Entity Identifier (“**UEI**”): [●]
- 3) Federal Award Identification Number (“**FAIN**”): 84094201

- 4) EPA Award Date: August 8, 2024
- 5) Technical Assistance Subgrant Performance Period Start and End Dates: start date & December 31, 2025
- 6) Amount of EPA Funds Obligated under Technical Assistance Subgrant: \$328,313
- 7) Total or cumulative amount of EPA funds obligated to Technical Assistance Subrecipient under Technical Assistance Subgrant plus any subsequent funded amendments: \$328,313
- 8) Total Amount of the EPA funds committed to Technical Assistance Subrecipient by CGB: \$328,313
- 9) Award program description, as required for the Federal Funding Accountability and Transparency Act (“FFATA”): The Program to be funded under the EPA Award will establish and operate a national green bank and associated network of green banks and other green finance providers for the purposes of providing Financial Assistance to Qualified Projects, conducting Market-Building Activities, conducting Predevelopment Activities and conducting Program Administration Activities.
- 10) Federal awarding agency: EPA
- 11) Pass-through entity: Connecticut Green Bank
- 12) Pass-through entity’s awarding official for this Technical Assistance Subgrant and contact information:
 - a. Bryan Garcia
 - b. Bryan.Garcia@ctgreenbank.com
 - c. 860-257-2170
 - d. 75 Charter Oak Ave, Suite 1-103, Hartford, CT 06106
- 13) Assistance Listing Number: 66.957
- 14) Funding Opportunity Name: National Clean Investment Fund (NCIF)
- 15) Funding Opportunity Number: EPA-R-HQ-NCIF-23
- 16) Indirect cost rate for the EPA Award: 15% *de minimis* rate applied to Modified Total Direct Costs as described in [2 CFR 200.414\(f\)](#).

ARTICLE II DEFINITIONS

Section 2.1. Recitals. The recitals set forth above form an integral and substantive part of this Agreement and are incorporated herein.

Section 2.2. Definitions Incorporated by Reference. Capitalized terms used but not defined herein shall have the meanings given to such terms in the EPA Terms & Conditions, including Financial Assistance, Financial Assistance Subrecipient, Financial Intermediary Subrecipient, Market-Building Activities, Pre-Development Activities, Program Administration Activities, Program Income, Program Beneficiary, Qualified Project and Subrecipient.

Section 2.3. Defined Terms. The following terms, when used in this Agreement, shall have the following meanings:

“**Affiliate**” means, with respect to any Person, each other Person that owns or controls directly or indirectly the Person, any Person that controls or is controlled by or is under common control with the Person, and each of that Person’s officers, directors and employees. CGB shall not be deemed an Affiliate of Technical Assistance Subrecipient.

“**Agreement**” has the definition provided in the preamble.

“**Board**” means the board of directors of Technical Assistance Subrecipient.

“Business Day” means any day which is not a Saturday or Sunday or a legal holiday on which banks are authorized or required to be closed in Washington, DC or Connecticut.

“CGB” has the definition provided in the preamble.

“CGC-CGB Subgrant” has the definition provided in the recitals.

“CGC-CGB Subgrant ACA” means the account control agreement among CGB, CGC and the depository bank or securities intermediary executed in connection with the CGC-CGB Subgrant Agreement.

“Coalition Grant Application” means the application submitted by CGC, on behalf of itself and its coalition members, on October 12, 2023, to the EPA under the notice of funding opportunity for the NCIF of the GGRF, as modified by the Coalition Work Plan.

“Coalition Work Plan” means the updated work plan submitted by CGC, on behalf of itself and its coalition members to the EPA, as may be amended from time to time with EPA’s approval, attached hereto as Exhibit A.

“Draw Date” has the meaning set forth in Section 3.3(a)(i)(B).

“Draw Request Date” has the meaning set forth in Section 3.3(a)(i).

“Draw Notice” means a notice of the requested Subgrant Draw issued by Technical Assistance Subrecipient in accordance with Section 3.3(a) substantially on the form attached hereto as Exhibit B.

“Ecority Bid Protest” means the Dispute of Competitive Assistance Award Denial filed by Ecority on April 9, 2024, and any litigation arising therefrom, challenging the selection of CGC for awards under the NCIF.

“Effective Date” has the definition provided in the preamble.

“Eligible Disbursements” means disbursements out of the Technical Assistance Subrecipient Bank Account that are Eligible Expenses.

“Eligible Expenses” has the meaning set forth in Section 6.1.

“EPA” has the definition provided in the recitals.

“EPA Award” has the definition provided in the recitals.

“EPA Terms & Conditions” means the final NCIF Terms and Conditions approved by the EPA, as amended as of December 12, 2024, and attached hereto as Exhibit C, and as may be further amended, supplemented or otherwise modified from time to time.

“Events of Default” has the meaning set forth in Section 7.2.

“Federal Requirements” means all Federal statutes, regulations, policies, directives, terms, and conditions that are applicable to the use of funds under this Agreement, including the terms and conditions applicable to the EPA Award that are not limited in their application to CGC or CGB.

“Foreign Entity of Concern” means (a) an entity owned by, controlled by, or subject to the direction of a government of a covered nation under 10 U.S.C. 4872(d); (b) an entity headquartered in a

covered nation under 10 U.S.C. 4872(d); or (c) a subsidiary of an entity described in (a) or (b). As of the Effective Date, covered nations under 10 U.S.C. § 4872(d) are the Democratic People's Republic of North Korea; the People's Republic of China; the Russian Federation; and the Islamic Republic of Iran.

"GAAP" means generally accepted accounting principles, as in effect from time to time in the United States, set forth in the opinions and pronouncements of the Accounting Principles Board of the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board or in such other statements by such other Person as may be approved by a significant segment of the accounting profession, which are applicable to the circumstances as of the date of determination.

"Geographic Region" means New Hampshire.

"GGRF" has the definition provided in the recitals.

"Governmental Authority" means any nation or government, any state or other political subdivision thereof, any agency (including the EPA), authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative functions of or pertaining to government, any securities exchange and any self-regulatory organization.

"Laws" means, collectively, all international, foreign, federal, state, territory and local statutes, treaties, rules, guidelines, regulations, ordinances, codes and administrative or judicial precedents or authorities, including the interpretation or administration thereof by any Governmental Authority charged with the enforcement, interpretation or administration thereof, and all applicable administrative orders, directed duties, requests, licenses, authorizations and permits of, and agreements with, any Governmental Authority, in each case whether or not having the force of law.

"LIDACs" means "Low-Income and Disadvantaged Communities" as defined in the EPA Terms & Conditions.

"Network Partner Agreement" has the meaning set forth in the recitals.

"Period of Performance" means the period beginning on the Effective Date and ending on December 31, 2025.

"Person" is any individual, sole proprietorship, partnership, limited liability company, joint venture, company, trust, unincorporated organization, association, corporation, institution, public benefit corporation, firm, joint stock company, estate, entity or government agency.

"Program" has the definition provided in the recitals.

"Remaining Subgrant Proceeds" means any funds that have not been disbursed by Technical Assistance Subrecipient as Eligible Disbursements as of the end of the Period of Performance.

"Sanctioned Country" means, at any time, a country, region or territory which is itself the subject or target of comprehensive country-wide or territory-wide Sanctions.

"Sanctioned Person" means (a) any Person identified on any list of designated Persons maintained by any Sanctions Authority, (b) any Person located, organized or resident in a Sanctioned Country, (c) any Person owned fifty (50%) or more by any such Person or Persons described in the foregoing clauses (a) or (b), or (d) any Person that is otherwise the subject or target of any Sanctions.

“Sanctions” means any and all Laws concerning or relating to economic, financial or trade sanctions, embargoes, or similar restrictive measures imposed, administered, enacted or enforced by a Sanctions Authority.

“Sanctions Authority” means any agency, department, division or instrumentality of the United States federal government, including OFAC, the U.S. Department of State, and the Bureau of Industry and Security.

“Subgrant Amount” has the meaning set forth in Section 3.1.

“Subgrant Budget” means the budget attached hereto as Schedule A indicating how funds received by Technical Assistance Subrecipient under this Agreement will be used, prepared consistent with the instructions, formatting, and requirements applicable to the budget prepared by CGC and approved by EPA as part of the EPA Award, as such budget may be updated from time to time by Technical Assistance Subrecipient with the consent of CGB (such consent not to be unreasonably withheld, conditioned or delayed) or otherwise in compliance with this Agreement.

“Subgrant Draw” has the meaning set forth in Section 3.1.

“Subgrant Implementation Plan” means the plan attached hereto as Schedule B, describing as of the Effective Date, certain requested information about Subrecipient’s expected use of Subgrant proceeds during the Period of Performance.

“Subgrant Planning Documents” means, collectively, the Subgrant Budget and the Subgrant Implementation Plan.

“Technical Assistance Subrecipient Bank Account” means a deposit account established at a depository institution that has been designated by Subrecipient for receipt of the Subgrant proceeds.

“Technical Assistance Subrecipient” has the definition provided in the recitals.

“Term” has the meaning set forth in Section 7.1.

“Transaction Documents” means this Agreement and the Network Partner Agreement.

Section 2.4. Interpretive Matters. Defined terms in this Agreement shall apply equally to both the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words “include”, “includes” and “including” shall be deemed to be followed by the phrase “without limitation”. The word “will” shall be construed to have the same meaning and effect as the word “shall”; the word “shall” is mandatory; the word “may” is permissive; the word “or” is not exclusive and the words “asset” and “property” shall be construed as having the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights.

ARTICLE III

SUBGRANT AND FUNDING PROCEDURES

Section 3.1. Subgrant Commitment. On the terms and subject to the conditions of this Agreement, CGB agrees to provide a Subgrant to Technical Assistance Subrecipient in a single drawing (the “Subgrant Draw”) in an aggregate amount of \$328,313 (the “Subgrant Amount”). By accepting this Subgrant, New Hampshire Community Loan Fund shall be a “Technical Assistance Subrecipient” as defined in the EPA Terms & Conditions.

Section 3.2. Availability of Subgrant Funds. Technical Assistance Subrecipient shall request the Subgrant Draw in accordance with the procedures set forth in Section 3.3.

Section 3.3. Funding Procedures and Conditions.

(a) Drawing.

(i) Subject to the terms and conditions of this Agreement, on the Effective Date (the “**Draw Request Date**”), Technical Assistance Subrecipient shall request the Subgrant Draw by delivering a Draw Notice, which shall be in substantially the form attached hereto as Exhibit B and include the following information:

(A) the requested date on which such the Subgrant Draw is to be funded (which date shall be not less than three (3) Business Days, nor more than five (5) Business Days after the date of the Draw Notice);

(B) a certification by one of the chief executive officer, chief financial officer or chief compliance officer of the Technical Assistance Subrecipient (or, if Technical Assistance Subrecipient lacks any of the foregoing, an equivalent officer, manager, controller, or director of Technical Assistance Subrecipient) that (w) no default or Event of Default has occurred and is continuing or would result from the funding of the Subgrant Draw, (x) each representation and warranty of the Technical Assistance Subrecipient in Article V shall be true and correct in all material respects (without duplication of any materiality qualifiers) as of the Draw Request Date and on the date the Subgrant Draw is made (the “**Draw Date**”); provided, however, that those representations and warranties expressly referring to a specific date shall be true, accurate and complete in all material respects (without duplication of any materiality qualifiers) as of such date; (y) the Subgrant Draw, and the intended use of proceeds thereof, shall comply with all terms of this Agreement, including the requirements of Section 6.1, and all Federal Requirements, and no proceeds of the requested Subgrant Draw shall be used for any prohibited use under Section III.E of the EPA Terms & Conditions and (z) such certification is a material representation for the purposes of this Agreement, and knowing and willful false statements may be subject to prosecution under 18 U.S.C. 1001 and other applicable criminal, civil and administrative sanctions; and

(C) Such other information as shall be required by the form of Draw Notice attached hereto as Exhibit B.

(b) **Funding.** On the Draw Date, CGB shall fund the aggregate amount of the Subgrant Draw into Technical Assistance Subrecipient's Bank Account; provided that the Subgrant Draw shall remain in Technical Assistance Subrecipient's Bank Account until disbursed as Eligible Disbursements in accordance with the Subgrant Budget. Upon the complete funding of the Subgrant Draw on the Draw Date into Technical Assistance Subrecipient's Bank Account, CGB's obligation to make any further subgrants to Technical Assistance Subrecipient under this Agreement shall terminate.

Section 3.4. Costs and Expenses

(a) Technical Assistance Subrecipient agrees to pay to CGB, within thirty (30) days of the Effective Date, all reasonable costs and expenses incurred by CGB in connection with the negotiation, preparation, and execution of the Transaction Documents (including out-of-pocket attorney and advisor fees; third party reasonable legal due diligence and background checks) in an amount not to exceed \$15,000.

Section 3.5. Mandatory Prepayment. If at the end of the Period of Performance, Technical Assistance Subrecipient has not used all of the Subgrant proceeds for Eligible Expenses, then on the first Business Day following the end of the Period of Performance, Technical Assistance Subrecipient shall make a mandatory payment to CGB in an amount equal to the remaining Subgrant proceeds ("**Remaining Subgrant Proceeds**").

ARTICLE IV CONDITIONS PRECEDENT

Section 4.1. Conditions Precedent to Effective Date. This Agreement shall become effective upon, and CGB's obligation to make the Subgrant is subject to the condition precedent that:

(a) The CGC-CGB Subgrant Agreement has been duly executed by CGC and CGB, with all conditions precedent satisfied, and is effective and binding upon CGC and CGB;

(b) The CGC-CGB Subgrant has been fully funded into CGB's financial accounts designated for such purpose under the CGC-CGB Subgrant Agreement and such accounts remain under CGB's control in accordance with the CGB-CGC Subgrant ACA;

(c) The Loan and Security Agreement has been duly executed by CGB and Technical Assistance Subrecipient, with all conditions precedent satisfied, and is effective and binding upon CGB and Technical Assistance Subrecipient;

(d) No action by any Governmental Authority or CGC prevents CGB from making the Subgrant;

(e) The Network Partner Agreement has been duly executed by Technical Assistance Subrecipient, with all conditions precedent satisfied, and is effective and binding upon Technical Assistance Subrecipient; and

(f) CGB shall have received, in form and substance satisfactory to CGB, such documents, and completion of such other matters, as CGB may reasonably deem necessary or appropriate, including:

(i) duly executed counterparts to this Agreement;

- (ii) the organizational or governing documents and a long-form good standing certificate of the Technical Assistance Subrecipient, certified by the Secretary of State (or equivalent agency) of Technical Assistance Subrecipient's jurisdiction of organization or formation and each jurisdiction in which Technical Assistance Subrecipient is qualified to conduct business as of a date no earlier than thirty (30) days prior to the Effective Date;
- (iii) a secretary's certificate of Technical Assistance Subrecipient with respect to its organizational or governing documents, incumbency, specimen signatures and board (or equivalent) resolutions signed or otherwise duly approved by Technical Assistance Subrecipient's [directors and shareholder resolutions, in each case] authorizing the execution and delivery of this Agreement and the other Transaction Documents to which it is a party;
- (iv) a copy of Technical Assistance Subrecipient's Subgrant Budget, in form and substance satisfactory to CGB and attached hereto as Schedule A;
- (v) CGB shall have timely received all "know your customer" information requested by CGB, which, in any case, unless a shorter time is agreed to by the recipient, shall have been provided within five (5) days before the Effective Date and, if Technical Assistance Subrecipient qualifies as a "legal entity customer" under the Beneficial Ownership Regulation, Technical Assistance Subrecipient shall deliver to CGB, in a form acceptable to CGB, a Beneficial Ownership Certification in relation to Technical Assistance Subrecipient at least five (5) days prior to the Effective Date; and
- (vi) a legal opinion from Technical Assistance Subrecipient's transaction counsel addressed to CGB, dated as of the Effective Date, and assuring that:
 - (A) Technical Assistance Subrecipient is duly organized under the laws of the jurisdiction of its organization and validly existing and in good standing, with full power and authority under law to execute and deliver the Transaction Documents and consummate the transactions contemplated thereby in accordance with the terms thereof;
 - (B) the Transaction Documents are duly authorized, executed and delivered by Technical Assistance Subrecipient;
 - (C) the Transaction Documents constitute the valid and binding agreement of the Technical Assistance Subrecipient enforceable in accordance with their terms;
 - (D) No consent of any third party is required for the execution, delivery and performance of the Transaction Documents by Technical Assistance Subrecipient; and
 - (E) the execution, delivery and performance of the Transaction Documents by Technical Assistance Subrecipient do not conflict with any applicable Laws known to the provider of the opinion.

ARTICLE V REPRESENTATIONS AND WARRANTIES

In order to induce CGB to enter into this Agreement, Technical Assistance Subrecipient represents and warrants to CGB as of the Effective Date and on each Draw Date that:

Section 5.1. Organization; Etc. Technical Assistance Subrecipient is a validly organized [organizational type] and is in good standing under the laws of the jurisdiction of its organization. Technical Assistance Subrecipient has full power and authority, and holds all material governmental licenses, permits and other approvals required to (a) enter into and perform its obligations under the Transaction Documents and (b) conduct its business substantially as currently conducted by it.

Section 5.2. Due Authorization; Non-Contravention. The execution, delivery and performance by Technical Assistance Subrecipient of the Transaction Documents are within its organizational powers, have been duly authorized by all necessary organizational action, and do not (i) conflict with any of Technical Assistance Subrecipient's organizational or governing documents, (ii) contravene, conflict with, constitute a default under or violate any applicable Law, (iii) contravene, conflict or violate any applicable order, writ, judgment, injunction, decree, determination or award of any Governmental Authority by which Technical Assistance Subrecipient or any of its property or assets may be bound or affected, (iv) require any action by, filing, registration, or qualification with, or permit from, any Governmental Authority (except such permits which have already been obtained and are in full force and effect), or (v) conflict with, contravene, constitute a default or breach under, or result in or permit the termination or acceleration of, any agreement or instrument by which Technical Assistance Subrecipient is bound.

Section 5.3. Validity; Enforceability. This Agreement constitutes the legal, valid and binding obligations of Technical Assistance Subrecipient enforceable against Technical Assistance Subrecipient in accordance with its terms (except, in any case, as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization or similar Laws affecting creditors' rights generally and by principles of equity).

Section 5.4. Financial Information. The audited financial statements of Technical Assistance Subrecipient [and its Subsidiaries] furnished to CGB prior to the Effective Date or from time to time in accordance with this Agreement, in each case have been prepared in accordance with GAAP, consistently applied, subject to changes resulting from normal, year-end audit adjustments, and present fairly in all material respects the consolidated financial condition of the persons covered thereby as at the dates thereof and the results of their operations for the periods then ended.

Section 5.5. Litigation. Other than the Ecority Bid Protest, there are no actions, suits or proceedings by or before any arbitrator or governmental authority pending or threatened against or affecting Technical Assistance Subrecipient that would be reasonably likely to adversely affect the Transaction Documents or the transactions contemplated hereby.

Section 5.6. Compliance with Laws; Debarment. Technical Assistance Subrecipient is not an "investment company" or a company "controlled" by an "investment company" under the Investment Company Act of 1940, as amended. Technical Assistance Subrecipient is not engaged as one of its important activities in the business of extending credit for the purpose of purchasing or carrying margin stock (within the meaning of Regulations X, T and U of the Board of Governors of the Federal Reserve System). Technical Assistance Subrecipient has complied with all local, state and federal laws and regulations that apply in connection with the performance of its obligations under the Transaction Documents, and Technical Assistance Subrecipient has not violated any applicable Law the violation of

which could reasonably be expected to have a material adverse effect on the business. None of Technical Assistance Subrecipient's properties or assets has been used by Technical Assistance Subrecipient or, to the best of Technical Assistance Subrecipient's knowledge, by previous Persons, in disposing, producing, storing, treating, or transporting any hazardous substance other than legally. Technical Assistance Subrecipient is in compliance with 2 CFR 200. Technical Assistance Subrecipient has obtained all consents, approvals and authorizations of, made all declarations or filings with, and given all notices to, all Governmental Authorities that are necessary for the continued operation of their respective businesses as currently conducted, except where the failure to do so could not, individually or in the aggregate, reasonably be expected to have a material adverse effect on the business. None of Technical Assistance Subrecipient or its principals, agents, or employees, are debarred, suspended, proposed for debarment, or otherwise disqualified from entering into agreements with or receiving funding from the U.S. Government or from any state government where the Technical Assistance Subrecipient is doing business.

Section 5.7. Accuracy of Information. None of the information furnished in writing to CGB by or on behalf of Technical Assistance Subrecipient in connection with this Agreement, the other Transaction Documents, the Subgrant Budget or the Coalition Grant Application or any transaction contemplated hereby or thereby contains any untrue statement of a material fact, or omits to state any material fact necessary to make any information not misleading in light of the circumstances under which they were made; provided that with respect to projected financial information, Technical Assistance Subrecipient represents only that such information was prepared in good faith based upon assumptions believed to be reasonable at the time.

Section 5.8. Foreign Entity of Concern. Technical Assistance Subrecipient is not a Foreign Entity of Concern.

ARTICLE VI COVENANTS OF THE PARTIES

Technical Assistance Subrecipient covenants and agrees with CGB that at all times during the Term, Technical Assistance Subrecipient shall perform and cause to be performed the obligations set forth below:

Section 6.1. Use of Funds.

(a) Technical Assistance Subrecipient shall use all funds awarded and transferred to Technical Assistance Subrecipient under this Agreement solely within the Geographic Region for the allowable activities of (i) conducting Pre-development Activities, (ii) conducting Market-Building Activities and (iii) conducting Program Administration Activities, in each case in accordance with the requirements for allowability under 2 CFR Part 200, Subpart E and any applicable provisions of 2 CFR Part 1500, the EPA Terms & Conditions, and in a manner consistent with the Coalition Work Plan (such uses described in clauses (i), (ii) and (iii) collectively as "**Eligible Expenses**").

(b) Technical Assistance Subrecipient shall not use any funds awarded and transferred to Technical Assistance Subrecipient under this Agreement for any prohibited use under Section III.E of the EPA Terms & Conditions. Technical Assistance Subrecipient shall not make any participant support cost payments to entities excluded from participation in federal nonprocurement programs under 2 CFR Part 180.

(c) Technical Assistance Subrecipient shall use at least 40% (and shall use commercially reasonable efforts to use at least 50%) of the Subgrant funds transferred to Technical

Assistance Subrecipient under this Agreement for the purposes of providing Financial Assistance in LIDACs.

Section 6.2. Reporting Requirements.

Without limiting any applicable reporting requirements in the EPA Terms & Conditions, Technical Assistance Subrecipient shall comply with the following reporting requirements during the Term of this Agreement:

(a) Semi-Annual Reports. Technical Assistance Subrecipient shall submit information for the semi-annual reports covering six (6) months of the calendar year in accordance with information collection instruments approved through GGRF Accomplishment Reporting (EPA ICR Number 2783.01, OMB Control Number 2090-NEW). The semi-annual reporting periods are as follows: July 1 to December 31; January 1 to June 30. The first semi-annual reporting period ends on December 31, 2024, and covers all activities beginning on the first day of the Term.

- (i) Technical Assistance Subrecipient shall submit information for the semi-annual report to CGB within five (5) calendar days after the semi-annual reporting period ends.
- (ii) Subrecipient's information for the semi-annual report should cover activities from the preceding two (2) quarters, except for the semi-annual report for the semi-annual reporting period ending on December 31, 2024, which should cover all activities from April 1, 2024 to December 31, 2024.

(b) Quarterly Reports. Technical Assistance Subrecipient shall submit quarterly transaction-level and project-level data in accordance with the information collection instruments approved through GGRF Accomplishment Reporting (EPA ICR Number 2783.01, OMB Control Number 2090-NEW) within thirty (30) calendar days after the end of each calendar quarter.

(c) Annual Disclosures. Technical Assistance Subrecipient shall submit annual organizational disclosures to CGB, in accordance with the information collection instruments approved through GGRF Accomplishment Reporting (EPA ICR Number 2783.01, OMB Control Number 2090-NEW), including the information set forth below, starting with the fiscal year ending [●], 2025. Such annual disclosures shall be provided within forty-five (45) days after the Technical Assistance Subrecipient's fiscal year end date.

- (i) Net Asset Ratio: The net asset ratio is defined as net assets divided by total assets.
- (ii) Current Ratio: The current ratio is defined as current assets divided by current liabilities, where current assets is equal to the value of all assets that are reasonably expected to be converted into cash within the coming 12-month period in the normal course of business and current liabilities is equal to the total value of all debts or obligations that must be paid in the coming 12-month period.
- (iii) Delinquency Rate: The delinquency rate is defined as the value of loans outstanding that are 90+ calendar days delinquent divided by the value of loans outstanding, where loans 90+ calendar days delinquent includes

those with outstanding balances 90+ calendar days overdue and still accruing interest as well as those in nonaccrual status.

- (iv) Net Charge-Off Rate: The net charge-off rate is defined as the value of loans charged-off over the past fiscal year, minus the value of loan recoveries over the past fiscal year, divided by the value of loans outstanding.
- (v) Concentration: The concentration of the portfolio, as demonstrated by calculating and reporting on recipient-level exposure, defined as on-balance sheet exposures to a single consolidated entity over all on-balance sheet exposures, for top ten highest exposures.

(d) Notice of Other Events. Technical Assistance Subrecipient agrees to notify the CGB of the following events within ten (10) calendar days of their occurrence:

- (i) Changes to the Technical Assistance Subrecipient's independent certified public accounting firm;
- (ii) Non-reliance by Technical Assistance Subrecipient or its independent certified public accounting firm on previously issued financial statements or a related audit report or completed interim audit review;
- (iii) Changes in fiscal year end of the Technical Assistance Subrecipient;
- (iv) Material impairments to the Technical Assistance Subrecipient's assets;
- (v) Intention to file bankruptcy petition or enter into receivership; and
- (vi) Submission of annual Form 990 to the IRS (if applicable).

(e) Other Information. Technical Assistance Subrecipient agrees to use commercially reasonable efforts to provide CGB with other data relating to matters relating to or in connection with this Agreement and the use of Subgrant proceeds hereunder as CGB may reasonably request.

Section 6.3. Performance Monitoring.

(a) Performance of Technical Assistance Subrecipient under the Agreement will be assessed on a quarterly basis beginning with the period beginning on the Effective Date through the last day of the calendar quarter in which the Effective Date occurs, and for each full calendar quarter occurring thereafter (each such period, a "**Quarterly Performance Period**"). Performance will be determined by comparing actual use of funds during such Quarterly Performance Period to the anticipated use of funds set forth in the Subgrant Planning Documents.

(b) Within five (5) Business Days of the end of each Quarterly Performance Period occurring during the Term, Technical Assistance Subrecipient will submit a Quarterly Performance Progress Report that includes information regarding Technical Assistance Subrecipient's use of funds under the Agreement during the applicable Quarterly Performance Period in comparison to the use of funds reflected in the Subgrant Budget.

(c) Technical Assistance Subrecipient shall ensure that (x) Eligible Disbursements of Subaward funds comply with 100% of the requirements contained in the Subgrant Budget (as it may be modified in compliance with Section 6.1(d) or with the approval of CGB), and (y) Eligible Disbursements using Subgrant Funds are made in a manner consistent in all material respects with the Subgrant Implementation Plan (as it may be modified with the approval of CGB) (it being understood that the Subgrant Implementation Plan reflects prospective activities and Technical Assistance Subrecipient's actual Eligible Disbursements may differ from the specific activities identified in the Subgrant Implementation Plan).

(d) If Technical Assistance Subrecipient's use of Subgrant funds during any Quarterly Performance Period does not comply with clause (c) above, CGB and Technical Assistance Subrecipient will jointly develop a quarterly performance progress improvement plan to be implemented during the immediately succeeding Quarterly Performance Period.

Section 6.4. Compliance with Federal Requirements. Technical Assistance Subrecipient shall comply with all Federal Requirements applicable to this Agreement and the Subgrant, including all terms and conditions of the EPA Award, the EPA Terms & Conditions (and the EPA general terms and conditions and EPA Subaward Policy incorporated therein) that are applicable (whether directly or in the form of "flow down" requirements from the EPA Award) to Financial Assistance and Technical Assistance Subrecipients (including, but not limited to, compliance with cybersecurity requirements pursuant to Section II.B of the EPA Terms & Conditions, compliance with the Real Property Programmatic Terms and Conditions pursuant to Section II.H of the EPA Terms & Conditions, compliance with Davis-Bacon Act labor standards pursuant to Section III.L(1) of the EPA Terms & Conditions, compliance with the governance requirements set forth in Section III.N of the EPA Terms & Conditions, compliance with the Build America, Buy America Act domestic preference to the extent applicable pursuant to Section III.M of the EPA Terms & Conditions, and compliance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act and 49 CFR Part 34 pursuant to Section III.R of the EPA Terms & Conditions). By accepting this award, Technical Assistance Subrecipient acknowledges and agrees to, and shall cause each Program Beneficiary to acknowledge and agree to the terms and conditions provided in the "DBRA Requirements for EPA Subrecipients" referred to in the EPA Terms & Conditions.

Section 6.5. Policies and Controls. Technical Assistance Subrecipient shall establish and comply at all times with performance and portfolio monitoring policies and systems, internal controls and requirements (including internal control requirements specified at 2 CFR 200.303) and audit requirements (including the audit requirements specified at 2 CFR Part 200, Subpart F, "Audit Requirements" to the extent applicable), in each case reasonably satisfactory to CGB. Technical Assistance Subrecipient shall cooperate with all reasonable requests related to an annual compliance review with respect to such policies, systems, controls and requirements.

Section 6.6. Access to Books and Records. At reasonable times and with reasonable prior notice (provided no notice is required if an Event of Default has occurred and is continuing), CGB, or its representatives, shall have the right to visit, inspect, examine and copy Technical Assistance Subrecipient's books and records and discuss its affairs and finances with its directors, officers and independent public accountants (and the Technical Assistance Subrecipient hereby authorizes such independent public accountant to discuss their financial and other matters with CGB or its representatives whether or not any representative of the Technical Assistance Subrecipient is present), in each case to the extent reasonably related to CGB's verification or evaluation of matters relating to this Agreement and the related Transaction Documents; provided that unless an Event of Default has occurred and is continuing, such visits shall be limited to once per fiscal year.

Section 6.7. American Green Bank Consortium. At all times during the Term of this Agreement, Technical Assistance Subrecipient shall comply in all material respects with its obligations under the Network Partner Agreement as a member of the American Green Bank Consortium.

Section 6.8. Information Rights. Technical Assistance Subrecipient shall provide CGB the information rights set forth on Exhibit D.

Section 6.9. Specific Conditions. With reasonable notice to Technical Assistance Subrecipient, CGB may adjust specific terms of this Agreement as needed, in accordance with 2 CFR 200.208, based on an analysis of the factors set forth in 2 CFR 200.208(b): (i) the criteria set forth in 2 CFR 200.206; (ii) Technical Assistance Subrecipient's history of compliance with the general or specific terms and conditions of this Agreement or of the EPA Award; (iii) Technical Assistance Subrecipient's ability to reasonably meet its expected performance goals as described in this Agreement and the attachments hereto; or (iv) an inadequate financial capability determination of the Technical Assistance Subrecipient. Consistent with 2 CFR 200.208, additional specific conditions that may be adjusted by CGB include items such as the following: (i) requiring payments as reimbursements rather than advance payments; (ii) withholding authority to proceed to the next phase until receipt of evidence of acceptable performance within a given performance period; (iii) requiring additional, more detailed financial reports; (iv) requiring additional project monitoring; (v) requiring the Technical Assistance Subrecipient to obtain technical or management assistance; or (vi) establishing additional prior approval requirements. In accordance with 2 CFR 200.208(d), CGB shall notify Technical Assistance Subrecipient as to: (1) the nature of the specific condition(s); (2) the reason why the specific condition(s) is being imposed; (3) the nature of the action needed to remove the specific condition(s); (4) the time allowed for completing the actions; and (5) the method for requesting CGB to reconsider imposing a specific condition. In accordance with 2 CFR 200.208(e), CGB shall remove any such specific conditions promptly once the conditions that prompted them have been satisfied. In addition to and without limiting the foregoing, CGB may adjust specific terms of this Agreement as needed to conform to adjustments of the terms of the CGC-CGB Subgrant Agreement imposed on CGB by CGC.

Section 6.10. Foreign Entities of Concern; Sanctioned Persons. The Technical Assistance Subrecipient shall not permit any proceeds of the Subgrant to be paid to any Foreign Entity of Concern or any Sanctioned Person and shall maintain in effect policies and procedures designed to promote and ensure compliance with this Section 6.10.

Section 6.11. Further Assurances and Cooperation. At any time and from time to time, the Technical Assistance Subrecipient shall execute and deliver such further instruments and take such further action as may reasonably be requested by CGB to effect the purposes of this Agreement and the other Transaction Documents and to support CGB's compliance with the CGC-CGB Subgrant Agreement and the requirements of the EPA. Technical Assistance Subrecipient shall not take any action that would challenge, dispute, retract or otherwise detrimentally affect CGB's ability to perform its obligations under the CGC-CGB Subgrant Agreement.

ARTICLE VII TERM; TERMINATION

Section 7.1. Term. Unless sooner terminated pursuant to Section 7.3 below, the term of this Agreement will extend from and including the Effective Date through and including September 30, 2031 (the "**Term**").

Section 7.2. Events of Default. The occurrence of any event described below shall be an "Event of Default":

(a) Bankruptcy; Insolvency. The Technical Assistance Subrecipient (i) files in any court or agency pursuant to any statute or regulation a petition in bankruptcy or insolvency or for reorganization or similar arrangement, or for the appointment of a receiver or trustee of Technical Assistance Subrecipient or its assets; (ii) proposes a written agreement of composition or extension of its debts; (iii) is served with an involuntary petition against it in any insolvency proceeding and such involuntary petition is not stayed or dismissed within ninety (90) calendar days of the date on which the petition is filed; or (iv) makes an assignment for the benefit of its creditors.

(b) Non-Performance of Covenants. Technical Assistance Subrecipient fails or neglects to perform, keep or observe any term, provision, condition, covenant or agreement contained this Agreement and (i) as to any default under the covenants set forth in Sections 6.5 (*Policies and Controls*), 6.6 (*Access to Books and Records*), 6.7 (*American Green Bank Consortium*), 6.8 (*Information Rights*), and 6.11 (*Further Assurances and Cooperation*) that can be cured, has failed to cure such default within thirty (30) days after the earlier of (x) knowledge by Technical Assistance Subrecipient of the occurrence thereof or (y) notice by CGB thereof; provided, however, that, in the case of a default under Sections 6.5, 6.6, 6.7 or 6.11, if the default cannot by its nature be cured within the thirty (30) day period or cannot after diligent attempts by Technical Assistance Subrecipient be cured within such thirty (30) day period, and such default is likely to be cured within a reasonable time, then Technical Assistance Subrecipient shall have an additional period (which shall not in any case exceed thirty (30) days) to attempt to cure such default, and within such reasonable time period the failure to cure the default shall not be deemed an Event of Default, and (ii) as to any default under any other covenant herein that can be cured, has failed to cure such default within five (5) Business Days after the earlier of (x) knowledge by Technical Assistance Subrecipient of the occurrence thereof or (y) notice by CGB thereof; provided that a breach of Technical Assistance Subrecipient's obligations under Section 6.2 (*Reporting Requirements*) or Section 6.3 (*Performance Monitoring*) shall not constitute an Event of Default so long as such breach, individually and in the aggregate with any other breaches by Technical Assistance Subrecipient under Section 6.2, (i) is immaterial, (ii) does not delay or impair CGB's ability to satisfy its own reporting obligations under the CGC-CGB Subgrant Agreement and other Federal requirements and (iii) Technical Assistance Subrecipient uses good faith efforts to cure such breach promptly after the earlier of knowledge by Technical Assistance Subrecipient of the occurrence of such breach and notice by CGB thereof.

(c) Breach of Representations or Warranties. Any representation, warranty, certification or statement of fact made or deemed made by or on behalf of Technical Assistance Subrecipient herein, in any other Transaction Document or in any document delivered in connection herewith or therewith shall be incorrect or misleading in any material respect when made or deemed made.

(d) Cross-Default. An "Event of Default" or similar event shall have occurred under the terms of any Transaction Document or the Loan and Security Agreement.

Section 7.3. Remedies; Effect of Termination.

(a) Remedies. Upon the occurrence of an Event of Default, CGB shall be permitted to (i) terminate this Agreement by delivering written notice to Technical Assistance Subrecipient, (ii) disallow (that is, deny both use of funds and any applicable matching credit for) all or part of the cost of the activity not in compliance and require Technical Assistance Subrecipient to use best efforts to recover and repay to CGB any such disallowed costs, and (iii) exercise any other right, remedy, power or privilege provided hereunder or provided by applicable Law. No failure or delay by CGB to exercise any right, remedy, power or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise of any other right, remedy, power or privilege provided hereunder or under applicable Law.

(b) Termination due to Termination of EPA Award. This Agreement shall terminate upon any termination of the EPA Award, whether such Award terminates, expires or otherwise ceases to be in full force and effect, either for cause or convenience. CGB shall provide written notice of termination to Technical Assistance Subrecipient promptly after receiving written notice from CGC or EPA.

(c) Effect of Termination of Agreement. Upon termination of this Agreement, CGB's obligation to make Subgrant Draws to Technical Assistance Subrecipient shall terminate, and CGB shall be permitted to reallocate any undrawn Subgrant amounts to any other purpose or use permitted under the EPA Award. Any funds paid to the Technical Assistance Subrecipient in excess of the amount to which the Technical Assistance Subrecipient is finally determined to be entitled under the terms of this Agreement and the EPA Award constitute a debt to CGB and shall be promptly repaid within 90 calendar days of demand. Interest shall be charged on any overdue debt in accordance with the Federal Claims Collection Standards (31 CFR parts 900 through 999). The date from which interest is computed shall not be extended by litigation nor by arbitration.

(d) Closeout. Upon the earlier of (i) the termination of this Agreement (whether at the end of the Term or pursuant to Section 7.3(a) or (b)), (ii) the end of the Period of Performance, and (iii) the completion of all required work of the subaward by Technical Assistance Subrecipient under this Agreement, CGB shall proceed to close out the subaward and Technical Assistance Subrecipient shall comply with all closeout requirements set forth in 2 CFR 200.344 and the EPA Terms & Conditions. In accordance with 2 CFR 200.344(a), if Technical Assistance Subrecipient fails to complete the necessary administrative actions or the required work under the subaward, CGB shall proceed to close out the subaward based on the information available. For the avoidance of doubt, the obligations of Technical Assistance Subrecipient under this Section 7.3(d) shall survive any termination of this Agreement.

ARTICLE VIII INDEMNIFICATION; LIMITATION OF LIABILITY

Section 8.1. Indemnification. Technical Assistance Subrecipient agrees to (i) indemnify, defend, exonerate and hold CGB and its partners, directors, officers, employees, agents, advisors, and representatives (collectively, the "**Indemnified Parties**") free and harmless from and against any and all actions, causes of action, suits, losses, costs, liabilities, obligations and damages or claims of any kind, whether incurred in connection with actions between the parties hereto or the parties hereto and third parties ("**Losses**"), and (ii) reimburse the Indemnified Parties for all reasonable expenses (including reasonable and documented out of pocket attorneys' fees and professionals fees and disbursements) incurred by such Indemnified Parties in connection with investigating, preparing or defending against any such Losses, in each case arising from (A) Technical Assistance Subrecipient's non-compliance with any condition, representation, warranty or covenant in this Agreement; (B) Technical Assistance Subrecipient's non-compliance with applicable Laws, including any Federal Requirements; (C) any transaction entered into by Technical Assistance Subrecipient in which Technical Assistance Subrecipient used Loan funds (in whole or in part) for such transaction; (D) any decision by Technical Assistance Subrecipient with respect to use or non-use of Subgrant funds; or (E) fraud, gross negligence or willful misconduct of Technical Assistance Subrecipient. Technical Assistance Subrecipient's obligations under this Section 8.1 shall exclude, as to any Indemnified Party, any Losses (i) directly caused by the gross negligence or willful misconduct of such Indemnified Party as determined by a court of competent jurisdiction in a final and non-appealable judgment or (ii) resulting from disputes solely among the Indemnified Parties that are not arising out of any act or omission by Technical Assistance Subrecipient or any Affiliate of Technical Assistance Subrecipient.

Section 8.2. Waiver and Release of Liability. Technical Assistance Subrecipient agrees that none of the Indemnified Parties shall have any liability (whether direct or indirect, in contract, tort or otherwise and whether or not related to third party claims or the rights referred to in Section 8.1 to Technical

Assistance Subrecipient or any of its securityholders or creditors with respect to any matter arising from or related to this Agreement, except where any such liability directly arises from the gross negligence or willful misconduct of the applicable Indemnified Party as determined by a court of competent jurisdiction in a final and non-appealable judgment.

Section 8.3. Indemnity Holdback. Technical Assistance Subrecipient shall reserve and maintain in the Technical Assistance Subrecipient Bank Account (or, at the sole discretion of Lender, any other deposit account) until December 31, 2032 (or, at the sole discretion of Lender, such earlier date), an amount equal to \$9,849.39 (the “**Holdback Amount**”). Technical Assistance Subrecipient shall pay on demand by CGB all amounts necessary to satisfy Technical Assistance Subrecipient’s obligations under Section 8.1 out of the Holdback Amount; provided that where such payment is not permissible in whole or in part under applicable Laws, or in the event that the Holdback Amount is insufficient to cover such payment, Technical Assistance Subrecipient shall remain obligated to make such payment to Lender from other funds. For avoidance of doubt, the Holdback Amount is not a limitation or cap on Technical Assistance Subrecipient’s liability to CGB under this Article VIII. Following completion of the second annual financial statement audit in accordance with 2 CFR Part 200, Subpart F, “Audit Requirements”, the Parties will confer and consider in good faith a reduction or release of the Holdback Amount.

Section 8.4. Limitation of Liability. Technical Assistance Subrecipient shall not be liable to CGB or to any other Person for any special, incidental, consequential, or indirect damages, or for any loss of profits, loss of revenue, or business interruption.

ARTICLE IX CHOICE OF LAW; DISPUTE RESOLUTION

(a) THIS AGREEMENT AND ANY CLAIMS, CONTROVERSIES, DISPUTES OR CAUSES OF ACTION (WHETHER IN CONTRACT OR TORT OR OTHERWISE) BASED UPON, ARISING OUT OF, OR RELATING TO, THIS AGREEMENT OR ANY OTHER AGREEMENT OR INSTRUMENT CONTEMPLATED HEREBY SHALL BE GOVERNED BY, AND CONSTRUCTED IN ACCORDANCE WITH, THE INTERNAL LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO CONFLICT OF LAW PRINCIPLES.

(b) The Parties agree that the procedures set forth in this Section 9 shall be the exclusive mechanism for resolving any dispute, controversy, or claim of any nature between the Parties that may arise out of or in relation to this Agreement or the breach, termination, enforcement, interpretation or validity thereof (each, a “**Dispute**,” and, collectively, the “**Disputes**”).

(c) In the event of any Dispute, the Parties shall first attempt in good faith to resolve such Dispute by negotiation and consultation between themselves. In the event that such Dispute is not resolved on such informal basis within 30 days of the delivery to the other Party of written notice of such Dispute (“**Notice of Legal Dispute**”), each Party may, in its discretion, seek resolution of the Dispute in accordance with Section 9(d), below. Notices of Legal Dispute must be in writing and must set forth the facts of the Dispute and the relief requested.

(d) Any unresolved Dispute that has been subject to, and exhausted the procedures of, Section 9(c) shall be settled by final and binding arbitration administered by the American Arbitration Association in accordance with its Commercial Arbitration Rules. The Dispute(s) shall be heard by one arbitrator. The place of arbitration shall be Connecticut, and the arbitration shall be governed by the laws of New York. All proceedings and communications shall be in English. Judgment on the award may be entered in any court having jurisdiction. This clause shall not preclude the Parties from seeking provisional

remedies in aid of arbitration from a court of competent jurisdiction. Both Parties hereto hereby expressly and irrevocably waive the right to trial by jury.

(e) Except to the extent necessary to confirm an award or as may be required by applicable Law, neither a Party nor an arbitrator may disclose the existence, content, or results of an arbitration without the prior written consent of both Parties.

ARTICLE X MISCELLANEOUS PROVISIONS

Section 10.1. Waivers; Amendments. No amendment or waiver of any provision of this Agreement, and no consent to any departure by Technical Assistance Subrecipient from its obligations hereunder, shall be effective unless in writing and signed by CGB and Technical Assistance Subrecipient; provided that CGB may amend this Agreement unilaterally with reasonable notice to and without the consent of Technical Assistance Subrecipient if such amendment (a) corresponds to a revision of the EPA Award, the EPA Terms & Conditions or the CGC-CGB Subgrant Agreement, or is otherwise required by the EPA or CGC, (b) is determined by CGB to be necessary to ensure compliance with Federal Requirements, the Coalition Work Plan, or the CGC-CGB Subgrant Agreement (c) is a temporary amendment to address an emergency or other unanticipated circumstance so long as such temporary amendment is in effect for no more than sixty (60) days; provided, further, that Technical Assistance Subrecipient may dispute the unilateral amendment by providing notice to CGB within five (5) Business Days of the amendment under this Section and the parties will negotiate in good faith to reach a mutually acceptable amendment of the Agreement. Any waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

Section 10.2. Notices; Time. All notices and other communication to be provided under this Agreement shall be in writing or by email and addressed, delivered or transmitted to the applicable Party at its address or email address set forth on Schedule C hereto, or such other address or email address as may be designated in writing by such Party in a written notice to the other Party. Any notice properly addressed and mailed shall be deemed given when received; any notice transmitted by email shall be deemed given upon the earlier of confirmation of receipt by the recipient and the opening of business on the next Business Day of the recipient.

Section 10.3. Survival. Notwithstanding anything to the contrary hereunder, Section 7.3 (*Remedies; Effect of Termination*), Article 8 (*Indemnification; Limitation of Liability*) Article 9 (*Choice of Law; Dispute Resolution*), Section 10.3 (*Survival*), Section 10.4 (*Entire Agreement*), Section 10.5 (*Severability*), Section 10.8 (*Successors and Assigns*), and Section 10.9 (*Relationship of Parties; No Third-Party Beneficiaries*) of this Agreement shall in each case survive any termination of this Agreement. All representations and warranties made or deemed to be made by Technical Assistance Subrecipient in this Agreement or in any agreement, certificate or other document delivered hereto shall survive the execution and delivery hereof or thereof.

Section 10.4. Entire Agreement. This Agreement (including the Exhibits and Schedules hereto) constitutes the entire understanding between the Parties with respect to the subject matter hereof, and shall supersede any prior agreements, written or oral, with respect thereto.

Section 10.5. Severability of Provisions. Any provision of this Agreement or any agreement or instrument contemplated hereby which is prohibited or unenforceable in any jurisdiction shall, as to such provision and such jurisdiction, be ineffective only to the extent of such prohibition or unenforceability without invalidating the remaining provisions of this Agreement or such other agreement or instrument or affecting the validity or enforceability of such provision in any other jurisdiction.

Section 10.6. Headings. Headings in this Agreement are inserted for convenience only and shall not affect the meaning or interpretation of this Agreement or any provisions hereof.

Section 10.7. Execution in Counterparts. This Agreement may be executed in any number of counterparts and by different parties on separate counterparts, each of which, when executed and delivered, is an original, and all taken together, constitute one Agreement. Executed copies of the signature pages of this Agreement sent by facsimile or transmitted electronically in Portable Document Format (“.pdf”), or any similar format, shall be treated as originals, fully binding and with full legal force and effect, and the parties waive any rights they may have to object to such treatment. The words “execution,” “signed,” “signature,” and words of like import in this Agreement and the other Transaction Documents shall be deemed to include electronic signatures or electronic records, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable Law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act.

Section 10.8. Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the Parties, and no Party shall assign or otherwise transfer any of its rights or obligations hereunder to any person except with the written consent of the other Party.

Section 10.9. Relationship of Parties; No Third Party Beneficiaries.

(a) The relationship of the Parties to this Agreement is determined solely by the provisions of this Agreement and the other Transaction Documents. The Parties do not intend to create any agency, partnership, joint venture, trust, fiduciary or other relationship with duties or incidents different from those of parties to an arm’s-length contract.

(b) Technical Assistance Subrecipient acknowledges and agrees that (i) this Agreement and the transactions contemplated hereunder are arm’s-length transactions between Technical Assistance Subrecipient and CGB, (ii) CGB and each of its applicable affiliates is acting solely as a principal and not as an agent or fiduciary of Technical Assistance Subrecipient or its affiliates, (iii) CGB and its applicable affiliates have no advisory or fiduciary responsibility or other obligation in favor of Technical Assistance Subrecipient or its affiliates with respect to the transactions contemplated hereunder except to the extent expressly set forth in this Agreement and (iv) Technical Assistance Subrecipient has consulted its own legal and financial advisors to the extent it deems appropriate.

(c) Nothing in this Agreement, whether express or implied, is intended to: (a) confer any benefits, rights or remedies under or by reason of this Agreement on any persons other than the express parties to it and their respective permitted successors and assigns; (b) relieve or discharge the obligation or liability of any person not an express party to this Agreement; or (c) give any person not an express party to this Agreement any right of subrogation or action against any party to this Agreement.

[Signature pages follow.]

IN WITNESS WHEREOF, each Party hereto has caused this Agreement to be executed by its duly authorized officer as of the date first above written.

CONNECTICUT GREEN BANK,

**NEW HAMPSHIRE COMMUNITY LOAN
FUND,**
as Technical Assistance Subrecipient

By: _____
Name:
Title:

By: _____
Name:
Title:

EXHIBIT A
COALITION WORK PLAN

[To be attached]

EXHIBIT B
FORM OF DRAW NOTICE

Connecticut Green Bank
75 Charter Oak Ave, Suite 1 – 103
Hartford, CT 06106
Attn: General Counsel
Email: Brian.Farnen@ctgreenbank.com

[DATE]¹

Ladies and Gentlemen:

Reference is hereby made to that certain Subgrant Agreement, dated as of [] (as amended, supplemented or otherwise modified from time to time and in effect on the date hereof, the “**Agreement**”), by and among New Hampshire Community Loan Fund (“**Technical Assistance Subrecipient**”) and Connecticut Green Bank (“**CGB**”).

Unless otherwise defined herein or the context otherwise requires, terms used herein have the meanings provided in the Agreement.

Pursuant to the provisions of Section 3.3(a) of the Agreement, the Technical Assistance Subrecipient hereby requests a Subgrant Draw to be made on the requested draw date set forth below (the “**Requested Draw Date**”), with the following specifications:

1. Requested Draw Date: _____²
2. Requested Draw Amount: _____³
3. Technical Assistance Subrecipient Bank Account Wire Instructions:
[Bank Name].
[City, State]
ABA: [●]
For Account Of: [●]
Account Number: [●]⁴

The undersigned, solely in his or her capacity as the [Chief Executive Officer][Chief Financial Officer][Chief Compliance Officer] of Technical Assistance Subrecipient, hereby represents, warrants and certifies, on behalf of Technical Assistance Subrecipient, to CGB that:

¹ Date of Draw Notice shall be the Draw Request Date.

² Shall be a Business Day during the Period of Performance, and not less than three (3) Business Days nor more than five (5) Business Days after the date of the Draw Notice.

³ To be the Subgrant Amount.

⁴ To be the wire instructions for Technical Assistance Subrecipient’s Bank Account.

(a) no default or Event of Default has occurred and is continuing or would result from the proposed Subgrant Draw;

(b) the representations and warranties in the Agreement are true and complete in all material respects (without duplication of any materiality qualifiers) on the date of this Draw Notice and the Requested Draw Date; provided, however, that those representations and warranties expressly referring to a specific date are true, accurate and complete in all material respects (without duplication of any materiality qualifiers) as of such date; and

(c) the making of the proposed Subgrant Draw and the intended use of proceeds thereof shall comply with all terms of the Agreement and all applicable Laws, including all Federal Requirements, and no proceeds of the requested Subgrant Draw shall be used for any prohibited use under Section III.E of the EPA Terms & Conditions;

(d) it acknowledges and agrees that any knowing and willful false statements made by the Technical Assistance Subrecipient to CGB may be subject to prosecution under 18 U.S.C. 1001 and other criminal, civil and administrative sanctions; and

(e) such officer signing below is the [Chief Executive Officer][Chief Financial Officer][Chief Compliance Officer] of Technical Assistance Subrecipient and is authorized to request the Subgrant Draw contemplated hereby and issue this Draw Notice on behalf of Technical Assistance Subrecipient.

[Signature Page Follows.]

Very truly yours,

New Hampshire Community Loan Fund, as Technical
Assistance Subrecipient

By: _____

Name:

Title:

EXHIBIT C

EPA TERMS & CONDITIONS

[To be attached]

EXHIBIT D INFORMATION RIGHTS

During the Term of this Agreement, Technical Assistance Subrecipient shall promptly deliver to CGB all notices and materials delivered to the Board or any committees thereof in connection with a meeting of the Board or committee, or with any action to be taken by written consent, including drafts of any material resolutions or actions proposed to be adopted by written consent and minutes of any meeting of the Board or any committee thereof, to the extent relevant to this Agreement or Subrecipient's administration of NCIF funds or NCIF-support projects. CGB shall keep all information, documents and other materials delivered to it by Technical Assistance Subrecipient under this paragraph confidential, except for any nonexempt materials under any applicable freedom of information laws.

If any issue is to be discussed or otherwise arises at any meeting of the Board or committee thereof, which, in the reasonable good faith judgment of the Board, cannot be disclosed to CGB pursuant to the terms of the paragraph above (i) in order to avoid an actual or potential conflict of interest on the part of CGB or (ii) because (and only to the extent) that receipt of any such materials by CGB would violate, jeopardize, impair or otherwise adversely affect an attorney-client privilege, then any materials delivered to the Board pertaining to such issue (whether before or after such meeting) need not be delivered to CGB, so long as CGB is given notice of the occurrence of such judgment by the Board and that certain materials will not be delivered to CGB.

SCHEDULE A
SUBGRANT BUDGET

[To be attached]

SCHEDULE B
SUBGRANT IMPLEMENTATION PLAN

[To be attached]

SCHEDULE C

NOTICES

If to CGB:

[REDACTED]

[ADDRESS]

Attn: [●]

Email: [●]

With a copy (not constituting notice) to:

[●]

[Address]

Attn: [●]

Email: [●]

If to Technical Assistance Subrecipient:

[REDACTED]

[ADDRESS]

Attn: [●]

Email: [●]

With a copy (not constituting notice) to:

[●]

[Address]

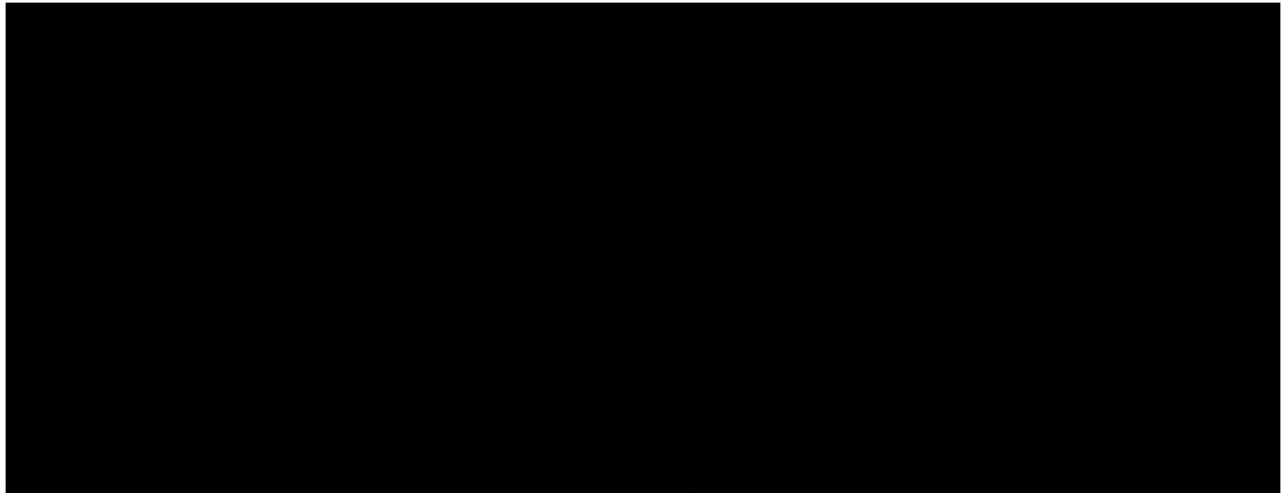
Attn: [●]

Email: [●]

20 Hultenius Street, Plainville, CT

C-PACE Project Diligence Memo

January 21, 2025



Document Purpose: This document contains background information and due diligence on a potential C-PACE transaction described herein. This information is provided to the Connecticut Green Bank ("Green Bank") officers, senior staff and the Connecticut Green Bank Board of Directors for the purposes of reviewing and approving recommendations made by 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 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.

Resolutions

WHEREAS, pursuant to Connecticut General Statute Section 16a-40g (the “Statute”), the Connecticut Green Bank (Green Bank) has established a commercial sustainable energy program for Connecticut, known as Commercial Property Assessed Clean Energy (“C-PACE”);

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

WHEREAS, the Green Bank seeks to provide a \$892,315 construction and term loan under the C-PACE program to Kalart Associates, LLC, the building owner of 20 Hultenius Street, Plainville, Connecticut (the “Loan”), to finance the construction of specified clean energy measures in line with the State’s Comprehensive Energy Strategy and the Green Bank’s Strategic Plan as more particularly described in the memorandum submitted to the Green Bank Board of Directors dated January 21, 2025 (the “Memo”).

NOW, therefore be it:

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

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

RESOLVED, that the duly authorized Green Bank officers are authorized and empowered to do all other acts and execute and deliver all other documents and instruments as they shall deem necessary and desirable to effect the above-mentioned legal instruments.

Submitted by: Bryan Garcia, President and CEO; Bert Hunter, EVP and CIO; Brian Farnen, General Counsel and CLO; Mackey Dykes, VP of Financing Programs and Officer; Alex Kovtunenکو, Deputy General Counsel, and Louise Della Pesca, Consultant of Investments

105 Highland Park Drive, Bloomfield, CT

C-PACE Project Diligence Memo

January 17, 2025



Document Purpose: This document contains background information and due diligence on a potential C-PACE transaction described herein. This information is provided to the Connecticut Green Bank ("Green Bank") officers, senior staff and the Connecticut Green Bank Board of Directors for the purposes of reviewing and approving recommendations made by 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 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.

Resolutions

WHEREAS, pursuant to Connecticut General Statute Section 16a-40g (the "Statute"), the Connecticut Green Bank (Green Bank) has established a commercial sustainable energy program for Connecticut, known as Commercial Property Assessed Clean Energy ("C-PACE");

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

WHEREAS, the Green Bank seeks to provide a \$667,722 construction and term loan under the C-PACE program to mk NORTH AMERICA, INC., the building owner of 105 Highland Park Drive, Bloomfield, Connecticut (the "Loan"), to finance the construction of specified clean energy measures in line with the State's Comprehensive Energy Strategy and the Green Bank's Strategic Plan as more particularly described in the memorandum submitted to the Green Bank Board of Directors dated January 17, 2025 (the "Memo").

NOW, therefore be it:

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

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

RESOLVED, that the duly authorized Green Bank officers are authorized and empowered to do all other acts and execute and deliver all other documents and instruments as they shall deem necessary and desirable to effect the above-mentioned legal instruments.

Submitted by: Bryan Garcia, President and CEO; Bert Hunter, EVP and CIO; Brian Farnen, General Counsel and CLO; Mackey Dykes, VP of Financing Programs and Officer; Alex Kovtunencko, Deputy General Counsel, and Louise Della Pesca, Consultant of Investments.

Memo

To: Connecticut Green Bank Board of Directors

From: Mackey Dykes, Executive Vice President, Financing Programs

CC: Bryan Garcia, President & CEO; Bert Hunter, EVP & Chief Investment Officer; Jane Murphy, EVP Finance & Administration

Date: January 17, 2025

Re: Small Business Energy Advantage Master Agreement 3 Year Renewal

Just over six years ago, the Connecticut Green Bank (Green Bank) formed a partnership with Amalgamated Bank and Eversource to provide private and Green Bank capital for Eversource's Small Business Energy Advantage (SBEA) program. This program offers energy audits, incentives and financing to eligible small business, municipalities, and state agencies for energy efficiency projects. The partnership provides capital for the financing aspect of the program, which offers on-bill, 0% financing for up to 7 years. In order to offer that 0% interest rate to SBEA customers, Eversource uses ratepayer funds from the Conservation and Load Management ("C&LM") fund to buy down the interest rate. The intent of the partnership was to both reduce the cost of capital for the program, therefore requiring less C&LM funds for the interest rate buydown, as well as expand the availability of capital. Prior to Green Bank's efforts to form this public-private partnership, capital for the program was provided substantially with funds from Eversource, which had a rate that oftentimes exceeded 10%.

The partnership has been a success in both areas. Under the Master Purchase and Servicing Agreement ("Master Agreement") Amalgamated Bank and CEFIA Holdings LLC (a Green Bank subsidiary) have purchased over \$113 million of loans, representing nearly 7,600 projects. With a rate of 6.43% for the last purchase of loans from Eversource, an average rate of 4.77% (for loans with terms less than four years) over all the loan purchases, and a lowest rate of 2.33%, the capital is significantly cheaper than the Eversource shareholder capital that was previously utilized. Eversource has also been able to expand the amount of capital that municipalities and state agencies can access through the program, increase the terms offered, and make more businesses eligible for financing through expanding the offering to the Business Energy Advantage Program (BEA).

Originally, Amalgamated Bank was purchasing 90% of the balance of the outstanding loans and Green Bank the remaining 10%. When the Master Agreement was previously extended in 2022, the Green Bank percentage was increased to 20%. Green Bank has deployed nearly \$14 million of capital through purchases of loans through the partnership. While loan defaults have remained low, in the 1% - 1.5% range throughout the partnership, Green Bank has not suffered any losses thanks to the strong protections of the structure. The C&LM fund makes the Green Bank whole for any loan non-payments. Green Bank, in turn, acts as a loan loss reserve for Amalgamated Bank, ensuring any funds collected in a period first go towards Amalgamated Bank's outstanding balance.

After an extension that the Green Bank Board of Directors approved in 2022, the commitment to purchase new loans under the Master Agreement expired at the end of 2024. Therefore, staff is requesting permission to renew the purchase commitment and agreement for three years, to align it with the length of the Conservation and Loan Management Fund's new three-year plan. No major changes are anticipated to the terms. Amalgamated Bank has requested to reduce their purchase commitment from a maximum of \$50 million of outstanding balance to \$30 million. Historically the overall outstanding balance has not approached this amount, with the average outstanding balance at \$30.4 million. Therefore, it is not anticipated that this reduction will have an impact, since combining the reduced \$30 million Amalgamated Bank commitment with the existing Green Bank commitment of \$20 million provides \$50 million of funding. However, in an abundance of caution, Green Bank staff recommends maintaining the Green Bank purchase commitment of \$20 million and allowing Green Bank to purchase 100% of any loans that remain if the Amalgamated Bank commitment is exceeded and also in the case (previously approved by the Board) should certain transactions not qualify for purchase by Amalgamated.

Resolutions

WHEREAS, the purchase commitments under the CEFIA Holdings LLC (a Connecticut Green Bank subsidiary), Eversource Energy and Amalgamated Bank Small Business Energy Advantage (SBEA) financing facility, pursuant to that certain Third Amended and Restated Master Purchase and Servicing Agreement dated March 20, 2020 (as amended, the "MPA"), expired on December 31, 2024; and,

WHEREAS, the parties have agreed on terms in principle as set forth in a memorandum to the Connecticut Green Bank Board of Directors (the "Board") dated January 17, 2025 (the "MPA Memo") to renew and extend the MPA.

NOW, therefore be it:

RESOLVED, that the Board authorizes the Connecticut Green Bank to renew and extend the MPA to December 31, 2027 substantially in accordance with the terms of the existing MPA with modifications as set forth in the MPA Memo; and,

RESOLVED, that the proper Connecticut Green Bank officers are authorized and empowered to do all other acts and negotiate and deliver all other documents and instruments as they shall deem necessary and desirable to effect the above-mentioned legal instruments.



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Memo

To: Connecticut Green Bank Board of Directors

From: Bert Hunter, EVP and CIO and Mariana Trief, Director, Investments

Cc: Bryan Garcia, President and CEO; Brian Farnen, General Counsel and CLO; Mackey Dykes, EVP Financing Programs; Catherine Duncan, Director, Financing Programs, Transaction Management

Date: January 21, 2025

Re: Historic Cargill Falls Mill Loan Payment Deferral

Summary

Staff of the Connecticut Green Bank ("Green Bank") provided an update to the Green Bank's Board of Directors (the "Board") on the Historic Cargill Falls Mill project (the "Project") in a memorandum to the Board dated December 10, 2024 and in discussions with the Board at its meeting held December 13, 2024. The memo and these discussions outlined plans for a loan restructuring proposal to be presented at the January 24, 2025 meeting of the Board once additional information became available to inform the 2025 budget for the Project.

Since that time, the property manager has completed the 2025 budget. There have also been ongoing discussions and negotiations with key stakeholders, primarily Enhanced Capital (the federal historic tax credit investor) and Haynes Construction ("Haynes"), which holds a \$725,000 two-year term note issued to bridge a funding gap during construction. While initial payments on this loan were made from property cash flow, lead remediation efforts (previously explained to the Board) necessitated payment deferrals starting in March 2023. As of now, the outstanding balance on the Haynes loan, including deferred interest, is approximately \$500,000.

Given the current status of ongoing negotiations and discussions with key stakeholders to finalize a satisfactory loan restructuring proposal, Staff is requesting an additional deferral of both the First and Second Benefit Assessment Lien payments due in January 2025. Staff anticipates resolving key discussions with stakeholders before the next C-PACE payment which will be due on July 1, 2025, enabling us to return to the Board with a comprehensive loan restructuring proposal. According to the Green Bank's Loan Loss Decision Process, last updated on March 25, 2022, any restructuring involving a C-PACE loan with a principal outstanding of more than \$1M requires Board approval. This restructuring will be presented later in 2025 and will seek to ensure the full repayment of all principal due to the Green Bank while maintaining the Green Bank's first lien position, in alignment with the C-PACE security requirements.

Resolutions

WHEREAS, pursuant to Conn. Gen. Stat. 16a-40g, the Connecticut Green Bank (“Green Bank”) has established a commercial sustainable energy program for Connecticut, known as Commercial Property Assessed Clean Energy (“C-PACE”);

WHEREAS, the Board of Directors (“Board”) of the Green Bank previously approved a construction and term financing, secured by a C-PACE benefit assessment lien, not-to-exceed amount of \$8,100,000 (the “Current Lien”) to Historic Cargill Falls Mill, LLC (“HCFM”), the property owner of 52 and 58 Pomfret Street, Putnam, Connecticut, to finance the construction of specified clean energy measures (the “Project”) in line with the State’s Comprehensive Energy Strategy and the Green Bank’s Strategic Plan;

WHEREAS, the Project includes numerous energy conservation measures that align with the goals and priorities of the Green Bank’s multifamily housing program;

WHEREAS, Green Bank staff now seeks approval to defer C-PACE loan payments from HCFM (“Loan Deferral”) until July 1, 2025 as explained in the memorandum in respect of this matter submitted to the Board on January 21, 2025 (the “Board Memo”).

NOW, therefore be it:

RESOLVED, that the President of the Green Bank and any other duly authorized officer of the Green Bank is authorized to execute and deliver the Loan Deferral consistent with the Board Memo and the Green Bank’s Loan Loss Decision Process; 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 effect the above-mentioned legal instrument.

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PosiGen

ImpactAssets Participant 1st Lien & 2nd Lien Facility Upsize

Memorandum

January 21, 2025



Document Contents: This document contains background information and due diligence on establishing a new participation on a second lien loan facility for PosiGen Inc. ("PosiGen"). 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.

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To: [Connecticut Green Bank Board of Directors](#)
CC: [Bryan Garcia, President and CEO; Jane Murphy, Executive Vice President Finance and Administration; Brian Farnen, General Counsel and CLO; Eric Shrago, Vice President of Operations; Sergio Carrillo, Managing Director of Incentive Programs](#)
From: [Larry Campana, Associate Director of Investments; Bert Hunter, EVP and CIO](#)
Date: [January 21, 2025](#)
Re: [PosiGen 1st Lien and 2nd Lien Facility Increase \(No Green Bank Capital Increase\)](#)

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Background

In April 2024, PosiGen, PBC. ("PosiGen") ~~PosiGen~~ formally amended its first lien asset-backed facility (the "FLCF") with Brookfield Asset Management ("Brookfield") by adding \$150 million capacity, raising the total FLCF capacity to \$400 million, and expanded the use of funds to include work-in-progress ("WIP") systems. As part of the upsize, the Connecticut Green Bank ("Green Bank") increased its "2nd lien" facility subordinated to Brookfield (the "second lien credit facility", or "SLCF") by \$8 million, increasing the total SLCF commitment to \$34 million which includes participants of \$6.75 million and the PBI facility of \$10 million (which is defeased with a sweep of Performance Based Incentive ("PBI") ~~PBI~~ revenues paid by the Green Bank (to itself) and with a face amount of exposure for the PBI facility down to \$7 million). Green Bank and participants only "matched" Brookfield under the borrowing base up to Brookfield advances of \$300 million, meaning Brookfield was free to lend more (up to \$400 million) but Green Bank and participants were limited to \$24 million. The Green Bank Board of Directors (the "Board") approved of the FLCF and SLCF adjustments in January 2024.

Then, in October 2024, PosiGen successfully closed on a 2nd upsize of \$200 million with Brookfield (now up to \$600 million), which supports PosiGen's growth in Connecticut and beyond. This transaction was viewed as credit positive for Green Bank as it included the repayment of the former \$12 million ~~ITC~~ Investment Tax Credit Bridge Loan ("ITC Bridge") position (repaid \$6 million to Green Bank and \$6 million to participants in October 2024). Beyond the repayment of the ITC Bridge, staff supported the upsize because it involved an extension of the existing Brookfield warehouse facility on favorable terms relative to current market conditions. The 2nd upsize supports the growth of PosiGen as it is realized more than 1,000 installs per month in Q4 of 2024. Furthermore, the upsize was aligned with PosiGen's positive progress towards securing the Loan Program Office's ("LPO") \$1 billion loan (supported by Green Bank and other State Energy Financing Institutions), which is expected to serve as a term financing or takeout solution.

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As noted, this 2nd upside increased the first lien capital contribution from \$400 million to \$600 million. Prior to the upside, the first lien facility outstanding balance was \$399,993,302. Monthly outstanding balances thereafter were \$464,650,187 (upon closing of the upside in October) and \$480,600,918, \$495,636,029, and \$511,576,525.60 for November, December and January, respectively.

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Staff signed off on this increase in the FLCF in October 2024 by signing an intercreditor agreement with PosiGen, Brookfield, DC Green Bank and other parties. Historically, Green Bank staff has obtained approval for increases in various PosiGen 1st lien facilities over the years. On this occasion, and possibly because this increase by Brookfield was associated with a substantial (\$12 million) repayment, staff erred in approving the 2nd Brookfield upside prior to before obtaining Board approval. Staff is now taking steps to rectify this oversight by seeking approval for the 2nd Brookfield Brookfield upside and ratification of staff's execution of the intercreditor agreement and related documentation for the 2nd upside.

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On October 18, 2024, PosiGen, PBC. ("PosiGen") formally amended its First Lien asset-backed Credit Facility (the "FLCF") with Brookfield Asset Management ("Brookfield") by adding \$150 million capacity to the standard term loan and including a new \$50 million ITC Bridge Loan, raising the total FLCF aggregate principal commitment from Brookfield to PosiGen to \$600 million. With the support of the Connecticut Green Bank ("Green Bank") Board of Directors (the "Board"), Green Bank at that time issued the consent for this upsizing while maintaining the total Second Lien Credit Facility ("SLCF") commitment of \$34 million, which includes participant contributions of \$7.25 million and the Performance Based Incentive ("PBI") facility of \$10 million (which is defeased with a sweep of PBI revenues paid by the Green Bank (to itself) and with a face amount of exposure for the PBI facility down to \$7 million at that time).

Previously, as the Board may recall, As noted above, Green Bank had provided an Investment Tax Credit ("the ITC"), bBridge loan with participants in the amount of \$12 million (Green Bank portion \$6 million) to PosiGen, established March 27, 2023, and repaid with the Brookfield upside completed last October. That bridge loan included a participant contribution of \$6 million in total, of which just less than half came from the impact investing firm ImpactAssets ("IA"). IA has now requested the opportunity to participate in the Green Bank's standard SLCF, which currently includes five participants with varying levels of contribution, with the highest being Libra and TSFF both providing \$2 million in capital. The total SLCF commitment of \$34 million has now been fully utilized as of December 2024, and IA has indicated an interest in providing \$6 million in new capital, which would raise the total participant commitment to \$13.25 million and the SLCF commitment to \$40 million. The primary objective of this upside is

to support the growth PosiGen expects to accelerate in 2025, a continuation of the growth trajectory over the last 36 months, by providing additional private capital with no new Green Bank exposure. Green Bank's exposure would remain at \$17.25 million under the SLCF.

Finance Update

The October FLCF upsize was completed to continue supporting PosiGen's rapid growth, both in Connecticut and across the country. PosiGen now has 30,000 operating systems across the US, with Connecticut being one of the largest markets. Connecticut is home to 15% of PosiGen's employees and is the state where 21% of PosiGen's customers are served. This translates to over 6,300 Connecticut customers. This upsize by Brookfield provided over \$150 million in additional capacity for financing new installations, creating a runway through the majority of 2025. Over the past year, PosiGen has continued steady growth, achieving a 37% increase in project installations from 2023. This consistent growth, despite challenging market conditions, was driven by expanding strong channel partner relationships and consistent performance through direct sales.

Looking to 2025, PosiGen is confident in its ability to sustain its growth and remains prepared to deal with the evolving political climate. The company is now established in 15 states and plans to deepen its customer base within these existing markets, while also considering expansion into several additional new markets.

In 2024, PosiGen successfully closed \$110 million in tax equity asset financing and is poised to build on this success. In 2025, PosiGen estimates acquiring 12,000 new customers and generating \$220 million ITC, a 70% increase year-over-year, driven by the customer base expansion and anticipated capture rate of ITC adders. To finance this growth, PosiGen has already secured three separate hybrid tax equity partnerships, totaling \$300+ million in committed tax equity financing capacity for 2025, which is more than sufficient to monetize the expected ITC generation.

While the Inflation Reduction Act ("IRA") is expected to be modified to some degree due to the new leadership in Washington, D.C., PosiGen has nonetheless established the infrastructure to maximize the Energy Community and Low-Income Community adders to the extent that they remain available, and the company is deploying Domestic Content ("DC") only for its direct origination at this point. PosiGen is proud to be one of the first to build out DC infrastructure with qualification verified by a third-party audit. PosiGen has also safeguarded against more negative IRA outcomes by continuously assessing market pricing, maintaining access to traditional partnership-flip tax equity vehicles through hybrid partnerships and existing relationships with investors who

continue to self-monetize credits, and by forming relationships and allies amongst key legislators and leaders in the new administration.

As PosiGen's Tax Equity financing options continue to see promising expansion, the company is also working to secure additional long-term debt financing that will reduce its cost of capital and unlock additional capacity in the existing warehouse facility. PosiGen's approach and pathways are detailed in the following section.

LPO/GGRF/CGC Update

PosiGen is currently working with Greenhouse Gas Reduction Fund ("GGRF") awardees Climate United ("CUF") and Coalition for Green Capital ("CGC") to refinance the existing projects in the Brookfield and Green Bank 2nd Lien facilities. CUF was awarded \$7 billion and CGC was awarded \$5 billion from the U.S. Environmental Protection Agency under the GGRF's National Clean Investment Fund. Term sheets are in negotiation with both CUF and CGC for \$150 million and \$250 million facilities, respectively, and are expected to reach financial close in early Q2 2025. In parallel, PosiGen is also still pursuing a \$1 billion loan with the DOE Loan Programs Office, which will be used to refinance future projects out of the Brookfield and Green Bank facilities. After some stagnation, as a result of the pending change in Administration, PosiGen was encouraged by the DOE to continue to pursue this loan despite the likely change in leadership. PosiGen is in the final stages of preparing a long-form term sheet and expects to execute it by the end of January 2025.

Recommendation

Given the mutual agreement on establishing ImpactAssets as a participant of the 2nd lien facility with a capital commitment of \$6 million, increasing the total participant contribution from \$7.25 million to \$13.25 million, and the positive trajectory of PosiGen's performance, Green Bank staff recommends approving this upsize to the 2nd lien facility, along with an extension of the commitment's availability period to facilitate draws against the 2nd lien.

Resolutions

WHEREAS, the Connecticut Green Bank ("Green Bank") has an existing partnership with PosiGen, PBC. (together with its affiliates and subsidiaries, "PosiGen") to support PosiGen in delivering a solar lease (including battery storage) and energy efficiency finance offering to low to moderate income households in Connecticut.

WHEREAS, in October 2024, Brookfield Asset Management ("Brookfield") provided PosiGen with an increase under the First Lien Credit Facility ("FLCF") in the amount of

\$200 million (the “2nd Upsize”) which enabled PosiGen to repay Green Bank and its participants \$12 million loaned to PosiGen to bridge receipt of federal investment tax credit funds, and such 2nd Upsize was consented to by staff by executing an intercreditor agreement (the “Intercreditor Agreement”) with PosiGen, Brookfield and other parties;

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WHEREAS, the Green Bank Board of Directors (the “Board”) previously authorized approval for the impact investing firm ImpactAssets’ participation in an Investment Tax Credit Bridge Loan with a participant contribution of \$2.875 million on June 7, 2023.

WHEREAS, staff has analyzed the current financial condition of PosiGen in relation to the proposed incremental 2nd lien upsize and related financing and has concluded that the additional exposure risk is reasonable and appropriate, and recommends the Board approve the addition of ImpactAssets as a participant with a capital contribution not to exceed \$6,000,000 as more fully explained in the memorandum to the Board dated January 21, 2025 (the “Board Memo”);

NOW, therefore be it:

RESOLVED, that the Board authorizes the Green Bank to upsize the SLCF, adding ImpactAssets, or an alternative investor, as a participant to the 2nd lien facility for PosiGen, not to exceed an additional capital commitment of \$6,000,000, and to extend the availability period accordingly to allow for draws against this facility, as outlined in the Board Memo;

RESOLVED, that the Board authorizes the 2nd Upsize provided by Brookfield in October 2024, and approves and ratifies staff’s consent to the 2nd Upsize and related documentation executed by staff in October 2024;

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RESOLVED, that the proper Green Bank officers are authorized and empowered to do all other acts and negotiate and deliver all other documents and instruments as they shall deem necessary and desirable to effect the above-mentioned legal instruments.

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Sungage Financial

Capital Solutions – New Smart-E Lender

January 21, 2025



Document Contents: This document contains background information and due diligence on Sungage Financial ("Sungage") as a new lender in the Smart-E program focusing on solar and solar plus storage projects for residential customers in Connecticut. 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.

Capital Solutions Investment Memo

To: Connecticut Green Bank Board of Directors

CC: Bryan Garcia, President and CEO; Jane Murphy, Executive Vice President Finance and Administration; Brian Farnen, General Counsel and CLO; Eric Shrago, Vice President of Operations; Sergio Carrillo, Managing Director of Incentive Programs

From: Larry Campana, Associate Director of Investments; Fiona Stewart, Senior Manager of Investments; Bert Hunter, EVP and CIO

Date: January 21, 2025

Re: Sungage Financial – New Smart-E Lender for Solar + Storage focus

Background

In 2013, the Connecticut Green Bank (the “Green Bank”) Board of Directors (the “Board”) approved the Smart-E Loan program, which has since become the Green Bank’s flagship residential loan product. The program is offered through a network of local credit unions and community banks, with past participation from Capital for Change (“C4C”), a community development financial institution. However, in mid-2024, C4C announced a pause in their participation due to capital constraints. While other participating lenders absorbed some of the market demand left by C4C’s exit, they too face constraints, particularly in financing larger projects and offering longer loan terms. Many of these lenders, including the largest participants in the Smart-E network, continue to experience pressure on their capital and deposits, limiting their ability to fully meet market needs.

Additionally, most lenders in the program cannot provide financing for projects in the \$50,000 to \$75,000 range or have restrictive criteria regarding loan terms and borrower qualifications for larger-scale projects. A significant challenge arises for Smart-E borrowers looking to bridge the gap between project costs and the anticipated residential investment tax credit (“ITC”) for solar and battery storage, which was previously addressed by C4C. With their withdrawal, contractors are seeking improved access to capital to meet customer demand for longer-term financing and ITC bridge loans, with solar and solar-plus-storage projects being the most affected segments.

Proposed Solution

The Investments team has sought a solution for the gap and options that would be beneficial to both homeowners and contractors. In Q1 of FY 2025, the Investments team approached Sungage Financial (“Sungage”) to gauge interest in participating in the Smart-E program. The Green Bank has a long history with Sungage as back in 2013, the Green Bank and Sungage launched the CT Solar Loan program. They agreed

and have applied to the Capital Solutions Request for Proposals program in order to enter the Smart-E program with a specific solar and storage carveout as further described on the next page.

Sungage Financial

In early 2011, Sungage Financial launched the nation's first online solar loan designed specifically for residential projects after the co-founder, Sara Ross, had struggled to find a lender who understood solar. Sungage focuses exclusively on providing their installer partners and homeowners with seamless, efficient, and highly-supported financing options for solar energy and storage. Since those early days, Sungage has continued to grow but the focus remains the same: delivering consumer-friendly financing options for their installation partners. In her current role as a board member, Sara continues to be a voice guiding Sungage’s direction and contribution to the clean energy transition while also connecting us to our roots. In 2018, current leadership, Mike Gilroy and Jim Donovan, joined the Sungage management team, and in 2024, Sungage entered a strategic partnership with the Carlyle Group to support future growth. Currently, Sungage has 107 employees, with offices located in Boston, MA and Oakland, CA. To date, Sungage has facilitated \$1.9 billion in financing across 46,000 loans, totaling over 460 MW of capacity.

Description of Sungage’s Smart-E Program Participation

Sungage offers financing for residential solar energy projects in Connecticut through a network of local solar installers. With current interest rates and cost of funds, Sungage has seen limited volume in Connecticut in recent years, despite long-term relationships with the Green Bank and a network of local installers. However, with the support of the Green Bank through the Smart-E program as proposed by Sungage, Sungage will be able to offer attractive financing options to Connecticut homeowners, combining a streamlined fintech experience and homeowner-friendly treatment of the federal tax credit with the low interest rates available through the Smart-E program.

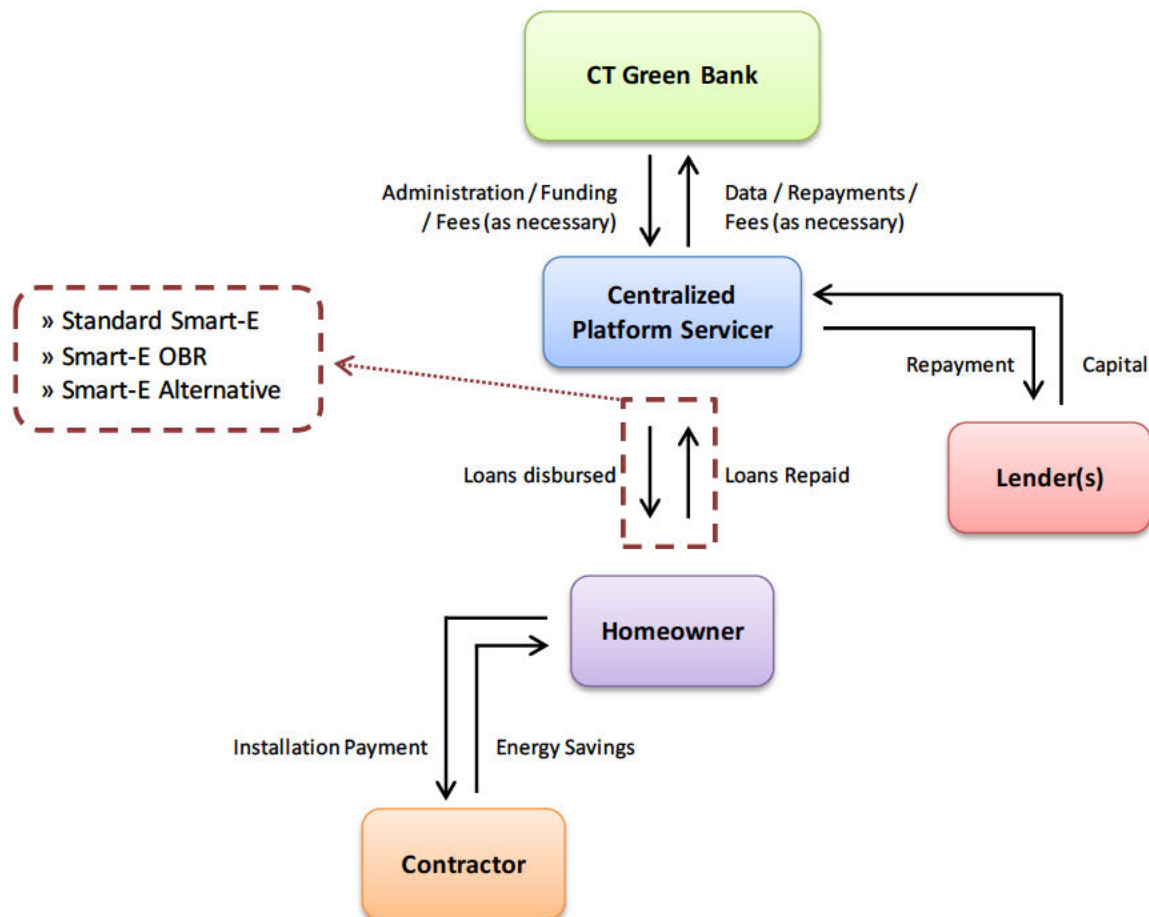
Available Rates and Fees

Final fees will be set at go-live based on interest rates at the time of program launch, but with the support of Green Bank funding, the rate that would apply at this time are as follows:

Loan amounts		
Eligible products		
Borrower Underwriting		
Installer Vetting		
Application Process		
Requested Capital Support		
Loss Reserve		
CT Green Bank Contribution		3
Impact of CT Green Bank		
Expected Number and Size of Projects		

Centralized Platform Description

Below is a diagram of the centralized lending platform, designed to support all 3 types of Smart-E product options (Standard Smart-E, Smart-E OBR, and Smart-E Alternative Underwriting):



Program partners, and additional responsibilities, for the centralized platform will include:

- **Green Bank:** Administration, oversight of the centralized platform servicer, and potential “seed” funds or aggregation facility for an initial pool of loans (subject to further approval by the Board of Directors)
- **Centralized Lending Platform 3rd Party Servicer:** underwriting, closing and servicing loans, intermediation of loans between pooled capital lenders and customers; loan performance tracking and reporting
- **Financial Institutions/Lenders:** Allocation of capital to centralized lending platform

Risk Assessment

This section is **CONFIDENTIAL in its entirety** and should be used only for the purposes of evaluating Sungage as a potential Smart-E lender.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

projects.

¹ A forward flow agreement is a financing arrangement that allows a company to sell its future originated loans to an investor in exchange for upfront capital. This provides the company with immediate access to capital based on the value of its future loans.

Capital Solutions

Staff has calculated a score of 25 out of 24, with an additional point included for impact to LMI communities. The application to Capital Solutions “Open RFP” is included as Appendix A. The evaluation form is included as Appendix B.

Request

As Sungage has an established contractor network within Connecticut along with a willingness to expand that network in order to provide residential homeowners a greater solar and storage loan solution, Green Bank staff recommends approval of Sungage’s application to be a Smart-E lender participant with their proposed program details. If any of the terms and conditions materially change or evolve, staff will bring back this proposal at a later Board meeting.

[REDACTED]

[REDACTED] will increase deployment of solar PV and battery storage in the Connecticut marketplace and recommends approval.

Resolutions

WHEREAS, the Connecticut Green Bank (“Green Bank”) developed the Smart-E Loan program with financing agreements with various credit unions and community banks,

WHEREAS, the Smart-E Loan continues to be a tool for Connecticut homeowners to finance clean energy measures to reduce their energy burdens;

WHEREAS, the Sungage Financial has applied to the Capital Solutions Open Request for Proposals in order to enter the Smart-E Loan program as a solar and storage lender,

WHEREAS, Sungage and Green Bank have had a history of successful collaboration dating back to 2013 with the original solar loan;

NOW, therefore be it:

RESOLVED, that the Board approves a loan in an amount not to exceed \$10 million dollars from the Green Bank balance sheet in support of Smart-E Loans in partnership with Sungage generally consistent with this memorandum dated January 21, 2025 as a Capital Solutions Project;

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 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 negotiate and deliver all other documents and instruments as they shall deem necessary and desirable to effect the above-mentioned legal instruments.

Submitted by: Bert Hunter, EVP and CIO

Appendix A- Capital Solutions Application

This Program Description is non-binding and is only a statement of the current intentions of the parties hereto and is not intended to otherwise create, and shall not create, any legally binding obligations. Subject to the foregoing, this Program Description does not constitute an agreement or commitment of any person to negotiate, enter into or consummate any transaction, including the transactions contemplated hereby. The transactions and the terms contemplated by this Program Description are subject to, among other things, the execution of definitive transaction documentation with terms and conditions consistent with this Program Description and otherwise mutually agreed by the parties hereto.

Description of Program

Sungage offers financing for residential solar energy projects in Connecticut through a network of local solar installers. With current interest rates and cost of funds, Sungage has seen limited volume in Connecticut in recent years, despite long-term relationships with the Connecticut Green Bank and a network of local installers.

With the support of the Connecticut Green Bank through the Smart-E program, Sungage will be able to offer attractive financing options to Connecticut homeowners, combining a streamlined fintech experience and homeowner-friendly treatment of the federal tax credit with the low interest rates available through the Smart-E program.

Sungage Corporate Overview

Founded in 2011, Sungage Financial originates residential solar loans through an issuing bank partnership model. Sungage has a network of solar installers throughout the United States which offers Sungage financing to their homeowner customers.



Key personnel:

- Mike Gilroy (CEO) - Mike has over 20 years of experience growing specialty finance businesses by working closely with channel partners. Mike's involvement with solar began as an investor and board observer for Sungage in 2015. Prior to that, Mike was the CEO of Springstone Financial, a health care financing business he co-founded that was acquired by LendingClub. Springstone partnered with over 20,000 medical and dental practices to provide affordable payment options up to \$50,000. Prior to Springstone, Mike led the scale up of AmeriFee, a patient financing business that was acquired by Capital One. Earlier in his career, he held sales, marketing, and business development positions at Corning Inc. and Dentsply International. Mike holds an MBA from the Kellogg School of Management at Northwestern University and a Bachelor of Science degree from the University of Notre Dame.
- John King (CFO) - John has an extensive background in the residential solar industry and more than 25 years experience in capital markets, corporate development, treasury and strategy. Having held several senior positions within the solar and fintech spaces, John utilizes this

experience and his strong business acumen to drive Sungage's mission forward and create lasting value for our installer partners and homeowners, while supporting the global clean energy transition. He holds a Bachelor's degree in Economics and Managerial Studies from Rice University and an MBA from the University of Chicago Booth School of Business and is a Chartered Financial Analyst.

- **Jim Donovan (COO/Chief Risk Officer)** - Jim is a fintech entrepreneur with extensive experience in managing operations, risk, and working with bank partners. Jim was a co-founder of Springstone Financial, Premier Payment Solutions, and AmeriFee and held credit positions at Capital One and LendingClub. He has had a successful career working in operations and finance for the past 25 years. Jim holds a master's degree from Boston College.
- **Mike Giles (CTO/Chief Product Officer)**: Mike is a serial entrepreneur who has focused on conceptualizing, creating and delivering successful software products for the past 20 years. Those products have ranged from enterprise content management, business process automation, and cloud-based, mobile communications to consumer social bookmarking and travel meta search. In addition to founding several companies, including Otalo and Furl (sold to LookSmart), Mike has advised startups, helped grow Vitria from an early startup to a multibillion-dollar public company, and raised four children. Mike holds a bachelor's degree in physics from Oberlin College.
- **Cam Kackley (Senior Manager, Capital Markets)** - Cam has worked at Sungage for over 9 years, across the customer service, operations, and product teams, focusing on finance and capital markets over the last three years. Cam holds a Bachelor's degree in Economics from University of Massachusetts Amherst.
- **Peter Geraigiry (Director of Financial Operations)** - Peter has over 15 years of finance experience in senior managerial roles across major banks and buy-side institutions. He spent most of his career at Barclays managing operations for various trading businesses, focusing on foreign exchange and interest rate derivatives. Most recently, he was Vice President of Capital Markets at Brookfield Asset Management, centrally leading operations for their global hedging program. Peter grew up in New York and received his bachelor's degree in economics from New York University. He continues to live in the area with his wife, two daughters, and their dog Jojo, and he enjoys beach outings, hiking, and camping trips with his family.

[illegible]

[illegible]

Available Rates and Fees

Final fees will be set at go-live based on interest rates at that time

[illegible]

Appendix B- Capital Solutions Open RFP Evaluation

Capital Solutions Open RFP Evaluation

Proposal:

Sungage Smart-E

Criteria	Rating	Explanation	Score
1 Meeting Green Bank Goals – how well does this project align with the Green Bank's goals?	High	Smart-E consistently exceeds goals for capital deployment and CO2 emissions.	3
2 Green Bank Essentiality – to what extent is participation by the Green Bank essential to the success of the project?	High	Green Bank is the only organization that could use the Smart-E program to expand reach of solar financing through our Contractor Network.	3
3 Project Feasibility – How feasible is the project to achieve its stated goals?	High	High probability of feasibility through demonstrated success in both solar lending and Smart-E.	3
4 Project Replicability – Could a similar project be replicated in Connecticut or elsewhere, or is this a unique opportunity?	High	Yes. This expansion of solar financing to Connecticut homeowners through Smart-E could be replicated by Sungage through our Contractor Network.	3
5 Relevant Experience – Does the proposer offer relevant and sufficient experience for	High	10+ years of residential solar financing.	3

	the type of project being proposed?			
6	References	High	Connecticut Green Bank uses its direct and long duration partnership as evidence of Sungage's ability to execute the terms of this proposal.	3
7	Pending Litigation	High	No pending litigation.	3
8	Management and character review	High	Respected as a leader in solar lending.	3
Bonus Points		Rating	Explanation	Score
1	Project benefits LMI or underserved communities	Applicable	Staff believes the past success of Smart-E to exceed LMI goals demonstrates the ability to Sungage's financing to reach these customers.	1
2	Project benefits communities with environmentally hazardous areas, such as superfund sites	N/A		0
TOTAL SCORE		Pass		25/24

Scale Microgrid Solutions LLC – Solar and Energy Storage Portfolio Syndication

A Portfolio Debt Financing Capital Solutions RFP Response

January 21, 2025



Document Purpose: This document contains background information and due diligence on proposed credit facilities for a portfolio of solar and energy storage projects developed and owned by Scale MicroGrids LLC. 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

Capital Solutions Financing Memo

To: Connecticut Green Bank Board of Directors

From: David Beech, Senior Manager, Investments; Bert Hunter, EVP & CIO;

Cc: Bryan Garcia, President & CEO; Brian Farnen, General Counsel & CLO; Eric Shrago, VP Operations; Jane Murphy, EVP of Finance and Administration

Date: January 21, 2025

Re: Scale Microgrid Solutions LLC – Solar and Energy Storage Portfolio Syndication

Capital Solutions Request

The purpose of this memorandum is to request Connecticut Green Bank (“Green Bank”) Board of Directors (the “Board”) approval of: (1) Green Bank’s participation, not to exceed \$10 million in aggregate, in a [REDACTED] million senior construction loan facility (the “Construction Loan”) and \$[REDACTED] million tax equity Bridge Loan (the “Bridge Loan”) with other senior lenders including KeyBanc (the “Lead Arranger”) (together with Green Bank, being the “Senior Lenders”), and (2) Green Bank’s participation, not to exceed [REDACTED] 0 million, in a [REDACTED] million term loan facility (the “Term Loan”, together with the other loans the “Credit Facilities”), with respect to a [REDACTED] MW portfolio of solar PV [REDACTED]), battery energy storage [REDACTED]), and combined heat and power / natural gas generation ([REDACTED]) projects (together the “Portfolio”). Included in the Portfolio are 8 battery energy storage projects in Connecticut totaling [REDACTED] MW (the “Connecticut Projects”). To be clear – overall exposure to the Portfolio by the Green Bank will not exceed \$10 million at any point in time (as the Construction Loans and Bridge Loans precede the Term Loans, as explained below).

Summary

Scale Microgrids is an integrated distributed energy resource technology and finance company focused on providing solutions to commercial and industrial customers, developers, and utilities. They are seeking financing to support the construction of community solar, combined heat and power (“CHP”) microgrid, and battery energy storage projects across the United States. The Portfolio includes 33 distributed generation assets, including 8 projects in Connecticut. KeyBanc Capital Markets, Inc. (“KBCM” or “KeyBanc”) has been selected as Coordinating Lead Arranger and Administrative Agent to arrange [REDACTED] of Senior Secured Credit Facilities. We understand the New York Green Bank will also be participating in this facility as several projects are in New York. [REDACTED] million of that financing comprises letters of credit, which the Green Bank will not participate in. The Credit Facilities also include the Construction Loan, Bridge Loan, and Term Loan which staff is seeking approval to participate in.

Portfolio Background – Highlights

Portfolio Summary

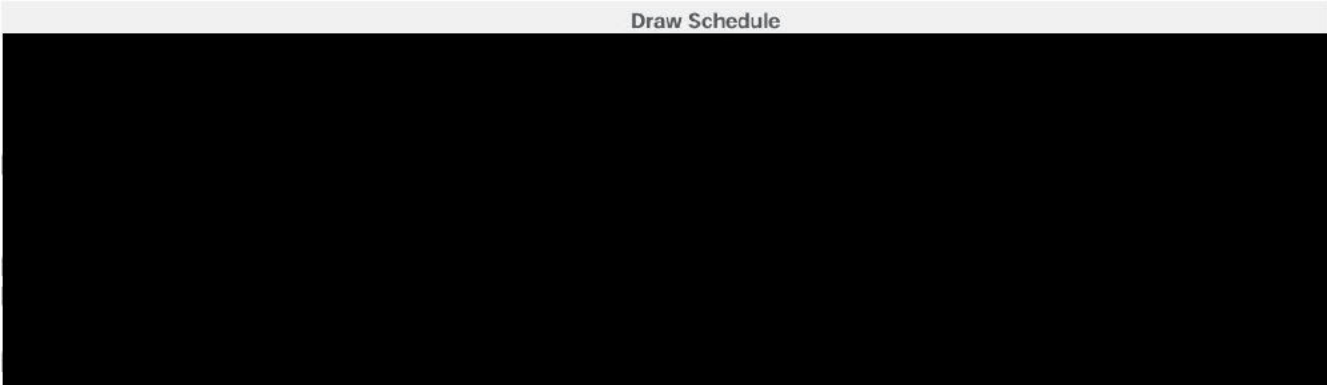
The 33 Projects range in size from 0.7MW to 10MW with 68% of projects in the 5-10MW range. The Projects are located in New York, California, New Jersey, Pennsylvania, and Connecticut. Connecticut projects represent 14%

[REDACTED]

presented in the chart below.



Portfolio – Construction & Draw Schedule



Projects in the Portfolio are in various stages of development and construction, with all projects expected to reach substantial completion by the end of the 3rd quarter of 2026. The chart above shows the expected draw schedule for the Construction Loan and Bridge Loan

Connecticut Projects

The Portfolio features 8 battery energy storage projects in Connecticut. They total [REDACTED] of dispatchable power, and [REDACTED] of capital costs. See the table below for a breakdown of project sizes and a timeline of expected construction milestones for the Connecticut Projects. All 8 projects will be participating in the Green Bank’s Energy Storage Solutions Program (“ESS”). As program participants, the Connecticut Projects will receive an upfront incentive from the Green Bank in exchange for participation in passive dispatch events to support demand reduction. Participation in the program also provides the opportunity to receive incentives for participating in active dispatch events. The Connecticut Projects will support property owners, when not dispatching, including Guilford High School and industrial manufacturers like Accel International, Taylor & Fenn, Rex Forge and others.

[REDACTED TABLE]

Project – Sources and Uses

During construction, the projects will be funded by 89% debt, to be provided by the lenders. Scale must provide equity funding equal to at least 10% of the Portfolio costs.

Last year, Scale closed on a tax equity commitment of ~[REDACTED]M with Truist Bank for the Portfolio. This commitment, when fully funded, will be used to retire the Bridge Loan. That repayment will coincide with the conversion of the Construction Loan to the Term Loan.

[REDACTED TABLE]

Portfolio – Tax Equity Closing & Debt Facility Progress

In 2024, Scale closed a tax equity commitment with Truist Bank for the Portfolio. The proposed investment is a partnership flip structure which is the most common tax equity investment structure and a familiar one to the Green Bank. The borrower of the Credit Facilities will be a holding company (the Class B member) that owns Class B interests in the tax equity partnership which in turn owns the project companies. An organization chart is provided below in the “Capital Flow Diagram & Tables” section for further clarity. After the tax credit recapture period ends (approximately 5.5 years from closing), the tax equity investor will likely exit the tax equity

partnership and their ownership will “flip” to the Borrower (i.e., the Class B member). To complete the capital stack for the Project, Scale has been working with KeyBanc to structure debt facilities for the Project, per the terms discussed in this memo. Staff is bringing forward Green Bank’s participation in the Credit Facilities for approval from the Board which will enable the Green Bank to close and fund its participation along with the other senior lenders and support the battery storage projects under the Energy Storage Solutions program. This funding would represent the Green Bank’s first funding at scale of commercial battery storage projects.

Project Investment/Risk Profile

From Tax Equity, Sponsor Equity, and the Lenders’ perspective, the Portfolio carries key attributes that make it an attractive asset. Below are key investment attributes, though an extensive list of risks and mitigants to the Green Bank’s position are discussed further in the sections below:

- **Construction & Technology Risk:** Scale has significant experience developing and operating distributed energy projects of the same size and technology as the projects in the Portfolio. Scale’s recent acquisition by EQT (see the “EQT” section for more details) offers them greater access to capital and expertise, providing additional confidence to lenders that they will be able to execute the construction of the projects effectively and on time. Additionally, the Portfolio technology and construction plans were analyzed by an independent engineer in a technical due diligence report (further details below).
- **Development & Siting Risk:** Scale has site control for the community solar and battery-only projects. For the microgrid projects, site control is executed along with the signing of the microgrid service agreement (“MSA”). Currently six of the microgrid projects have signed MSAs and four remaining projects are in process to sign MSA’s in the first half of 2025.
- **Credit/Repayment Risk:** Keybanc has adjusted the debt service coverage ratio (“DSCR”) used to size the term loan for each of the revenue arrangements to reflect the varying credit risk of the offtakers¹. Scale has also purchased credit insurance that is explained further in the section below titled “Credit Risk - Insurance”.

Construction and Tax Credit Bridge Loans

Summary Terms and Conditions

The Construction Loans for the Portfolio are comprised of a [REDACTED] million senior secured construction loan and a [REDACTED] million federal investment tax credit Bridge Loan. The Construction Loan will be repaid when it is converted to the Term Loan after each Project achieves commercial operations. The Tax Credit Bridge Loan will have a term of 18 months and will be repaid with the proceeds of the tax equity investment from Truist Bank. The Bridge Loan is sized at 95% of the committed tax equity investment.

The Construction and Bridge Loans will be disbursed on a pro-rata basis along with the other lenders and all senior lenders including the Green Bank will be pari passu (i.e., equal priority to security and collateral). The independent engineer for the Portfolio, Black and Veatch, will review construction progress and monthly issue a certificate as a condition precedent to each disbursement. The certificate will indicate that the debt

¹ “Offtaker” will be used throughout to refer to entities that will be paying Scale for energy services provided by the projects, whether or not they are directly receiving those services.

disbursement will be used for project costs, that construction remains on time, and that the budget is being met without cost overruns. A summary of Black and Veatch's expertise and experience managing construction projects is included later in the memo.

Together the Construction and Bridge Loans are sized at 89% of the Portfolio costs at the end of construction. The Construction Loan will have an interest rate of [REDACTED] the Bridge Loan will carry an interest rate of [REDACTED]

Until the Construction Loan is converted to the Term Loan and the Bridge Loan is retired, both facilities will be secured by a first priority perfected security interest in 100% of the membership interests in the Project Company and substantially all assets of the Project Company. Thereafter, security is via a traditional back leverage structure whereby the lenders are secured via a security interest in the membership interests held by Scale in the Class B member. This funding structure has been used in dozens of financings supported by the Green Bank for solar PV project financing.

Term Loan Facility – Liberty Bank & Green Bank

Summary Terms and Conditions

The Term Loan facility will be \$118.5 million. Staff is proposing a Green Bank participation of \$10 million in this facility. Keybank is working with other lenders to complete the facility. The Term Loan will carry an interest rate of [REDACTED] in the first four years before increasing to [REDACTED] in year 5. The Term Loan will have a 5-year term with a balloon payment at maturity. The annual debt service payments are sized based on the DSCR applicable to cashflows from each project, and the Term Loan was sized so that the annual debt service payments would fully amortize the loan after 22.5 years. At the end of the 5-year term, 67% of the original principal balance is expected to remain outstanding. The most likely post-maturity scenario contemplated by staff is a 5-year extension of the facility using similar debt sizing criteria.

Project & Financing Stakeholders

Scale Microgrid Solutions LLC

Scale is a Ridgewood, New Jersey-based vertically integrated distributed energy company with a core focus on designing, building, financing, owning and operating distributed energy assets. Founded in 2016, Scale currently operates over 70MW of Solar, Battery, Genset, and CHP projects, with a \$4.7B development pipeline. Scale has an experienced management team with over 80 years of combined experience in the construction and operation of renewable energy assets. The Green Bank has an existing loan facility with Scale (via its acquisition of the original project assets from the original borrower), which was used to finance the development of the first microgrid funded by the Green Bank in Bridgeport that provides mission critical resilience to 3 municipal buildings, including a police station and senior center. Scale will serve as the sponsor/owner for the Bridgeport Thermal project, and the ultimate owner of the Fuel Cell.

KBCM/KeyBank

KBCM is a subsidiary of KeyBank, a publicly traded company that provides banking, investment banking, and financial services. KBMC serves as lead arranger for this portfolio, and KeyBank is the Administrative Agent, Collateral Agent, Depositary Bank, and a lender. KBCM provides investment banking and innovative capital markets solutions and has been active in the renewable energy industry for many years, including multiple financings with Scale. KeyBank has committed more than \$25 billion to the utility, power and renewable energy sector since 2007.

Black & Veatch

Black & Veatch is a global engineering, procurement, consulting, and construction company specializing in infrastructure development. Founded in 1915, and 100% employee owned, the firm ranked #3 in Engineering News Record's Top Design Firms in Power. The company has completed over 50 GW of solar projects and 700+ distributed energy projects. Black & Veatch is serving as the Independent Engineer for the Portfolio.

WoodMackenzie

WoodMackenzie is a leading global provider of data and analytics solutions for the renewables, energy and natural resources sectors. Their services include data, analytics, events and consultancy. They have a team of over 2,300 experts across more than 30 global locations who cover the entire supply chain. WoodMackenzie is providing electricity market forecasts for the Portfolio.

Truist Bank

Truist Bank is a top 10 U.S. commercial bank, with assets of more than \$500B, headquartered in Charlotte, North Carolina. Truist was formed in 2019 after the merger of BB&T and SunTrust banks. Truist Bank will provide the tax equity investment for the Portfolio.

EQT Group

EQT is a purpose-driven global investment firm with EUR \$246 billion in total assets under management, divided into two business segments: private capital and real assets. EQT owns portfolio companies and assets in Europe, Asia Pacific, and the Americas and supports them in achieving sustainable growth, operational excellence, and market leadership. On January 9th, 2025, EQT Transition Infrastructure announced that they had agreed to buy Scale MicroGrids with capital from its balance sheet. A press release stated "EQT will support Scale Microgrids along its existing growth journey through significant investments in its commercial processes, tech platform and project execution capabilities, enabling the Company to own and operate billions of dollars in distributed generation assets". In response to questions from lenders, Scale shared that this acquisition is positive to the Credit Facilities because EQT is a reputable sponsor and has a stronger balance sheet than Scale's current equity sponsor.

Energetic Capital

Energetic Capital is a managing general underwriter for SCOR SE ("SCOR"). Founded in 1970, SCOR is a global Tier-1 reinsurance company, currently ranked as the world's 6th largest reinsurer. SCOR provides insurance companies with a diversified and innovative range of services to control and manage risk. Independent rating agencies rank SCOR among the best reinsurance companies in the world. They are rated A+ by S&P and Fitch, and A1 by Moody's. Energetic has created the EneRate Credit Cover insurance policy, which addresses a longstanding barrier to growth in the renewable and energy efficiency industries by covering default risk for payments made by commercial customers who purchase electricity through long-term power purchase agreements. To date, they have placed this credit insurance on projects with over \$100M of insured value across 46 states.

Portfolio Risks and Mitigants

The Green Bank faces risks by means of the Project's construction and operation and the Green Bank's position in the financing structure as a lender. Green Bank staff believes the arranger has identified and mitigated those risks as explained below.

General Risks & Mitigants:

For each specific type of risk outlined below in subsequent sections, there are specific structures, concepts, and mitigants that staff has designed to minimize Green Bank exposure to certain downside scenarios. There are, however, several overarching mitigants that will be put in place due to the overall concept of risk, and in effect, can be applied to almost all of the defined Projects' risks. Those overarching mitigants are identified below:

1. The Term Loan will be secured by a perfected first priority security interest in all assets of the Borrower (a Scale special purpose vehicle to be established), including a pledge of the Class B Units owned by the Borrower in the Tax Equity partnership (and all revenues and distributions, other economic rights, and governance rights related thereto) (the "Collateral"). Upon exit by the Tax Equity investor from the Tax Equity partnership, a perfected security interest in and lien, in addition to the Collateral of: i) all assets of the Borrower, including the fuel cells and all other personal property located at the Facilities; (ii) PPAs and Tariff Agreement; (iii) all leases, contracts and agreements of the Borrower, including leases, contracts and agreements relating to the Facilities; (iv) all rights as beneficiary under any warranty policies and under other required insurance policies; (v) all membership interests of Borrower held by Scale or any of its affiliates; (vi) all deposit accounts of Borrower (including the reserve accounts required hereunder); (vii) an assignment of the sublease and/or a leasehold mortgage of the sublease.

See "Capital Flow Diagram – Term Financing" later in the memo for a description of these relationships.

2. A Debt Service Reserve equal to 6 months of debt service, and an Insurance Reserve equal to the credit insurance deductible, will be established and funded as a condition precedent to the conversion of the Construction Loan to the Term Loan. The reserve will be funded with cash or a Letter of Credit Facility provided by one or more lenders. The Green Bank will not participate in any letter of credit.

Technology Risk

The independent engineering firm Black & Veatch (introduced above) provided a technical due diligence report for the Portfolio. That report included an analysis of the equipment and technology to be used in the portfolio. That analysis included solar pv modules, inverters, racking, and trackers, as well as batteries, natural gas generators, and microgrid controls. Black & Veatch concluded that the equipment contemplated for the portfolio can provide energy services as expected and the associated warranties are in alignment with industry standards. Black & Veatch also analyzed Scale's engineering design, implementation, and quality assurance processes and concluded they are prudent and align with typical industry practices.

Technology Risk Mitigants:

- 1.) The Projects will be constructed with tier-1 equipment that feature standard warranties.
- 2.) Scale's standard engineering procurement and construction ("EPC") agreements required the contractor to guarantee performance and provide liquidated damages when there is a shortfall.
- 3.) Scale's management team has significant experience developing projects like those in the Portfolio.

Production Risk

The Portfolio does face production risk. This risk has been mitigated to the lenders in a variety of ways. First, the

technical due diligence report produced by Black & Veatch analyzed the production estimates of the portfolio, providing lenders additional confidence that the estimates are reasonable. Second, the 33 project Portfolio reduces production risk through diversification of projects and technologies. Lastly, the DSCR applied to cashflows offers a cushion in the downside scenario where production is lower-than-expected.

Price Risk

Some of the revenues associated with the community solar projects are reliant on wholesale electricity prices. Those prices are variable and can be difficult to forecast. To mitigate this risk, scale contracted with WoodMackenzie to forecast wholesale market price. The lenders are using those forecasts, with a 20% haircut, as the expected revenue with which to apply the DSCR, which is 1.75x for revenues that rely on these forecasts.

Credit Risk

Project cashflows are dependent on a variety of offtakers. Many of the projects sell energy services to investment grade utilities, a structure that is familiar to the Green Bank and offers minimal credit risk. However, multiple projects in the Portfolio earn revenue from non-rated or sub investment grade rated commercial and industrial customers. The arranger and the borrower have taken the steps below to mitigate the credit risk associated with these revenue streams.

Credit risk mitigants:

- 1.) The DSCR applied to different revenue streams is adjusted for the credit risk of the offtaker. (see appendix I for a chart detailing the various DSCRs)
- 2.) Scale has purchased credit insurance from Energetic Capital for offtakers that are not investment grade rated. More information on this credit insurance is provided below

Credit Risk - Insurance

Scale has contracted with Energetic Capital (introduced above) for a 10-year EneRate Credit Cover insurance policy. This policy covers default risk for payments made by commercial and other non-residential customers who purchase electricity through long-term PPAs. By covering this default risk, Scale has significantly improved assets' credit profiles, particularly those rated sub-investment grade or equivalent. Offtakers covered by this policy are deemed investment grade equivalent during the term in which payments are insured. Scale will pay Energetic for the policy at Term Loan conversion, and during the term of the policy, Scale is required to maintain an insurance reserve to cover the deductible.

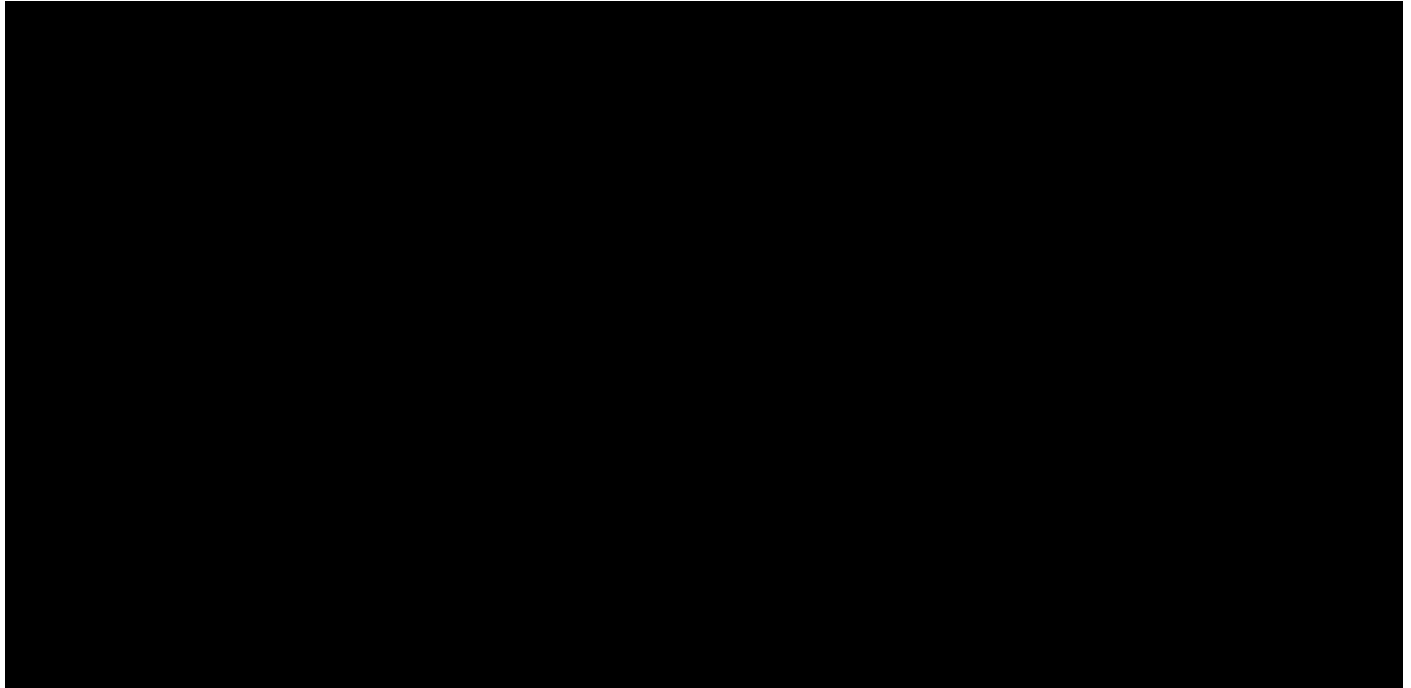
Proforma Projection Model for Debt Service

Staff has reviewed a projected financial model for the Project. Based on this proforma, and the structure of the PPA, staff is confident that the project will be able to meet the debt service requirements of the term loan. A screenshot of the financial model is included below as appendix II.

Capital Flow Diagram and Tables

Capital Flow Diagram – Term Financing

The Term Loan is structured as a “back-leverage” credit facility, meaning the Borrower will be a Scale subsidiary that owns Class B equity interests in the tax equity partnership. Below, an organizational chart is included to demonstrate the structure of a back-leverage facility.



Evaluation

Capital Solutions RFP Proposals are evaluated using the matrix in the image below. A more detailed explanation of the evaluation for this project is included below:

Criteria	Rating	Explanation	Score
1 Meeting Green Bank Goals – how well does this project align with the Green Bank's goals?	High	The Connecticut Projects will be receiving incentives through the Green Bank's Energy Storage Solutions program. Financing these projects will support our energy storage deployment	3
2 Green Bank Essentiality – to what extent is participation by the Green Bank	Medium	Green Bank staff sees its participation as supplementary and complementary to the financial support from other funding.	2
3 Project Feasibility – How feasible is the project to achieve its stated goals?	High	Scale has a track record of success developing projects of a similar size and scope. The acquisition of Scale by EQT offers them greater access to equity capital and expertise.	3
4 Project Replicability – Could a similar project be replicated in Connecticut or elsewhere, or is this a unique opportunity?	High	Staff believes that the successful completion of the Connecticut Projects could serve as an example for future battery storage projects in the state and for other state battery storage incentive programs.	3
5 Relevant Experience – Does the proposer offer relevant and sufficient experience for the type of project being proposed?	High	Yes. Scale was founded in 2016 and has more than 70MW of operating projects across clean energy technologies. Scale is led and managed by a group of executives with (collectively) over 200 years of experience in the construction and operation of renewable energy assets, operations management, engineering, technology-based solutions, finance and the law.	3
6 References	High	Green Bank staff has had positive experiences working with Scale on separate transactions previously approved by the board. Staff have also spoken with lenders who have worked with both Scale and Keybank and they relayed similar	3
7 Pending Litigation	High	No pending litigation was reported in the RFP response.	3
8 Management and character review	High	No character concerns were identified after reviewing management.	3
Bonus Points	Rating	Explanation	Score
1 Project benefits LMI or underserved communities	N/A		0
2 Project benefits communities with environmentally hazardous areas, such	N/A		0
TOTAL SCORE	Pass		23/24

A. Meeting Green Bank Goals

Based on Project diligence provided by Scale, staff is confident that the Project will support the Green Banks goals. Per the Green Bank's Comprehensive Plan, the organization has goals relevant to this transaction, including:

- To leverage limited public resources to scale-up and mobilize private capital investment in the green economy of Connecticut.
 - The Energy Storage Solutions (ESS) program, administered by the Green Bank, seeks to deploy battery storage systems to help families and businesses become more resilient against power outages, while reducing peak demand during summer and winter periods reducing electric rates for all ratepayers.
 - As of June 30, 2024 there were 72 non-residential battery storage systems totaling 150.8 MW and \$262.4 million of potential total investment that have been approved by the Green Bank and were in the interconnection queue of the EDCs as part of the

development of the projects. The Connecticut Projects represent roughly one-fifth of that pipeline. As a result, the successful financing and construction of this Portfolio is important to the ESS program goals.

B. Green Bank Essentiality – to what extent is participation by the Green Bank essential to the success of the project?

- Green Bank staff sees its participation as supplementary and complementary to the existing financial support from other funding. In particular, the New York Green Bank is also a participating lender in the Credit Facilities.

The Construction and Bridge Loans will:

- Enable the Portfolio projects to commence further construction and achieve commercial operations in alignment with the project schedules pending no unforeseen delays.

The Term Loan will:

- Complete the Project's capital stack along with sponsor equity and tax equity contributions, creating a long-term efficient financing structure for the Portfolio.

C. Project Feasibility – How feasible is the project to achieve its stated goals?

- Scale has a successful track record developing projects of a similar size and scope, and the acquisition of Scale by EQT offers them greater access to equity capital and expertise.

D. Project Replicability – Could a similar project be replicated in Connecticut or elsewhere, or is this a unique opportunity?

- Staff believes the successful completion of the Connecticut Projects could serve as an example for future battery storage projects in the state and for other state battery storage incentive programs. Connecticut has many industrial manufacturing firms across the state like the customers served by the Connecticut Projects, offering a strong opportunity for similar projects that can both support those businesses and Connecticut's electric grid.

E. Project timetable – total development and construction timeline.

Green Bank and the other Senior Lenders expect to complete documentation of the Credit Facilities within the 1st quarter of 2025. Funds are expected to be deployed immediately for construction purposes identified in the term sheet attached as Exhibit A. Projects in the Portfolio have varying construction timelines, with all projects expected to be operational by the end of the 3rd quarter of 2026.

F. Relevant Experience – Does the proposer offer relevant and sufficient experience for the type of project being proposed?

Yes. Scale was founded in 2016 and has more than 70MW of operating projects across clean energy technologies. Scale is led and managed by a group of executives with (collectively) over 200 years of experience in the construction and operation of renewable energy assets, operations management, engineering, technology-based solutions, finance and the law. In addition, the acquisition of Scale by EQT Transition Infrastructure will support Scale's technology platform and project execution capabilities.

G. References

Green Bank staff has had positive experiences working with Scale on separate transactions previously approved by the board. Staff have also spoken with lenders who have worked with Scale and KeyBanc and they relayed similar messages.

H. Pending Litigation

None identified by Scale in their RFP submission. Green Bank staff did not complete an independent legal review as of the writing of this memo.

I. Scale management and character review

No character concerns were identified after reviewing management.

Conclusion

This proposal offers a unique opportunity for the Green Bank to support the growth of battery energy storage that can both support Connecticut's manufacturing industry and reduce peak demand on the electric grid. With experienced partners managing construction, operations, and financing, along with proven technology and executed offtake agreements, the Portfolio is well situated to achieve its goals and support repayment of the Credit Facilities. Approval is recommended.

Strategic Plan

Is the program proposed, consistent with the Board approved Comprehensive Plan and Budget for the fiscal year?

Yes, the credit facilities support the ESS program and align with the Green Bank's goal to leverage limited public resources to scale-up and mobilize private capital investment in the green economy of Connecticut.

Ratepayer Payback

How much clean energy is being produced (i.e. kWh over the projects lifetime) from the program versus the dollars of ratepayer funds at risk?

The Portfolio is expected to produce 3,366 GWh over the effective useful life of the projects. Compared with the maximum \$10,000,000 of ratepayer funds at risk, the Portfolio is expected to yield up to 337 kWh per \$1 of ratepayer funds over the effective useful life of the projects. The Connecticut Projects are expected to reduce up to 27MWs of peak demand for 10 years.

Terms and Conditions

What are the terms and conditions of ratepayer payback, if any?

The Term Loan will carry an interest rate of [REDACTED] in the first four years before increasing to [REDACTED]. The Construction Loan will have an interest rate of [REDACTED] and the Bridge Loan will carry an interest rate of [REDACTED].

Capital Expended

How much of the ratepayer and other capital that Green Bank manages is being expended on the project?

\$10,000,000

Risk

What is the maximum risk exposure of ratepayer funds for the program?

\$10,000,000

Financial Statements

How is the program investment accounted for on the balance sheet and profit and loss statements?

The loans would result in a \$10,000,000 reduction of cash and a \$10,000,000 increase in promissory notes (Statutory & Infrastructure program).

Target Market

Who are the end-users of the engagement?

Electric utility and commercial customers.

Green Bank Role, Financial Assistance & Selection/Award Process

Lender via the Capital Solutions Open RFP Program.

Program Partners

Scale Microgrid Solutions LLC

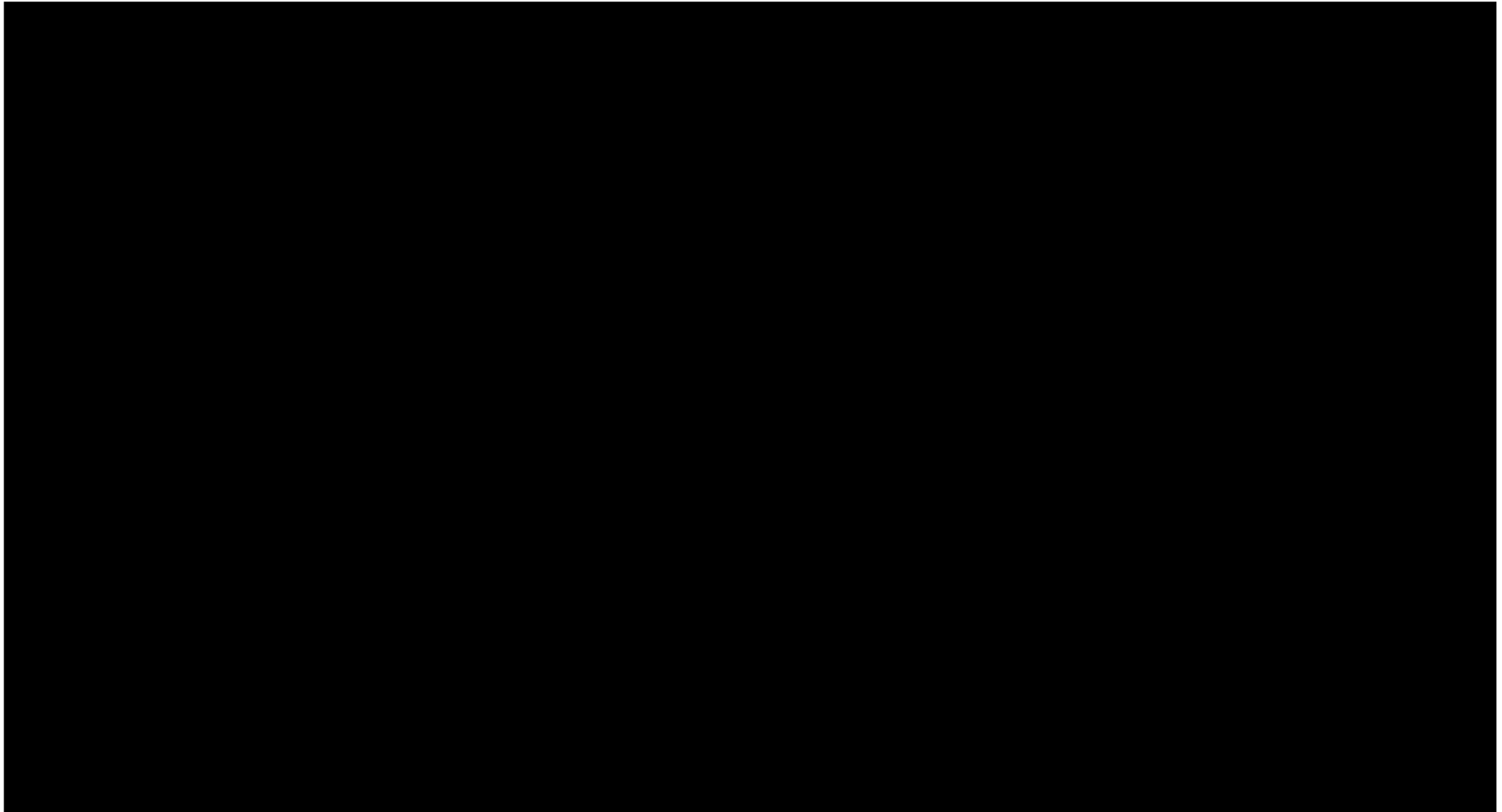
Risks and Mitigation Strategies

Lending risks and mitigation strategies have been addressed in the **Project Risks and Mitigants** section of this Memo.

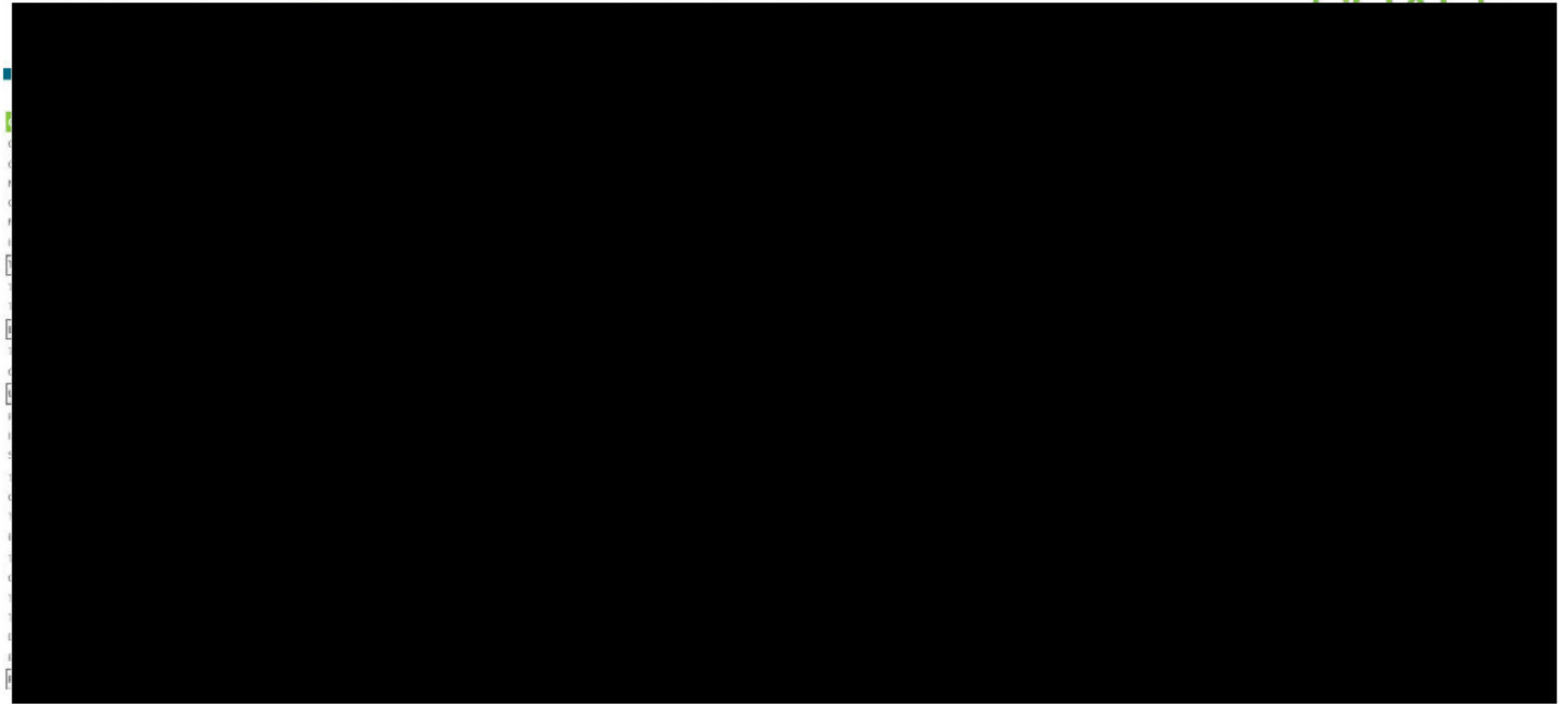
Staff Recommendation

The Green Bank has experience working with Scale Microgrids and has significant experience financing solar PV projects along with substantial private capital in the form of sponsor equity, tax equity, and various loans from the banking community. In relation to the Connecticut Projects, the Green Bank has reviewed the proposed projects and technology as administrator of the ESS program, and the Board has approved nearly \$10 million of incentives. Every project finance transaction entails various risks. Green Bank staff believes it has identified and mitigated those risks as explained in this memorandum. Staff recommends Board approval of the Credit Facilities on the basis that Portfolio risks have been reasonably mitigated, are well-balanced and contained, and that the strategic importance of the Projects, to both the state and Green Bank, also support the investment.

Appendix I



Appendix II



Resolutions

WHEREAS, Microgrid Solutions LLC (“Scale”) has requested financing in support of private capital from the Connecticut Green Bank (“Green Bank”) to finance and construct a solar and battery energy storage portfolio (the “Portfolio”), including 8 battery energy storage projects in Connecticut;

WHEREAS, Scale and KeyBanc have structured credit facilities whereby the Green Bank would participate on an equivalent security basis with other senior lenders; and,

WHEREAS, staff has considered the merits of the credit facilities and the ability of the project and finance stakeholders to construct, operate and maintain the Portfolio, support the obligations under the credit facilities throughout their respective terms, and as set forth in the due diligence memorandum dated January 21, 2025 (the “Board Memo”), has recommended this support be in the form of funding not to exceed \$10,000,000, secured by all project assets, contracts and revenues as described in the Board Memo.

NOW, therefore be it:

RESOLVED, that the Green Bank Board of Directors (the “Board”) hereby approves the applicants Capital Solutions Proposal for Green Bank’s participation in the credit facilities in an amount not to exceed \$10,000,000;

RESOLVED, that the President of the Green Bank and any other duly authorized officer is authorized to take appropriate actions to participate in the credit facilities in an amount not to exceed \$10,000,000 in with terms and conditions consistent with the Board Memo, and as he or she shall deem to be in the interests of the Green Bank and the ratepayers no later than 180 days from the date of authorization by the Board; 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 effect the above-mentioned Term Loan and participation.

Submitted by: Bryan Garcia, President and CEO; Bert Hunter, EVP and CIO; David Beech, Senior Manager.

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: January 17, 2025

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 C-PACE.

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 or Deployment Committee approval of estimated upfront incentive payments via consent agenda utilizing the Tear Sheet

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.

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.

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 13 C&I projects to-date with an aggregate capacity of more than 45 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 \$905,995.00 and total capacity of 4.98 MW.

Project Number	Contractor Account	Utility Company	City	Annual Peak Demand (kW)	Total System Power (kW)	Total System Energy Capacity (kWh)	Total Battery Cost	Upfront Incentive Amount	Estimated Install Year
ESS-01077	CPower	Eversource	Danbury	3,508	4,978	9,956	\$ 3,984,376	\$ 905,996	2027

Table 1. Estimated Upfront Incentives Above \$500,000

The attached Tear Sheet provides these and other details pertaining to the single new project seeking estimated upfront incentives in the ESS Program.

Resolutions

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; and,

WHEREAS, as part of the approved Procedures, Green Bank staff shall present Program projects via the consent agenda utilizing a standard form Tear Sheet process described in the memorandum to the Board dated June 24, 2022.

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

NOW, therefore be it:

RESOLVED, that the Board of Directors hereby approves the estimated upfront incentives sought by CPower for one non-residential project totaling a not-to-exceed amount of \$905,996 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 Solution Program Upfront Incentive Application

Project Description	Installation of a 4.98 MW / 9.96 MWh battery storage system to reduce electric bills and provide backup power to the facility during power outages.
----------------------------	---

Customer / Site information

Customer Name	Danbury Mission Technologies, LLC
Address	100 Wooster Heights Rd, Danbury, CT
Business Purpose	Optics manufacturer and laboratory
Incentive Application No.	ESS-01039
Incentive Application Date	6/14/2024 (during C&I incentive pause)
Customer Peak Demand (kW)	3,508 kW
Customer Class (S / M / L)	Large
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

Battery Energy Storage System (BESS) Characteristics

System Configuration	Standalone
Expected Program Participation	Passive + Active Dispatch
BESS Make / Model	(2) Tesla Megapack 2 XL
BESS Power Rating (kW)	4,978 kW
BESS Energy Capacity (kWh)	9,956 kWh
BESS Technology Approval Status	Approved
Power Rating to Peak Demand Ratio	1.42
Interconnection Application Filed	Yes (6/14/2024)
Interconnection Study Required	Yes (12/17/2024)
Estimated Project Cost	\$3,984,376.00

Benefit / Cost Ratios

RIM – Ratepayer Impact Measure	2.11
PCT – Participant Cost Test	1.30
PACT – Program Administrator Cost Test	2.51
SCT – Societal Cost Test	1.91
TRC – Total Resource Cost Test	1.92
CTET – Connecticut Efficiency Test	2.50

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	\$905,996.00



Memo

To: Board of Directors of the Connecticut Green Bank

From: Sara Harari (Director of Innovation)

CC: Bryan Garcia (President and CEO), Mackey Dykes (VP of Financing Programs and Officer), Brian Farnen (General Counsel and Chief Legal Officer) and Bert Hunter (EVP and CIO)

Date: January 21, 2025

Re: Energy Efficiency Revolving Loan Fund

Overview

This memo is a request to approve the Connecticut Green Bank ("Green Bank") entering into a contract with Connecticut Department of Energy and Environmental Protection ("DEEP") to receive funds allocated to Connecticut under the Department of Energy's Energy Efficiency Revolving Loan Fund Capitalization Grant Program ("EERLF").

The EERLF is designed to provide capitalization grants to States to establish a revolving loan fund under which the state shall provide loans and grants for energy efficiency audits, upgrades, and retrofits to increase energy efficiency and improve the comfort of buildings. Connecticut was awarded \$1,269,190 under a formula allocation. When this funding was announced, DEEP requested Green Bank support in developing a deployment strategy that met the requirements of the EERLF.

Collaboratively, DEEP and the Green Bank have applied for and been awarded funding to implement a program that could utilize the funds in the following ways:

- 1) Interest rate buy-downs of LIME loans offered by Capital for Change;
- 2) Loans to fund energy efficiency improvements required by the tenant-sharing revenue rules of affordable multifamily solar project;
- 3) Buy-downs of Green Bank's rate of return for affordable multifamily solar and storage leases, particularly in cases where the tenant revenue portion is funding an energy efficiency improvement

Green Bank staff have contemplated deploying this funding through one-off transactions via Capital Solutions and/or through recruiting energy efficiency contractors through a request for proposals. Depending on the scope of this project, the Green Bank may opt to capitalize the loans with our own funds, or to attract private capital to this market.

Resolutions

WHEREAS, the State of Connecticut has been awarded funding under the Energy Efficiency Revolving Loan Fund Capitalization Grant Program;

WHEREAS, the Connecticut Department of Energy and Environmental Protection has engaged the Connecticut Green Bank ("Green Bank") as a subgrantee to develop and implement a program to support the deployment of energy efficiency loans into the affordable multifamily housing sector;

NOW, therefore be it:

RESOLVED, that the Green Bank may enter into with and deliver to the State of Connecticut Department of Energy and Environmental Protection, any and all documents which it deems to be necessary or appropriate to enter into a contract for approximately \$1,269,190 titled Energy Efficiency Revolving Loan Fund Subgrant; and

RESOLVED, that Bryan Garcia as President and CEO of the Connecticut Green Bank or other 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.



Memo

To: Connecticut Green Bank Board of Directors

From: Bryan Garcia, President and CEO and Bert Hunter, EVP & CIO

CC: Brian Farnen, General Counsel and CLO; Eric Shrago, Managing Director of Operations, Jane Murphy, EVP Finance and Administration

Date: January 22, 2025

Re: USDA RESP Loan Closing Requirement (Letter of Credit)

On September 11, 2020, Connecticut Green Bank ("Green Bank") submitted an application into the U.S. Department of Agriculture (USDA) Rural Utilities Service (RUS) pertaining to their [Rural Energy Savings Program](#) (RESP). Pursuant to prior Green Bank Board of Directors (the "Board") approval at its July 24, 2020 meeting, the application requests loan funds in the amount of \$10 million to carry out and scale-up various relending programs to implement eligible clean energy and energy efficiency measures. In September 2024, Green Bank entered into a commitment for the \$10 million loan and staff are now in the process of closing the loan.

The USDA RESP Loan requires the security of a letter of credit. The Green Bank is working with Webster Bank to underwrite the Green Bank for this purpose. In the meantime, in order to close the USDA RESP Loan, which staff wants to do on an expedited basis (by the end of January if possible), Webster will make available a letter of credit that is fully cash collateralized. Staff recommends a \$500,000 letter of credit for these purposes which is sufficient for closing, and which can be exchanged for a flexible and increasing letter of credit post loan closing.

Staff recommends the Green Bank obtain this letter of credit from Webster Bank and respectfully requests Board approval for this request.

Resolutions

WHEREAS, consistent with its Comprehensive Plans, the Connecticut Green Bank ("Green Bank") has been seeking opportunities to access low-cost and long-term federal funding from the United States Department of Agriculture ("USDA") to support its mission;

WHEREAS, on April 2, 2020, the Rural Utilities Service ("RUS") of the USDA issued within the Federal Register (Vol. 85, No. 64), an "Announcement of Funding Availability, Loan Application Procedures, and Deadlines for the Rural Energy Savings Program ("RESP");

WHEREAS, on April 29, 2020, the American Green Bank Consortium, a membership organization for green banks, informed the Green Bank of the RESP, and provided technical assistance resources to the Green Bank through the Environmental and Energy Study Institute;

WHEREAS, on May 14, 2020, the Green Bank filed a Letter of Intent (“LOI”) with the RUS for a RESP Loan, including an overview of the organization, proposed program descriptions consistent with its Comprehensive Plan, evaluation, measurement, and verification framework, balance sheet, eligible Connecticut towns, and performance measures and indicators; and

WHEREAS, on July 1, 2020 the USDA notified the Green Bank that it had received and reviewed its LOI, and invited it to proceed with a full application for a \$10 million RESP Loan; and

WHEREAS, on July 24, 2020 the Green Bank Board of Directors (the “Board”) approved a resolution to empower staff to approve and submit to USDA application documents as needed in pursuit of a RESP Loan USDA; and

WHEREAS, on September 11, 2020 the Connecticut Green Bank submitted to USDA ahead of USDA’s September 28, 2020 deadline a full RESP Loan application package.

WHEREAS, in September 2024, the Connecticut Green Bank entered into a commitment with the USDA for the RESP Loan;

WHEREAS, staff is in the process of closing the RESP Loan and the RESP Loan requires a letter of credit to support the borrowing by the Green Bank;

WHEREAS, Webster Bank is willing to provide a letter of credit in the amount of \$500,000 collateralized by cash of the Green Bank to facilitate the Green Bank closing the RESP Loan with the USDA;

NOW, therefore be it:

RESOLVED, that the Board of the Green Bank, pursuant to the information provided by the Staff in a memo dated January 22, 2025, has determined that it is in the best interests of Green Bank to close the RESP Loan and to obtain a letter of credit from Webster Bank in the amount of \$500,000 collateralized by cash of the Green Bank to facilitate the Green Bank closing the RESP Loan with the USDA; and

RESOLVED, that the proper Green Bank officers are authorized and empowered to do all other acts and negotiate and deliver all other documents and instruments as they shall deem necessary and desirable to effect the above-mentioned legal instruments.

Submitted by: Bryan Garcia, President and CEO and Bert Hunter, EVP and CIO



CONNECTICUT
GREEN BANK®

Comprehensive Plan
Fiscal Years 2023 through 2025





Comprehensive Plan

Fiscal Years 2023 through 2025

Green Bonds US

July 2022

January 2023 (Revised)

July 2023 (Revised)

January 2024 (Revised)

July 2024 (Revised)

January 2025 (Revised)

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1. Introduction

Over the past three years, Under President Biden, the United States has passed legislation with an emphasis on investing in climate resilient infrastructure, our climate future, especially in low-income and disadvantaged communities, and domestic manufacturing of clean energy technologies. As President Trump comes into office, federal leadership on with respect to energy and climate change is expected to shift to, there will likely be a focus on security, reliability, affordability, independence, and an “all of the above” energy strategy. Now, it’s our responsibility to seize this opportunity and create meaningful benefits for the people of Connecticut.

In November 2021, the US Congress enacted the Infrastructure Investment and Jobs Act (“IIJA”), also called the Bipartisan Infrastructure Law (“BIL”). The \$1.2 trillion act established new and refunded expanded existing programs to support new infrastructure over a 10-year period. The IIJA contains research and development funds for low-carbon energy technology and support for deployment of clean energy technology such as electric vehicles, as well as other technologies such as green hydrogen. Under the Biden Administration, In fact, the largest portion of this investment will be has been overseen by the Department of Transportation.¹ However, the availability of rebates and other incentives for electric vehicles under the IIJA are likely subject to change under the Trump administration.²

In August 2022, Congress reached a deal on budget reconciliation and enacted the Inflation Reduction Act (“IRA”). This landmark federal law which aims to curb inflation and represents the single most significant legislation to combat climate change in our nation’s history. It allocates \$369 billion to help build the clean energy economy through incentives and tax credits, including the creation of a \$27 billion Greenhouse Gas Reduction Fund (“GGRF”) modelled after the Connecticut Green Bank (“Green Bank”).³ Modelled after the Connecticut Green Bank, The GGRF funded several national climate banks through a National Clean Investment Fund (“NCIF”), networks of community lenders through a Clean Communities Investment Accelerator (“CCIA”), and regional program administrators through a “Solar for All” initiative, to ensure that solar (including storage) reaches vulnerable communities. The IRA investment tax credits run through 2032 and support a myriad of clean energy technologies from renewable energy, energy efficiency, and storage to electric vehicles, nuclear power, and green hydrogen, and carbon capture and storage. The tax credits run through 2032 and Some tax credits include additional benefits (“adders”) of for deploying technology in 10% for “energy communities” (i.e., Metropolitan Statistical Areas such as Fairfield and New Haven Counties), of 10-20% for into “low-income communities” (e.g., Bridgeport, Hartford, Waterbury), and/or using 10% for “domestic content” (e.g., fuel cells manufactured in Connecticut). However, the availability of these IRA tax credits, including the adders, under the IRA are likely subject to change as well, under the Trump Administration.⁴ Modelled after the Connecticut Green Bank, the GGRF funded several national climate banks through a National Clean Investment Fund (“NCIF”), networks of community lenders through a Clean Communities Investment Accelerator

¹ [The US Bipartisan Infrastructure Law: Breaking it down | McKinsey](#)

² [Trump Teams’ 100-Day Plan Shows EV Policy Stripped of Rebates](#)

³ <https://www.ctgreenbank.com/connecticut-green-bank-the-countrys-first-state-green-bank-salutes-u-s-congress-and-president-biden-for-passage-and-signage-of-inflation-reduction-act/>

⁴ [How Trump Could Spare Biden’s Renewable Energy Credits and Still Cripple His Landmark Climate Bill](#)

(“CCIA”), and a “Solar for All” initiative, to ensure that solar (including storage) reaches vulnerable communities.

Collectively, these two federal funding packages represent the largest federal commitment to addressing our changing climate in the nation’s history. These Acts seek to expand America’s capacity to manufacture and install technology domestically and to reduce the cost to adopt technology. They seek-aim to achieve these goals in a way that supports workforce development, low-income families, and outreach to regions that historically haven’t embraced green technology. This federal funding can propel Connecticut towards achieving the state decarbonization goals established in the 2008 Global Warming Solutions Act (“GWSA”). However, as President Trump takes office, we approach the upcoming Presidential election in November and face an increasingly divided Legislative branch, the likelihood of additional reduced federal funding to supplement the IIJA and IRA in the near term coming years appears slim, likely the future of the initiatives funded through the IIJA and the IRA is uncertain. To preserve our ability to achieve GWSA goals, Connecticut is actively seeking ways to maximize the federal funding it can attract, leverage the federal funding it has received been awarded to date, and to identify strategies to along with accessing the remaining investment tax credits as federal funding shifts in the future, to unlock and mobilize more private capital investment in and for the betterment of our communities, especially vulnerable communities.

The Green Bank has worked collaboratively with other state agencies as well as non-profit and private organizations that are applying for competitive federal funding. We participated in six different coalitions applying for funding under the GGRF. We have closely partnered with state agencies to devise effective strategies that empower customers to leverage IRA tax credits. This federal funding can propel Connecticut towards achieving the state decarbonization goals established in the 2008 Global Warming Solutions Act (“GWSA”).

Our investments have already made a measurable difference. In the 13 years of its existence, the Green Bank has helped avoid over 12 million tons of carbon dioxide emissions (the equivalent of 2.4 million passenger vehicles driven for one year).⁵ Avoiding 1 million tons of carbon dioxide emissions a year, for a state that emits nearly 35 million tons per year,⁶ is nearly 3 percent of all emissions avoided, or over 25 percent of emissions avoided from electricity generation (and consumption).⁷

While federal funding can support our decarbonization goals, However, we must acknowledge that Connecticut will need to significantly accelerate annual reductions to be on track to achieve 2030 and 2050 targets set forth in the GWSA.⁸ The 2021 Connecticut Greenhouse Gas Emissions Inventory,⁹ released in April 2023 by the Connecticut Department of Energy and Environmental Protection (“DEEP”),¹⁰ revealed that emissions estimates for 2021 are a 22 percent decrease from the 1990 baseline, but a 6 percent increase from 2020. Transportation is the highest emitting sector (i.e., 40% of emissions), with residential (i.e., 19% of emissions) and electric power (i.e., 15% of emissions) following.

⁵ <https://www.ctgreenbank.com/wp-content/uploads/2024/09/FY12-FY24-Connecticut-Green-Bank-Impact-Report-8-30-2024.pdf>

⁶ Connecticut Greenhouse Gas Inventory (Update for 1990-2021) by DEEP (April 20, 2023)

⁷ Ibid (11)

⁸ Reduce GHG emissions by 45% from 2001 levels by 2030 and 80% from 2001 levels by 2050

⁹ https://portal.ct.gov/-/media/DEEP/climatechange/1990-2021-GHG-Inventory/DEEP_GHG_Report_90-21_Final.pdf

¹⁰ https://portal.ct.gov/-/media/DEEP/climatechange/GHG_Emissions_Inventory_2018.pdf

The Green Bank has been doing our part to support Connecticut's decarbonization. In the 13 years of its existence, the Green Bank has helped avoid over 112 million tons of carbon dioxide emissions (the equivalent of 2.34 million passenger vehicles driven for one year).¹¹ Avoiding 1 million tons of carbon dioxide emissions a year, for a state that emits nearly 35 million tons per year,¹² is nearly 3 percent of all emissions avoided, or over 25 percent of emissions avoided from electricity generation (and consumption).¹³

In recognition of the Green Bank's successful track record of deploying green infrastructure, Governor Ned Lamont, with the support of the Governor's Council on Climate Change, signed into law Public Act 21-115 on July 6, 2021.¹⁴ This act expanded the Green Bank mandate to include environmental infrastructure – a recognition that the same financing tools we have successfully leveraged to increase private investment in and deployment of clean energy in Connecticut can support other environmental sectors in need of rapid transformation as well. The act includes the creation of an Environmental Infrastructure Fund which could receive federal funds (e.g., GGRF) to mobilize private investment in environmental infrastructure.

Beyond Connecticut, there is a global recognition that an innovative approach to financing can shift our climate trajectory. Liu Zhenmin, the United Nations Under-Secretary-General for Economic and Social Affairs, concludes his comments on the annual SDG report with the following guidance: "Nothing short of a comprehensive transformation of the international finance and debt architecture will be required to accomplish these aims..." With nearly \$1.3 trillion of public and private investment in global climate finance (i.e., mitigation of greenhouse gas emissions and resilience from the impacts of climate change) in 2022, or approximately \$155 per person, 2 to 4 times more investment is needed – between \$3 to \$6 trillion per year (i.e., \$370 to \$740 per person) – to confront climate change.¹⁵

Although the Green Bank is geographically limited in our ability to invest in mitigation and resilience to confront climate change, we can continue to be a leader in the space and demonstrate how new financing models through public-private partnerships can drive innovative investment in our global future.¹⁶ Since the Green Bank's launch in 2011 as the first state level green bank in the nation, dozens of state and local green banks have popped up both nationally and abroad. With the IJIA and the IRA still in place at the federal level, and the public policies and incentives available in Connecticut, the Green Bank is poised to continue its leadership and advance its mission.

2025 marks a pivotal moment for green banks nationwide, with funding from the Greenhouse Gas Reduction Fund ("GGRF") becoming available to support transformative investments in clean energy. Here in Connecticut, our decade-long experience demonstrates the power of leveraging public funds to unlock significant private capital, catalyzing a thriving cleangreen

¹¹ <https://www.ctgreenbank.com/wp-content/uploads/2024/09/FY12-FY24-Connecticut-Green-Bank-Impact-Report-8-30-2024.pdf><https://www.ctgreenbank.com/wp-content/uploads/2023/09/FY12-FY23-Green-Bank-Impact-Report-9-1-2023.pdf>

¹² [Connecticut Greenhouse Gas Inventory \(Update for 1990-2021\) by DEEP \(April 20, 2023\)](#)

¹³ [Ibid \(11\)](#)

¹⁴ An Act Concerning Climate Change Adaptation – <https://www.cga.ct.gov/2021/ACT/PA/PDF/2021PA-00115-R00HB-06441-PA.PDF>

¹⁵ Climate Policy Initiative "Landscape of Climate Finance 2021/2022"

¹⁶ "There's finally a national climate bank. Here's how it can make its \$27 billion go even further" in Fast Company by Ashley Stimpson (December 16, 2022)

economy. As younger green banks emerge across the country and these funds flow into secure, clean, locally driven projects, we have the opportunity to inspire a nationwide embrace of this proven model. As the saying goes “think globally—act locally”. With the infusion of federal funding from the IIJA and the IRA, we now have a unique opportunity to accelerate the transition to a green economy. These funds come with a welcome forcing mechanism to ensure that the benefits of this transition reach low income families and disadvantaged communities, promoting an equitable deployment that benefits all communities in our state. According to the Rocky Mountain Institute, it took decades to achieve the first trillion dollars invested globally in cleantech ~~took decades~~. The second trillion will happen in four years.¹⁷ This exponential growth in demand for solar, storage, and electric vehicles has increased exponentially signals a turning point. Together, we can ~~foster~~create a sustainable, equitable future ~~— one where that leaves no one community is left~~ behind.

2. Organizational Overview

The Green Bank¹⁸ was established on a bipartisan basis by Governor Malloy and the Connecticut General Assembly (“CGA”) on July 1, 2011 through Public Act (“PA”) 11-80¹⁹ as a quasi-public agency that supersedes the former Connecticut Clean Energy Fund (“CCEF”). On July 1, 2021, the 10th anniversary of the Green Bank, again, on a bipartisan basis, Governor Lamont and the CGA enacted PA 21-115 expanding the scope of the Green Bank beyond “clean energy” to include “environmental infrastructure”. As the nation’s first state green bank, the Green Bank leverages public funds to mobilize multiples of private investment to increase and accelerate investment in clean energy deployment and environmental infrastructure improvement in Connecticut.

The Green Bank’s statutory purposes are:

- To develop programs to finance and otherwise support clean energy and environmental infrastructure investment in residential, municipal, small business and larger commercial projects and such other programs as the Green Bank may determine;
- To support financing or other expenditures that promote investment in clean energy sources and environmental infrastructure to foster the growth, development and commercialization of clean energy sources, environmental infrastructure, and related enterprises; and
- To stimulate demand for clean energy and the deployment of clean energy sources and investment in environmental infrastructure within the state that serves end-use customers in the state.

The Green Bank’s purposes are codified in Section 16-245n(d)(1) of the Connecticut General Statutes (“CGS”) and restated in the Green Bank’s Board approved [Resolution of Purposes](#).

¹⁷ [The Cleantech Revolution - RMI](#)

¹⁸ PA 11-80 repurposed the Connecticut Clean Energy Fund (“CCEF”) administered by Connecticut Innovations, into a separate quasi-public organization called the Clean Energy Finance and Investment Authority (“CEFIA”). Per Public Act 14-94, CEFIA was renamed to the Connecticut Green Bank.

¹⁹ An Act Concerning the Establishment of the Department of Energy and Environmental Protection and Planning for Connecticut’s Energy Future – <https://www.cga.ct.gov/2011/act/pa/pdf/2011PA-00080-R00SB-01243-PA.pdf>

The Green Bank is a public policy innovation that exemplifies Connecticut's more than two-decade history of bipartisan executive and legislative branch leadership on the issue of climate change. Leadership highlights include:

- **Governor Rowland** – co-chaired the New England Governors and Eastern Canadian Premiers Conference, which established a regional commitment to reduce greenhouse gas ("GHG") emissions (i.e., 1990 levels by 2010, 10% below 1990 levels by 2020, and 80% below 2001 levels by 2050);²⁰
- **Governor Rell** – supported PA 08-98²¹ codifying the regional commitment into state law, appointing Gina McCarthy to be the Commissioner of the Department of Environmental Protection who would help lead the development of the Regional Greenhouse Gas Initiative ("RGGI"), later become the Administrator of the United States Environmental Protection Agency ("USEPA") under President Obama, and become the White House National Climate Advisor for President Biden;
- **Governor Malloy** – led the passage of PA 11-80 establishing DEEP, creating the Green Bank, and other policies catalyzing the market for clean energy, as well as PA 18-50²² and PA 18-82²³ increasing the state's renewable portfolio standard ("RPS") to 40% by 2030 and establishing a midterm GHG emissions reduction target of 45% below 2001 levels by 2030, respectively; and
- **Governor Lamont** – issued his first²⁴ and third²⁵ executive orders on state "Greener Gov" for sustainability, clean energy, and climate change leadership, passing PA 21-115 expanding the scope of the Green Bank to include "environmental infrastructure," PA 22-5²⁶ including a 100% zero emission electricity target by 2040, and PA 22-25²⁷ confronting greenhouse gas emissions from the transportation sector, including 100% targets for school buses in environmental justice communities by 2030 and all communities by 2040.

The CGA has worked hand-in-hand with these Governors and the citizens of the state over the years to devise and support public policies that promote clean energy, environmental infrastructure, and lead the movement to confront climate change.²⁸

²⁰ NEG-ECP Resolution 26-4 adopting the "Climate Change Action Plan 2001" (August 2001 in Westbrook, CT) – Westbrook Resolution

²¹ An Act Concerning Connecticut Global Warming Solutions – <https://www.cga.ct.gov/2008/ACT/Pa/pdf/2008PA-00098-R00HB-05600-PA.pdf>

²² An Act Concerning Connecticut's Energy Future – <https://www.cga.ct.gov/2018/act/pa/pdf/2018PA-00050-R00SB-00009-PA.pdf>

²³ An Act Concerning Climate Change Planning and Resiliency – <https://www.cga.ct.gov/2018/act/pa/pdf/2018PA-00082-R00SB-00007-PA.pdf>

²⁴ <https://portal.ct.gov/-/media/Office-of-the-Governor/Executive-Orders/Lamont-Executive-Orders/Executive-Order-No-1.pdf>

²⁵ <https://portal.ct.gov/-/media/Office-of-the-Governor/Executive-Orders/Lamont-Executive-Orders/Executive-Order-No-3.pdf>

²⁶ An Act Concerning Climate Change Mitigation – <https://www.cga.ct.gov/2022/act/Pa/pdf/2022PA-00005-R00SB-00010-PA.PDF>

²⁷ An Act Concerning the Connecticut Clean Air Act – <https://www.cga.ct.gov/2022/ACT/PA/PDF/2022PA-00025-R00SB-00004-PA.PDF>

²⁸ Reducing greenhouse gas emissions and confronting climate change is supported by a number of public policies, including, but not limited to PA 17-3, PA 18-82, PA 19-71, Governor Lamont's Executive Orders 1 and 3, Comprehensive Energy Strategy, Governor's Council on Climate Change, and many other past acts, plans, or policies.

2.1 Vision Statement

...a planet protected by the love of humanity.²⁹

2.2 Mission Statement

Confront climate change by increasing and accelerating investment into Connecticut's green economy to create more resilient, healthier, and equitable communities.

2.3 Goals

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

1. To leverage limited public resources to scale-up and mobilize private capital investment in the green economy of Connecticut.
2. To strengthen Connecticut's communities, especially vulnerable communities,³⁰ by making the benefits of the green economy inclusive and accessible to all individuals, families, and businesses.
3. To pursue investment strategies that advance market transformation in green investing while supporting the organization's pursuit of financial sustainability.

The vision statement, mission statement, and goals support the implementation of Connecticut's climate change, clean energy, and environmental infrastructure policies be they statutorily required (e.g., PA 21-53),³¹ planning (e.g., Comprehensive Energy Strategy), or regulatory (e.g., Docket No. 17-12-03RE03)³² in nature.

Framework for an Equitable Modern Grid³³

The Public Utilities Regulatory Authority's ("PURA") Framework for an Equitable Modern Grid, seeks to (1) support, or remove barriers to, the growth of Connecticut's green economy; (2) enable a cost-effective, economy-wide transition to a decarbonized future; (3) enhance customer access to a more resilient, reliable and secure electricity commodity; and (4) advance the ongoing energy affordability dialogue in the state, particularly in underserved communities.

²⁹ Vision Statement inspired by the Innovations in American Government Awards at the Ash Center of Harvard University's Kennedy School of Government, Maya Angelou's "On the Pulse of Morning," the powerful words of Mary Evelyn Tucker on "inclusive capitalism," and the late Mother Jennifer of the Daughters of Mary of the Immaculate Conception

³⁰ Per PA 20-05, "An Act Concerning Emergency Response by Electric Distribution Companies, the Regulation of Other Public Utilities and Nexus Provisions for Certain Disaster-Related or Emergency-Related Work Performed in the State," "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.

³¹ An Act Concerning Energy Storage – <https://www.cga.ct.gov/2021/act/Pa/pdf/2021PA-00053-R00SB-00952-PA.PDF>

³² Equitable Modern Grid Initiative – Electric Storage

³³ <https://portal.ct.gov/PURA/Electric/Grid-Modernization/Grid-Modernization>

The Green Bank supports PURA in their efforts through participation in many of the re-openers in the equitable modern grid as a commentor, a participant and a program administrator.

2.4 Definitions – Clean Energy and Environmental Infrastructure

The Green Bank’s investment focus is on “clean energy” and “environmental infrastructure” as defined by CGS Section 16-245n:

- **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 offsets³⁴ and ecosystem services.³⁵

2.5 Governance

Pursuant to Section 16-245n of the CGS, the powers of the Green Bank are vested in and exercised by a Board of Directors (“BOD”)³⁶ that is comprised of twelve voting and one non-voting members each with knowledge and expertise in matters related to the purpose of the organization – see Table 1.³⁷

Table 1. Board of Directors of the Connecticut Green Bank

Position	Status	Appointer	Voting
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³⁴ Carbon offsets means an activity that compensates for the emission of carbon dioxide or other greenhouse gases by providing for an emission reduction elsewhere.

³⁵ 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.

³⁶ <https://www.ctgreenbank.com/about-us/governance/board-of-directors/>

³⁷ <https://www.ctgreenbank.com/about-us/governance/>

State Treasurer (or designee)	Ex Officio	Ex Officio	Yes
Commissioner of DEEP (or designee)	Ex Officio	Ex Officio	Yes
Commissioner of DECD (or designee)	Ex Officio	Ex Officio	Yes
Secretary of OPM (or designee)	Ex Officio	Ex Officio	Yes
Residential or Low-Income Group	Appointed	Speaker of the House	Yes
Investment Fund Management	Appointed	Minority Leader of the House	Yes
Environmental Organization	Appointed	President Pro Tempore of the Senate	Yes
Finance or Deployment of Renewable Energy	Appointed	Minority Leader of the Senate	Yes
Finance of Renewable Energy	Appointed	Governor	Yes
Finance of Renewable Energy	Appointed	Governor	Yes
Labor	Appointed	Governor	Yes
R&D or Manufacturing	Appointed	Governor	Yes
President of the Green Bank	Ex Officio	Ex Officio	No

There are four (4) committees of the BOD of the Green Bank, including Audit, Compliance, and Governance Committee ("ACG Committee"), Budget, Operations, and Compensation Committee ("BOC Committee"), Deployment Committee, and the Joint Committee of the Energy Efficiency Board ("EEB") and the Green Bank.³⁸

Principal Statement of the Joint Committee

To support the Joint Committee of the EEB and the Green Bank, the following is a principal statement to guide its activities:

The EEB and the Green Bank have a shared goal to implement state energy policy throughout all sectors and populations of Connecticut with continuous innovation towards greater leveraging of ratepayer funds and a uniformly positive customer experience.

In addition to the above principal statement, on July 22, 2024, the Joint Committee recommended that the EEB and BOD of the Green Bank adopt the following goal within their respective plans:

Joint Committee Goal on Affordable Rental Housing

To enable greater investment in and deployment of technologies (i.e., solar PV, battery storage, [EV recharging](#), heat pumps, weatherization, appliances, and controls) in affordable rental single and multifamily properties to realize important benefits for tenants (e.g., reduce energy burden (i.e., no more than 6% of annual household income), increase climate resilience, reduce GHG emissions) through the Conservation and Load Management Plan of the Energy Efficiency Board and Comprehensive Plan of the Connecticut Green Bank Board of Directors,

³⁸ Pursuant to CGS 16-245m(d)(2) – There shall be a joint committee of the Energy Conservation Management Board and the board of directors of the Connecticut Green Bank. The boards shall each appoint members to such joint committee. The joint committee shall examine opportunities to coordinate the programs and activities funded by the Clean Energy Fund pursuant to section 16-245n with the programs and activities contained in the plan developed under this subsection and to provide financing to increase the benefits of programs funded by the plan so as to reduce the long-term cost, environmental impacts and security risks of energy in the state. Such joint committee shall hold its first meeting on or before August 1, 2005.

and through greater coordination of incentive and financing programs from state and federal sources of capital.

The BOD of the Green Bank approved of the Joint Committee goal on July 26, 2024.

The BOD of the Green Bank is governed through enabling legislation, as well as by an [Ethics Statement](#) and [Ethical Conduct Policy](#), Resolutions of Purposes, [Bylaws](#), [Joint Committee Bylaws](#), and a Comprehensive Plan. All meetings, agendas, and materials of the Green Bank's BOD and its Committees are publicly available on the organization's website.^{39,40}

2.6 Organizational Structure

The Green Bank is administered by a professional staff overseeing three (3) business units, including:

- **Incentive Programs** – the Governor, ~~and the~~ CGA, ~~and/or~~ PURA⁴¹ from time-to-time may decide that there are certain incentive programs that they seek to have the Green Bank administer (e.g., PA 21-53). The Green Bank administers such programs with the goal of delivering on the public policy objectives, while at the same time ensuring that funds invested by the Green Bank are cost recoverable.⁴² For example, the Green Bank co-administers the Energy Storage Solutions ("ESS") program with the Electric Distribution Companies ("EDC") (i.e., Avangrid and Eversource Energy) to deploy 580 MW of behind the meter residential and non-residential battery storage systems through an upfront declining incentive block structure and ongoing performance-based incentive.
- **Financing Programs** – the Green Bank's core business is financing clean energy projects. The use of public revenues by the Green Bank (i.e., Clean Energy Fund ("CEF") and RGGI allowance proceeds) are to be invested with the expectation of principal and interest being paid back over time (i.e., earned revenues). For example, per CGS 16a-40g, the Green Bank administers the Commercial Property Assessed Clean Energy ("C-PACE") program. Through C-PACE, the Green Bank provides capital to building owners to make clean energy and resilience improvements on their properties that is paid back over time from a benefit assessment on the building owner's property tax bill. The interest earned from these types of investments, over time, is expected to cover the operational expenses and a return for the Green Bank.
- **Environmental Infrastructure Programs** – as a result of the passage of PA 21-115 expanding the scope of the Green Bank beyond "clean energy" to include "environmental infrastructure," the financing tools of the green bank model will be used to mobilize private investment in Connecticut's green economy. Raising capital for the Environmental Infrastructure Fund ("EIF") through the issuance of Green Liberty Bonds, accessing federal resources (e.g., IJIA, GGRF), and/or other means, will provide

³⁹ <https://www.ctgreenbank.com/about-us/governance/board-meetings/>

⁴⁰ <https://www.ctgreenbank.com/about-us/governance/committee-meetings/>

⁴¹ Section 8 of Public Act 24-38 "An Act Concerning Energy Procurements, Certain Energy Sources and Programs of the Public Utilities Regulatory Authority"

⁴² In the past, per CGS 16-245ff, the Green Bank administered the Residential Solar Investment Program ("RSIP") which resulted in nearly 380 MW of residential solar photovoltaic system deployment between 2012 through 2021. RSIP is cost recoverable per CGS 16-245gg.

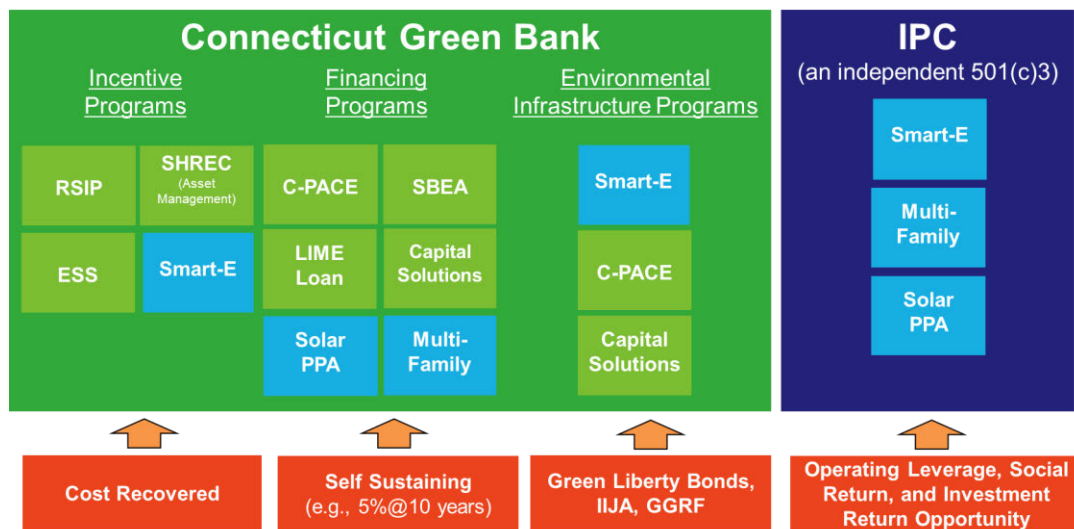
resources to invest in the modernization, decarbonization, and resilience of the state’s environmental infrastructure.

These three business units – Incentive Programs, Financing Programs, and Environmental Infrastructure Programs – serve the purposes of the Green Bank. To support the business units and their investments, the Green Bank has administrative support from finance, legal, marketing and operations, as well as innovation.

In FY19, the Green Bank, in partnership with DEEP and the Kresge Foundation, formed a nonprofit organization called Inclusive Prosperity Capital (“IPC”). The mission of IPC is to attract mission-oriented investors in underserved clean energy market segments (e.g., low-to moderate-income (“LMI”) single and multifamily properties) of the green economy. Although not an affiliate, nor a component unit of the Green Bank, IPC serves an important role supporting Green Bank programs (e.g., Smart-E, Solar PPA, and Multifamily Affordable) through FY26. Through Professional Service Agreements (“PSA”), the Green Bank has engaged IPC since FY19, and expects the final PSA to be in FY26 as IPC becomes self-sustainable.⁴³

For an overview of the organizational structure of the Green Bank, and its partnership with IPC – see Figure 1.

Figure 1. Organizational Structure of the Green Bank with Support from Inclusive Prosperity Capital



An Employee Handbook and [Operating Procedures](#) have been approved by the BOD and serve to guide the staff to ensure that it is following proper contracting, financial assistance, and other requirements.

3. Incentive Programs

The Green Bank administers incentive programs, including credit enhancements (e.g., interest rate buydowns, loan loss reserves), used to deploy clean energy and environmental infrastructure, while at the same time cost recovering the expenses associated with several of

⁴³ It should be noted that IPC was a winner of a \$249.3MM contract with the US EPA through the Greenhouse Gas Reduction Fund’s Solar for All initiative in 2024.

these programs (i.e., CGS 16-245ff, PA 21-53) within the business unit – including, but not limited to, incentives, administrative expenses, and financing costs.

3.1 Residential Solar Investment Program and Residential Renewable Energy Solutions

Residential Solar Investment Program

Per CGS 16-245ff, the Green Bank administered the Residential Solar Investment Program (“RSIP”) to deploy 350 megawatts (“MW”) of new residential solar PV systems on or before December 31, 2022, while promoting the sustained, orderly development of a local state-based solar PV industry and ensuring that solar PV systems are accessible and affordable to vulnerable communities.⁴⁴ As of December 31, 2022, the RSIP achieved 378 MW of deployment from \$1.4 billion of total investment, providing more than 46,300 households with access to solar PV systems, including 50% within vulnerable communities.⁴⁵ With the end of the RSIP policy, the focus of the Green Bank will be to manage the Solar Home Renewable Energy Credits (“SHREC”) generated from the systems supported through the RSIP to recover incentives, administrative expenses, and financing costs, by selling SHRECs to the EDCs through a 15-year Master Purchase Agreement (“MPA”) to pay for bonds sold to support the program. In addition to cost recovery of the RSIP through the SHREC, the Green Bank is looking into how to manage the end-of-life of the solar PV systems as the waste is potentially heavy in weight and sizable in volume.⁴⁶

Residential Renewable Energy Solutions

Starting January 1, 2022, the residential solar PV market transitioned from the RSIP and net metering to a tariff-based compensation structure.⁴⁷ In order to ensure the continued sustained, orderly development of the local solar industry beyond the conclusion of the RSIP, and access to such clean energy technologies by vulnerable communities, the Green Bank actively engaged in the regulatory process (i.e., Docket No. 20-07-01) overseen by PURA to establish Residential Renewable Energy Solutions (“RRES”) – an EDC-administered residential renewable energy tariff program.

As a result of the Green Bank’s engagement in the PURA process for the RRES, the following key program design principles were included:

- **Rate of Return** – a just, reasonable, and adequate rate of return of between 9 to 11 percent was determined (i.e., equivalent to \$0.2940/kWh in 2021 and \$0.3189/kWh in 2024) for the 20-year tariff through the Green Bank’s inclusion of an objective rate of return analysis of the RSIP;

⁴⁴ Each year, from 2019 through 2022, and cumulatively from 2014 through 2021, Connecticut had the largest per capita deployment of residential solar PV in the entire northeast (i.e., New England, New Jersey, and New York) as a result of administering the RSIP (SEIA – Solar Market Insights 2022).

⁴⁵ “Residential Solar Investment Program – 2012-2022 Program Impact Evaluation and Future Recommendations” by Slipstream (May 3, 2023) – [click here](#).

⁴⁶ 1.2 million panels is equivalent to over 55 million pounds of weight and nearly 5 billion cubic inches of volume – equivalent to 4,600 African elephants (i.e., 1,200 pounds each) and 30 Olympic sized swimming pools (i.e., 2.5 million liters of water).

⁴⁷ See CGS 16-244z and Docket No. 20-07-01

- **HES or HES-IE Requirement** – to continue the linkage between energy efficiency and solar PV as demonstrated by the RSIP, an important objective of the Joint Committee, the Green Bank advocated for a Home Energy Solutions (“HES”) or Home Energy Solutions – Income Eligible (“HES-IE”) requirement as part of the RRES;
- **Additional Incentives for Vulnerable Communities** – given the success of the RSIP in reaching vulnerable communities, the Green Bank wanted to ensure that solar PV was affordable and accessible to LMI households, and thus adders for low income (i.e., \$0.0250/kWh in 2021 and \$0.0550 in 2024) or households located in distressed municipalities⁴⁸ (i.e., \$0.0125/kWh and \$0.0275/kWh in 2024) over the 20-year tariff were determined;
- **Direct Payment** – due to the perceived risks of underwriting financing (i.e., loans, leases, or power purchase agreements (“PPAs”)) for vulnerable communities, the Green Bank advocated for direct payments of the tariff rates from the EDCs to a third-party in-part or in-whole as a way to reduce borrower risk (including perceived risk) and therefore make renewable energy more affordable and accessible to vulnerable communities. This provides a financing mechanism that would allow the Green Bank to provide investment in developers serving vulnerable communities; and
- **Affordable Housing** – as part of the Green Bank-led amendments to Section 2 of PA 21-48,⁴⁹ which includes “affordable housing” as part of RRES (i.e., versus Non-Residential Renewable Energy Solutions or “NRES”), and a subsequent decision by PURA in Docket No. 22-08-02, it will be easier for property owners to participate in RRES, enabling energy savings to both the property owner and its low-income tenants.

These key program design principles within the EDC-administered tariff program will improve the program’s likelihood of success in deploying no less than fifty (50) MW of new residential solar PV a year, while ensuring that vulnerable communities have continued opportunities to reduce the burden of energy costs that they experienced through the RSIP. It should be noted that in 2023, nearly one-hundred and twenty (120) MW of new residential solar PV was deployed in Connecticut – greater than Massachusetts (i.e., 90 MW) and not much less than New Jersey (i.e., 147 MW) and New York (i.e., 181 MW).⁵⁰ RRES progress, following on the RSIP, demonstrates the importance of market transformation. Future efforts to support the market’s continued growth and sustainability will rely on appropriate public policies to ensure consumer protections.⁵¹

~~To support PURA in overseeing the EDC administered RRES, the Green Bank is a consultant to the Office of Education, Outreach, and Enforcement.~~

⁴⁸ https://portal.ct.gov/DECD/Content/About_DECD/Research-and-Publications/02_Review_Publications/Distressed-Municipalities

⁴⁹ An Act Establishing and Energy Efficiency Retrofit Grant Program for Affordable Housing – <https://www.cga.ct.gov/2021/act/Pa/pdf/2021PA-00048-R00SB-00356-PA.PDF>

⁵⁰ Solar Market Insight by Solar Energy Industry Association and Wood Mackenzie

⁵¹ Section 7 of Public Act 24-38 “An Act Concerning Energy Procurements, Certain Energy Resources and Programs of the Public Utilities Regulatory Authority”

3.2 Energy Storage Solutions

With the passage of PA 21-53 establishing a 1000 MW energy storage target by 2030, and the final decision in Docket No. 17-12-03RE03 on electric storage, the Green Bank was selected by PURA to co-administer a 580 MW behind the meter residential and non-residential battery storage incentive program with the EDCs called Energy Storage Solutions ("ESS"). The Green Bank is responsible for administering the upfront incentive, marketing the program, overseeing evaluation, measurement, and verification ("EM&V"), and fostering the sustained, orderly development of a state-based electric energy storage industry. ESS seeks to deploy battery storage systems to help families and businesses become more resilient against power outages, while reducing peak demand during summer and winter periods reducing electric rates for all ratepayers.

As of June 30, 2024, there are 154 residential battery storage systems totaling 1.2 MW and 2 non-residential battery storage systems totaling 1.2 MW of installed capacity and \$5.7 million of total investment. There are 72 non-residential battery storage systems totaling 150.8 MW and \$262.4 million of potential total investment that have been approved by the Green Bank and are in the interconnection queue of the EDCs as part of the development of the projects.

3.3 EnergizeCT Smart-E Loan

The EnergizeCT Smart-E Loan ("Smart-E Loan") is a partnership between the Green Bank and local community banks and credit unions that provide easy and affordable access to capital for homeowners to finance clean energy and environmental infrastructure improvements on their properties through local contractors. The Green Bank provides credit enhancements to the participating financing institutions in the form of interest rate buydowns (i.e., from the use of federal resources and from the Green Bank balance sheet through linked deposits) and loan loss reserves (i.e., from the Green Bank balance sheet). This allows financial institutions to provide low-interest and longer-term loans to families.

In FY 2023, the Green Bank, worked with Connecticut Institute for Resilience and Climate Adaptation ("CIRCA"), DEEP, Connecticut Department of Public Health ("DPH"), Connecticut Insurance Department, and other stakeholders, to identify additional measures (i.e., climate adaptation and resilience, water) for inclusion within the Smart-E Loan for environmental infrastructure. On June 18, 2024 the Green Bank announced that climate adaptation and resilience and water measures are eligible for the Smart-E Loan.

As of June 30, 2024, 8,820 families that have received Smart-E Loan from community lenders to finance various clean energy and environmental infrastructure projects totaling \$176.1 million of total investment.

3.4 Incentive Program Targets

The Green Bank has set targets for its Incentive Programs business unit for FY 2023,⁵² FY 2024,⁵³ and FY 2025 in terms of the number of projects, total investment (i.e., public and private), and installed capacity – see Tables 2 through 4.

⁵² Revised by the BOD on January 20, 2023

⁵³ Revised by the BOD on January 26, 2024

Table 2. Revised FY 2023 Targets for the Incentive Programs Business Unit

Program / Product	Projects	Total Capital Deployed (\$MM's)	Installed Capacity (kW)
Energy Storage Solutions – Residential	350	\$14.9	4,700
Energy Storage Solutions – Non-Residential	30	\$67.5	45,000
EnergizeCT Smart-E Loan	960	\$15.0	200
Total	1,340	\$97.4	49,900

Table 3. Revised FY 2024 Targets for the Incentive Programs Business Unit

Program / Product	Projects	Total Capital Deployed (\$MM's)	Installed Capacity (kW)
Energy Storage Solutions – Residential	150	\$4.8	1,000
Energy Storage Solutions – Non-Residential	15	\$30.4	20,700
EnergizeCT Smart-E Loan	1,204	\$22.4	900
Total	1,359	\$57.3	22,800

Table 4. Revised FY 2025 Targets for the Incentive Programs Business Unit

Program / Product	Projects	Total Capital Deployed (\$MM's)	Installed Capacity (kW)
Energy Storage Solutions – Residential	500	\$16.0	4,300
Energy Storage Solutions – Non-Residential	5	\$12.5	10,000
EnergizeCT Smart-E Loan	1,325	\$26.8	2,120
Total	1,830	\$55.3	16,420

In terms of the Green Bank's vulnerable community's prioritization, the following is a goal for Incentive Programs:

- By 2025, no less than 40 percent of investment and benefits (e.g., reduction in energy burden, increase in resilience, jobs) from Incentive Programs is directed to vulnerable communities.

As a result of successfully achieving these targets, the Green Bank will reduce energy burden and increase resilience for Connecticut families and businesses, especially those in vulnerable communities, create jobs in our communities, raise tax revenues for the State of Connecticut, and reduce air pollution causing local public health problems and contributing to global climate change.

For details on Incentive Program performance, please see the Annual Comprehensive Financial Report for FY24.⁵⁴

4. Financing Programs

The Green Bank manages financing programs. That is to say that it oversees financing programs that invest capital upfront (i.e., public revenues including CEF and RGGI) to deploy clean energy, while at the same time returning principal and interest (i.e., earned revenues) over time from the financing of projects, products, or programs to ensure the financial sustainability of the Green Bank.

4.1 Commercial Property Assessed Clean Energy

Per CGS 16a-40g, C-PACE enables building owners to pay for clean energy improvements over time through a voluntary benefit assessment placed by participating municipalities on their property tax bills. As of June 30, 2024, there have been 139 cities and towns that have opted into C-PACE. This process makes it easier for building owners to secure low-interest capital for up to 25 years to fund clean energy improvements and is structured so that energy savings more than offset the benefit assessment. With the passage of PA 22-6,⁵⁵ resilience and electric vehicle recharging stations were added to the list of eligible measures for C-PACE.

Continuing its efforts, in FY 2024, the Green Bank, worked with DEEP, CIRCA, and other stakeholders, to expand C-PACE beyond clean energy to include resilience⁵⁶ measures. On June 18, 2024 the Green Bank announced that resilience measures are eligible for C-PACE.

As of June 30, 2024, 405 property owners have received \$349.1 million in C-PACE financing for various clean energy and environmental infrastructure projects.

4.2 Green Bank Solar Power Purchase Agreement & Solar Roof Lease

The Green Bank Solar PPA and the Green Bank Solar Roof Lease are third-party ownership structures to deploy solar PV systems for commercial scale end-use customers (e.g., businesses, nonprofits, municipal and state governments, schools, affordable multifamily properties, etc.) that uses a multi-year PPAs or site lease to finance projects while either reducing energy costs for the host customer or providing a fixed annual lease payment.

As of June 30, 2024, 218 property owners have received \$145.5 million in Green Bank Solar PPA financing for 65.3 MW of solar PV projects. In FY 2025, the Green Bank Solar PPA will focus on including battery storage to increase resilience of property owners while reducing electricity rates for all ratepayers.

⁵⁴ <https://www.ctgreenbank.com/wp-content/uploads/2024/10/CT-Green-Bank-Final-ACFR-2024R-2024.10.25.pdf>
<https://www.ctgreenbank.com/wp-content/uploads/2023/10/Connecticut-Green-Bank-Annual-Comprehensive-Financial-Report-2023R.pdf>

⁵⁵ An Act Concerning the Commercial Property Assessed Clean Energy Program – <https://www.cga.ct.gov/2022/act/Pa/pdf/2022PA-00006-R00SB-00093-PA.PDF>

⁵⁶ Per CGS 16-244aa, “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.

4.3 Solar Marketplace Assistance Program (“Solar MAP”)

Supported by public policy,⁵⁷ the Green Bank continues to support Connecticut state agencies, municipalities, and affordable multifamily property owners in their sustainability initiatives through Solar MAP for Towns and Cities.⁵⁸ Many Connecticut towns, primarily smaller towns, state agencies and affordable multifamily property owners are challenged to get through the many project steps preventing them from taking advantage of clean energy. Solar MAP provides turnkey support from start to finish to make it easier for these stakeholders to identify projects that will provide savings and resiliency, to access necessary incentives and Green Bank financing, and to add much-needed capacity to manage project implementation and construction. The program administers a competitive solicitation to select a construction partner and bring more projects to the market to grow our state’s clean energy economy. Projects are bundled into portfolios to achieve economies of scale driving down project costs and delivering better savings a property owner wouldn’t experience if they acted alone. With feedback from contractors and municipalities, the Green Bank integrated additional transparency into the Programs’ status and activities and developed a clearer mission and target audience. Solar MAP aims to support municipalities and other stakeholders that are underserved by the market. From a municipal standpoint, this typically means towns that are smaller in population and/or town staff without recent history of doing solar projects. The comprehensive program support and refined mission help better serve our stakeholders and the clean energy market.

4.4 Small Business Energy Advantage & Business Energy Advantage

Small Business Energy Advantage (“SBEA”) and Business Energy Advantage (“BEA”) are Eversource Energy administered on-bill commercial energy efficiency financing programs for small and medium-sized businesses, municipalities and Connecticut state agencies. Low-cost capital is provided by Amalgamated Bank with a credit enhancement from the Green Bank (i.e., subordinated debt) and the Connecticut Energy Efficiency Fund (i.e., loan loss guaranty and interest rate buydown). SBEA and BEA enables qualifying customers to access 0% on bill financing for up to \$100,000 per site for businesses (up to a maximum of \$1,000,000), up to \$5,000,000 for municipalities, and up to \$5,000,000 per project for state facilities with no overall outstanding loan cap.

As of June 30, 2024, 7,454 property owners have received \$110.1 million in SBEA financing for energy efficiency projects.

4.5 Multifamily Products

In FY 2024, as a result of public policy⁵⁹, the Green Bank focused its multifamily⁶⁰ efforts on deploying solar and storage in affordable multifamily properties. The Green Bank expanded its Solar MAP to include the affordable multifamily sector. Through this program, properties receive assistance through all steps of the solar and storage project development process, from site identification and feasibility assessments to contractor procurement and financing. Eligible property owners can finance these projects through the Green Bank Solar PPA & Lease as well

⁵⁷ CGS 16-245n “...stimulate demand for clean energy and deployment of clean energy sources that serve end use customers in the state...” (i.e., 16-245n(c)); and “...shall (i) develop separate programs to finance and otherwise support clean energy investment in residential, municipal, small business and larger commercial projects...” CGS 16-245n(d)(1)(B).

⁵⁸ <https://www.ctgreenbank.com/community-solutions/solar-solutions-for-communities/solar-map/>

⁵⁹ Public Act 21-48 and Docket No. 22-08-02

⁶⁰ Buildings with 5 or more units

as C-PACE and the Solar Loan. Solar and storage developers active in the sector can also finance their projects through these products, outside of the Solar MAP program.

The Green Bank will continue to support energy efficiency through its support of the LIME product offered by Capital for Change, as well as C-PACE. Additionally, to enable greater investment in and deployment of technologies (i.e. solar PV, battery storage, heat pumps, weatherization, appliances, [EV charging](#), and controls) in affordable multifamily properties, the Green Bank will continue efforts began in FY 2024 to work with the EDCs, DEEP, and the Energy Efficiency Board to better coordinate incentive and financing programs from state and federal sources of capital.

4.6 Green Bank Capital Solutions

As opportunities present themselves, the Green Bank from time-to-time invests as part of a capital structure in various clean energy projects (e.g., fuel cell, hydropower, food and farm waste to energy). These projects are selected based on the opportunity to expand the organization's experience with specific technologies, advance economic development in a specific locale, or to drive adoption of clean energy that would otherwise not occur, while also earning a rate of return.

4.7 Financing Program Targets

The Green Bank has set targets for its Financing Programs business unit for FY 2023 through FY 2025 in terms of the number of projects, total investment (i.e., public and private), and installed capacity – see Tables 5 through 7.

Table 5. Revised FY 2023 Targets for the Financing Programs Business Unit

Program / Product	Projects	Total Capital Deployed (\$MM's)	Green Bank Capital Deployed (\$MM's)	Installed Capacity (kW)
Commercial PACE	23	\$31.0	\$7.0	-
Green Bank Solar PPA	19	\$13.7	\$2.7	7,600
Small Business Energy Advantage	839	\$18.6	\$3.7	-
Multifamily Term Loan	6	\$1.4	-	600
Multifamily Health and Safety	1	\$0.9	-	-
Total	882	\$64.2	\$13.4	7,600

Table 6. Revised FY 2024 Targets for the Financing Programs Business Unit

Program / Product	Projects	Total Capital Deployed (\$MM's)	Green Bank Capital Deployed (\$MM's)	Installed Capacity (kW)
Commercial PACE	19	\$21.2	\$7.7	-
Green Bank Solar PPA	10	\$10.7	\$6.5	4,700
Small Business Energy Advantage	480	\$11.7	\$2.3	-
Multifamily Term Loan	3	\$0.3	\$0.3	300
Total	515	\$49.0	\$21.1	8,200

Table 7. Revised FY 2025 Targets for the Financing Programs Business Unit

Program / Product	Projects	Total Capital Deployed (\$MM's)	Green Bank Capital Committed ⁶¹ (\$MM's)	Installed Capacity (kW)
Commercial PACE	23	\$32.2	\$14.7	-
Marketplace Assistance Program	8	\$17.48.8	\$11.26.1	7,470 3,470
Green Bank Solar PPA ⁶²	14	\$9.23.0	\$4.31.6	-
Small Business Energy Advantage	518	\$12.6	\$2.5	-
Total	5653	\$71.456.6	\$32.824.8	7,4703,470

In terms of the Green Bank's vulnerable communities prioritization, the following is a goal for Financing Programs:

- By 2025, no less than 40 percent of investment and benefits (e.g., reduction in energy burden, increase in resilience, jobs) from Financing Programs is directed to vulnerable communities.

The capital provided by the Green Bank, which is a portion of the total investment, is expected to yield a return commensurate with the financial sustainability objectives of the organization and business unit.

As a result of successfully achieving these targets, the Green Bank will contribute to its financial sustainability, and also reduce the energy burden and increase resilience for Connecticut families and businesses, especially those in vulnerable communities, create jobs in our communities, raise tax revenues for the State of Connecticut, and reduce air pollution that cause local public health problems and global climate change.

For details on Financing Program performance, please see the Annual Comprehensive Financial Report for FY23.⁶³

5. Environmental Infrastructure Programs

Following the passage of PA 21-115 in June of 2021, the Green Bank began the process of policy assessment and development for environmental infrastructure in FY 2022, including:

- **Governance Amendments** – revising various governance documents including the Resolution of Purpose, Bylaws, and Operating Procedures;

⁶¹ The Green Bank has clarified our targets and in FY 2025 is using the term Green Bank Capital Committed, where we are looking to commit to using funds from our balance sheet towards specific programs and projects. This is an important metric to track as it is indicative of our growth and progress toward achieving financial sustainability.

⁶² This includes Green Bank and 3rd Party developed solar installations where the Green Bank's support is through debt.

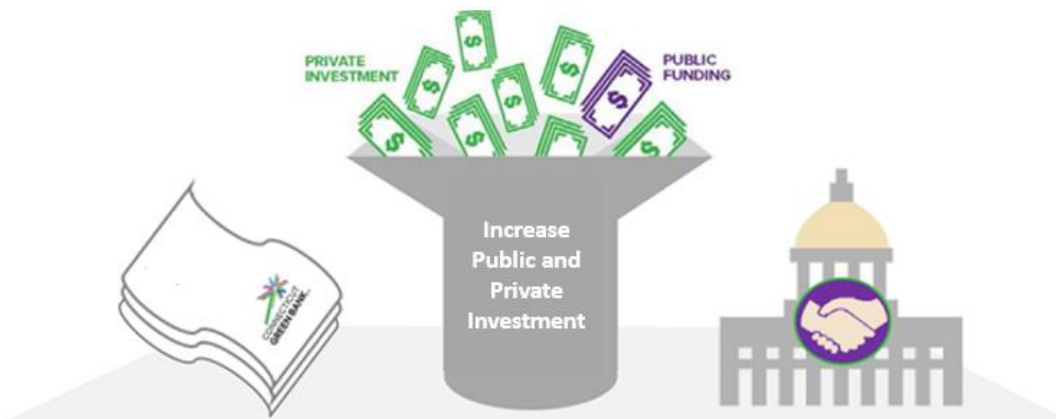
⁶³ <https://www.ctgreenbank.com/wp-content/uploads/2024/10/CT-Green-Bank-Final-ACFR-2024R-2024.10.25.pdf>
<https://www.ctgreenbank.com/wp-content/uploads/2023/10/Connecticut-Green-Bank-Annual-Comprehensive-Financial-Report-2023R.pdf>

- **Assessing Bond Potential** – investigating the potential for Green Liberty Bonds to be issued to raise proceeds for environmental infrastructure investment, including fifty (50) year maturity terms;
- **Developing Products** – expanding the ability for the Smart-E Loan to support environmental infrastructure projects for single family property owners and C-PACE to support resilience projects for multifamily and commercial property owners;
- **Stakeholder Engagement** – initiating outreach to public, private, nonprofit, and academic stakeholder organizations to introduce the Green Bank, understand public policies and targets, identify funding opportunities, market potential, investment requirements, and financing models, and metrics for environmental infrastructure; and
- **Strategic Retreat** – engaging members of the BOD, staff, and key stakeholders in an offsite strategic retreat to expand the scope of the Green Bank to mobilize private investment in environmental infrastructure.⁶⁴⁶⁵

As a result of these efforts in FY 2022, the Green Bank made the following observations with respect to environmental infrastructure:

1. **Market Intermediary Role** – as is the case with respect to “clean energy,” the Green Bank has a role to play as a market intermediary for “environmental infrastructure” – see Figure 2. Given the ambitious nature of public policies with respect to environmental infrastructure, and the need to mobilize and attract private investment to achieve the policy objectives, there is a need for an intermediary role for the Green Bank between capital markets and public policy.

Figure 2. Market Intermediary Role - Capital Markets and Public Policy



2. **Better Market Signals** – again, as is the case with respect to “clean energy” (e.g., zero emission renewable energy credits), there is a need for public policy to send better market signals to unlock and mobilize private capital investment in “environmental

⁶⁴ <https://www.ctgreenbank.com/wp-content/uploads/2022/07/2022-Strategic-Retreat-Report.pdf>

⁶⁵ <https://www.youtube.com/watch?v=6V3wwMcaUvU>

infrastructure". For example, beyond "sticks" (e.g., regulation and enforcement requiring producers of food waste to transport their waste to an anaerobic digester per PA 11-127), there need to also be associated "carrots" (e.g., virtual net metering, low emission renewable energy credits, renewable natural gas) in order to enable private investment in "environmental infrastructure". A strong market signal public policy for green and blue infrastructure is Maryland's Conservation Finance Act of 2022 and the pay-for-success contracts for certain environmental outcomes.⁶⁶

3. **Appropriately Priced Capital** – if public policy in Connecticut is designed to reduce risks (including perceived risks), then attracting and mobilizing appropriately priced private capital (e.g., lower interest rates, longer terms) must ensue. The Green Bank can access affordable private capital through the issuance of Green Liberty Bonds, which can be paid back over 50 years (or the useful life of the asset) and whose proceeds can be invested in environmental infrastructure.
4. **Community Engagement** – there is a continuous need to not only engage public, private, nonprofit and academic stakeholders, but also municipal, councils of government, and other community-level officials. Empowering impacted communities, especially vulnerable communities, through near-term engagement (i.e., informing, consulting, and involving) to long-term engagement (i.e., collaborating and empowering) is vital to identifying needs to support the development of programs and the success of investments in projects to achieve their intended impacts.
5. **Vulnerable Communities** – with a key goal 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," as is the goal for "clean energy," the Green Bank will ensure that by the end of 2025 no less than 40 percent of investment and benefits (e.g., jobs) in "environmental infrastructure" are directed to vulnerable communities.

In FY 2023, the Green Bank continued to make progress developing its environmental infrastructure business unit and programs by:

- **Building the Team** – hiring several critical positions including the Manager of Community Engagement and Director of Environmental Infrastructure, as well as qualifying a suite of contractors to support the work of the business unit;
- **Continuing Engagement** – wrapping up stakeholder outreach for water, and continuing engagement of municipal and regional governments, especially those in vulnerable communities (e.g., Bridgeport, Hartford);
- **Raising Resources** – identifying and realizing opportunities for federal (i.e., GGRF) and foundation (i.e., Robert Wood Johnson Foundation) funding, and developing the Green Liberty Bonds to raise proceeds from the issuance of bonds to provide capital for investment;

⁶⁶ <https://mgaleg.maryland.gov/mgawebbsite/Legislation/Details/sb0348?ys=2022RS>

- **Launching New Products** – developing existing financing products for clean energy (i.e., Smart-E Loan, C-PACE) to support environmental infrastructure measures; and
- **Conducting Research and Development** – continuing to identify research opportunities to develop markets for carbon offsets and ecosystem services for the purposes of generating revenues from projects as a result of Green Bank investments.

In FY 2024, the Green Bank continued to make steady progress developing its environmental infrastructure business unit and programs including, but not limited to:

- **Strategic Assessment of Market Readiness** – identified and synthesized market conditions, readiness, and opportunities across sectors, including resources needed to develop, expand, or launch new programs and markets;
- **Continuing to Build the Team** – identified critical positions and/or contractual support services to implement programs and opportunities based on the strategic assessment;
- **Continuing Engagement** – initiated stakeholder outreach for waste and recycling, continued engagement of municipal and regional governments, especially those in vulnerable communities;
- **Explore Stakeholder Advisory Committee** – explored the formation of an Environmental Infrastructure Stakeholder Advisory Committee to engage various state agencies to act as liaisons to the Green Bank.⁶⁷ Considered other important engagement or advisory opportunities with strategic organizations, stakeholders, and/or municipalities;
- **Raising Resources** – identified, sought, and received funding from federal (e.g., IJIA, IRA, GGRF) and foundation (e.g., grants, program related investments ("PRIs")) channels. In 2024, develop and issue Green Liberty Bonds to raise proceeds to provide capital for investment (e.g., revolving loan fund);
- **Launching or Expanding Existing Products Inclusive of Key Outcomes** – developed and launched existing financing products for clean energy (i.e., Smart-E Loan, C-PACE) to support environmental infrastructure measures. Assessed and created additional clean energy incentive and financing product expansion opportunities in alignment with strategic assessment (i.e., Green Bank Capital Solutions); and
- **Continue Conducting Research and Development** – continued to identify research and development opportunities for the purposes of generating revenues, including environmental market revenues (e.g., carbon offsets, ecosystem services) from projects as a result of Green Bank investments.

⁶⁷ Per Section 5.3 Advisory Committees within its bylaws, the Green Bank may form advisory committees to advise and assist the Board or management in the performance of its statutory responsibilities.

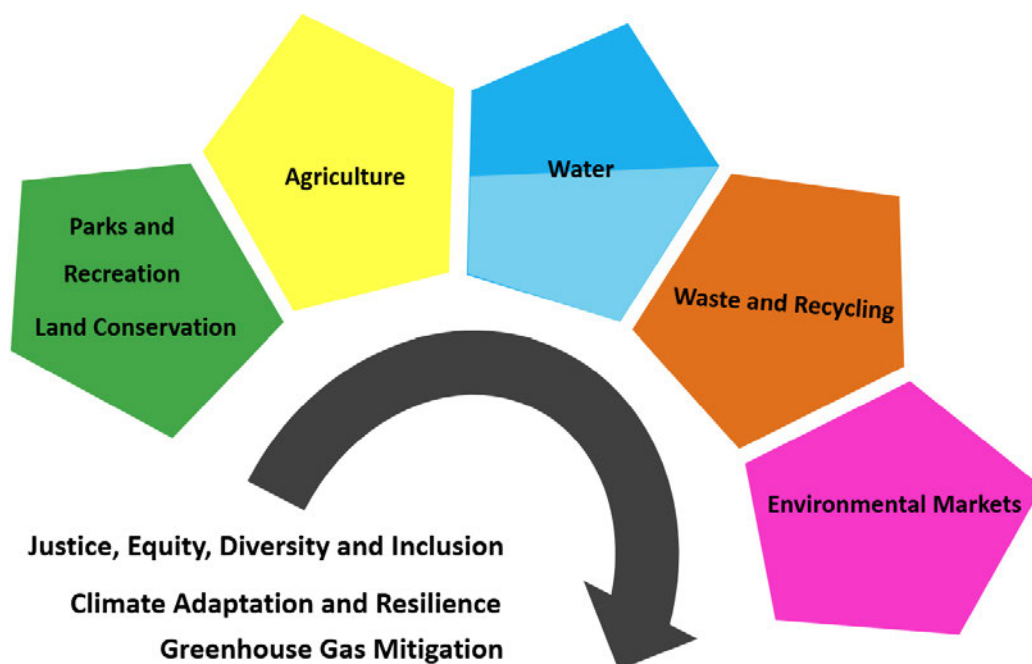
In FY 2025, the Green Bank will implement the following within its environmental infrastructure business unit, including, but not limited to:

- **Expand and Implement Existing Products** - following the launches of existing products (i.e., Smart-E Loan, C-PACE) inclusive of environmental infrastructure measures (e.g., resilience, water) in FY 2024, continue measure expansion and support for market development of such measures while also identifying and collecting information to support the development of impact metrics.
- **Identify Unique Project Opportunities** - launch Green Bank Capital Solutions, inclusive of environmental infrastructure measures, in FY 2025, by promoting the open RFP program, building a pipeline of project opportunities, creating proposal evaluation criteria, and investing in project opportunities where appropriate.
- **Continuing Engagement** - finalize the “Waste and Recycling” primer, and support community engagement relative to environmental infrastructure. Continue engagement of municipal and regional governments, especially those supporting vulnerable communities, to understand their needs in terms of environmental infrastructure.
- **Support Public Policy that Unlocks Private Capital Investment** - support existing or advance new public policies that mobilize private capital investment in and deployment of environmental infrastructure.
- **Raising Resources** – identifying, pursuing, and receiving opportunities and partnerships for federal and foundation funds (e.g., grants, [PRIs program-related investments](#)) and private capital resources. In FY 2025, determine the ability for Green Liberty Bonds for environmental infrastructure (i.e., up to 50--year bonds) to raise proceeds to provide capital for investment (e.g., revolving loan fund).
- **Market Research and Development** - continue to identify research and development opportunities for the purposes of supporting public policies that enable private capital investment, identifying project and programmatic opportunities, and generating revenues, especially from environmental markets (i.e., carbon offsets, ecosystem services).
- **Data, Targeting, and Impact** - assemble data (e.g., resilience opportunity areas, vulnerable communities, etc.) to target the promotion of products and programs for environmental infrastructure investments. Helping to optimize impact across Environmental Infrastructure sectors and key performance indicators (“KPIs”).

5.1 Confronting Climate Change and Vulnerable Communities

Given the mission of the Green Bank, investments in environmental infrastructure must seek to confront climate change (i.e., mitigate GHG emissions and increase resilience against its impacts) and increase investment in vulnerable communities – see Figure 3. The umbrella of Environmental Infrastructure sectors guides the Green Bank’s efforts to mobilize investment in concert with public, private, nonprofit, municipal and other stakeholders.

Figure 3. Confronting Climate Change and Enabling Investment in Vulnerable Communities through Environmental Infrastructure



Through stakeholder engagement, the Green Bank recognizes the opportunity for investment in nature-based solutions that protect land and water from loss, improve management of natural resources for productive use in the economy, and restore native cover – all of which help Connecticut confront climate change – see Figure 4.

Figure 4. Nature-Based Solutions and Green Infrastructure



In terms of the Green Bank's vulnerable communities prioritization, the following is a goal for Environmental Infrastructure Programs:

- By 2025, no less than 40 percent of investment and benefits (e.g., reduction in air and water pollution, increase in resilience, public health improvement, jobs) from Environmental Infrastructure Programs is directed to vulnerable communities.

5.1.1 Strategy Overview

As the Green Bank initiates its Environmental Infrastructure efforts, there is a need to accelerate the pace at which the team can begin to provide financial solutions to the market while allowing for flexibility to learn more about each sector. The Environmental Infrastructure team created a three-part strategy to balance near-term product and investment opportunities alongside longer-term program and market development. The strategy was also envisioned to leverage existing staff resources and to build on respected program brand names and market awareness. This strategy is to:

- 1) **Expand Program Offerings:** include Environmental Infrastructure measures in existing programs such as Smart-E (i.e., climate resilient and adaptation and water measures) and C-PACE (i.e., resilience)
- 2) **Pursue Bespoke Opportunities:** expand and leverage Green Bank Capital Solutions Open Rolling Request for Proposals for Environmental Infrastructure projects
- 3) **Develop Strategic Programs:** determine longer-term strategic program design opportunities

Figure 5. Environmental Infrastructure Strategy



As the Green Bank has worked to define a strategic approach to the expansive scope of Environmental Infrastructure, it has been important to maintain a broad aperture of financing tools and investment strategies for Environmental Markets, Land Conservation, Parks and Recreation, Agriculture, Water, and Waste and Recycling. Each of these sectors have many potentially viable investment strategies. The team has engaged in conversation, participated in working groups, developed new partnerships, and performed other stakeholder engagement

activities to better understand near-term program design opportunities and longer-term market and program development needs.

The following is a succinct breakdown of each area of environmental infrastructure, including links to more detailed guides or primers based on stakeholder outreach.

5.2 Environmental Markets – Carbon Offsets and Ecosystem Services

Carbon offsets are measurable outcomes from carbon sequestration activities, traded in voluntary (e.g., requiring verification and certification) and compliance (e.g., RGGI) markets, whereby regulations, sustainability priorities, and public relations are motivators for buyers and sellers. Ecosystem services are the benefits people obtain from ecosystems,⁶⁸ and when measured, not only demonstrate social and environmental benefits, but also, in some cases, produce environmental market revenues from the investment in and deployment of environmental infrastructure. Fundamentally, ecosystem services markets are designed to embed the positive benefits (e.g., public health, resilience) and negative impacts (e.g., GHG emissions) of individuals on natural resources into market-based systems which financially incentivize environmental stewardship, conservation, and rehabilitation of natural ecosystems.

Environmental infrastructure projects that involve carbon offsets and ecosystem services can be quantified and sold in markets to generate additional earned revenues from the projects.

For example, the Green Bank has developed a carbon offset methodology VM0038⁶⁹ and VMD0049⁷⁰ published under the Verified Carbon Standard (“VCS”) Program, administered by the nonprofit Verra. This methodology allows those with the rights to electric vehicle charging infrastructure to earn carbon credits based on vehicle charging activity.

The Green Bank led the development of this methodology with several partners going back to 2016 and worked with a consortium of partners⁷¹ to submit for credits in 2021 for activity from 2016-2021.⁷² Credits were certified, verified, and minted in the fall of 2022 and monetized in the spring of 2023. The Green Bank is currently preparing to file for activity for calendar years 2021 and 2022 and expects to file for credits on behalf of its partners going forward for the life of the project, through 2041.

Though ecosystem services have been part of multiple discussions on opportunities for Green Bank engagement, the Environmental Infrastructure team has not developed a specific strategy or priority opportunity to engage across Environmental Markets. In FY 2025, the Environmental Infrastructure team will continue to incorporate ecosystem service markets into broader project and program design opportunities as appropriate while also exploring project financing and

⁶⁸ Provisioning services (e.g., food, water, fuel, wood), supporting services (e.g., nutrient cycling, soil formation, habitat provision, primary production), regulating services (e.g., climate regulation, flood regulation, water purification), and cultural (e.g., spiritual, aesthetic, educational, and recreational).

⁶⁹ <https://verra.org/methodologies/vm0038-methodology-for-electric-vehicle-charging-systems-v1-0/>

⁷⁰ <https://verra.org/methodologies/vmd0049-activity-method-for-determining-additionality-of-electric-vehicle-charging-systems-v1-0/>

⁷¹ Partners include: AmpUp, Blink Dominion Energy, EV Match, EV Structure, Exelon, Opconnect, OptiWatt, and UGO. We have been facilitated by the expertise brought by the Climate Neutral Business Network.

⁷² <https://verra.org/new-methodology-for-ev-charging-systems-approved/>

program design opportunities with ecosystem service registries and project development partners.

For the basics on environmental markets, see Guide – Environmental Markets.⁷³

5.3 Land Conservation

Nature-based solutions such as protecting intact lands from loss (e.g., forestlands, wetlands), improving the management of working lands (e.g., sustainably certified timberlands), and restoring native land cover, including coastlines, can both mitigate GHG emissions that cause climate change (e.g., forest carbon sequestration) and increase resilience against the impacts of climate change (e.g., flood protection).

The following is the market potential for land conservation from the perspective of forestland – see Table 8.

Table 8. Market Potential for Land Conservation in Connecticut based on Forest Land

3,205,762 Acres Land in Connecticut				
1,869,761 Acres Forest Land			1,336,001 Acres Non-Forest Land	
298,994 Acres Protected Core Forests	568,857 Acres Unprotected Core Forest	1,001,910 Acres Non-Core Forest	1,130,000 Acres Urban Area	206,001 Acres Other Non-Urban and Non-Forest

To retain the multiple benefits that forests provide, there is a “no net loss of forest” policy goal.

The following is a breakdown of the land conservation target outlined in the CGS 23-8⁷⁴ – see Table 9.

Table 9. Progress Towards the Open Space Land Target in Connecticut (as of December 31, 2019)

3,205,762 Acres Land in Connecticut								
320,576 Acres State Goal (@10%)				352,634 Acres Partner Goal (@≥11%)				2,532,552 Acres No Land Conservation (@79%)
175,000 Acres State Forests ⁷⁵	36,000 Acres State Parks ⁷⁶	46,000 Acres Wildlife Area	63,500 Acres left to achieve target	84,000 Acres Cities and Towns	99,000 Acres Water Companies	66,000 Acres Non-Profit Land Trusts	104,000 Acres left to achieve target	

⁷³ https://www.ctgreenbank.com/wp-content/uploads/2023/04/Environmental-Infrastructure_Environmental-Markets-Guide_062323.pdf

⁷⁴ State goal for open space acquisition – <https://law.justia.com/codes/connecticut/2012/title-23/chapter-447/section-23-8/>

⁷⁵ 33 locations

⁷⁶ 107 locations

		and Other ⁷⁷						
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Of the open space goal of 21% by 2023 (i.e., 673,210 acres), approximately 510,249 acres are conserved (as of December 31, 2019), or 76% of the open space goal comprising 261,806 acres of state (i.e., 82% of the 10% state target) and 248,953 acres of partner (i.e., 71% of the partner target) – leaving an estimated 162,451 acres of open space left to achieve. If the average land acquisition cost is \$9,000 per acre, then approximately \$1.5 billion of public and private investment in land conservation would be needed to acquire and protect over 160,000 acres of open space in order to achieve the 21% target.

As the Green Bank looks to increase and accelerate private investment in land conservation, it will be exploring the following financing tools, including, but not limited to:

- Carbon offset markets
- Ecosystem services markets
- Pay-for-Performance
- Eco-Labeling (e.g., FSC Certified)
- Green Liberty Bonds
- Buy-Protect-Sell Revolving Loan Fund
 - Predevelopment Financing
 - Bridge Financing
 - Traditional Debt Financing
- Forest Investment Fund

Based on learnings to date and also aligned with the agriculture sector priority opportunities, a revolving loan fund for land conservation, restoration, and stewardship is a priority opportunity for the Green Bank to engage across the land conservation sector, especially for projects and acres facing high development pressure and risk of conversion to incompatible use.

For further details on the market opportunity, see Primer – Land Conservation.⁷⁸

5.4 Parks and Recreation

Infrastructure investments in parks and recreation can both mitigate the GHG emissions that cause climate change (e.g., carbon sinks from urban tree canopy cover) and increase resilience against the impacts of climate change (e.g., stormwater management through urban parks, improve public health).

The following is a breakdown of the market potential for parks and recreation from the perspective of active⁷⁹ and passive⁸⁰ outdoor recreation facilities, and on “land” or “water” based activities from the Statewide Comprehensive Outdoor Recreation Plan (“SCORP”) – see Table 10.

⁷⁷ Including wildlife management areas, fish hatcheries, flood control, natural area preserve, water access, wildlife sanctuaries, and other

⁷⁸ https://www.ctgreenbank.com/wp-content/uploads/2023/01/Environmental-Infrastructure_Land-Conservation_Oct-16-2022.pdf

⁷⁹ Active outdoor recreation facilities based on 2005 data (X – #) and 2017 use frequency index data, if available (# – Y), include fields, courts, and courses for baseball and softball (984 – 16.0), basketball (645 – 23.0), football (154 – 10.0), golf (125 – 13.6), multi-use (624), soccer (495 – 14.6), tennis (384 – 11.2), and volleyball (74 – 23.0), as well as playgrounds (1,065), swimming pools (137 – 60.9), and winter sports (238 – 9.3)

⁸⁰ Passive outdoor recreation facilities based on 2005 data (X – #) and 2017 use frequency index data, if available (# – Y) include access to sites for beaches (176 – 60.1), boating (285 – 10.9), camping (88 – 13.5), fishing (669 – 19.0), gardens (109), historic landmarks (99 – 35.9), hunting (88 – 3.5), picnics (677), and trails (896 – 102.8)

Table 10. Outdoor Recreation Facilities in Connecticut (2005)

Outdoor Recreation Type	# of Facilities	DIRPS ⁸¹ per 10,000 Residents	Ownership		
			Statewide Average	Municipal Average	Other Average
Active – Land	4,788	1.4	4%	77%	20%
Active – Water	137	0.4	2%	69%	30%
Passive – Land	1,957	1.0	27%	46%	27%
Passive – Water	1,130	1.1	22%	45%	33%
Total	8,012	1.2	14%	62%	24%

The Trust for Public Land's ("TPL") ParkScore Index is a comprehensive rating system to measure how cities are meeting the needs for parks.⁸² In an effort to assess ParkScore, the following data are for Connecticut's "Top 10" most populated municipalities with respect to park access – see Table 11.

Table 11. "Top 10" Most Populated Municipalities in Connecticut and ParkScore

City	Population	Acres	% Land as Parks	Acres of Land as Parks	Acres of Parks per 10,000 Residents	# of Parks	Parks per 10,000 Residents	10-Minute Walk
Hartford	121,203	11,136	9%	1,002	83	218	18.0	99%
New Haven	130,764	11,968	12%	1,436	110	128	9.8	96%
West Hartford	63,063	13,952	20%	2,790	442	48	7.6	82%
Stamford	129,302	24,064	5%	1,203	93	54	4.2	74%
New Britain	72,303	8,576	7%	600	83	23	3.2	73%
Bridgeport	143,653	10,304	7%	721	50	35	2.4	73%
Waterbury	106,458	18,240	6%	1,094	103	30	2.8	60%
Norwalk	88,326	14,656	3%	440	50	45	5.1	55%
Bristol	59,639	16,896	4%	676	113	20	3.4	51%
Danbury	84,732	26,880	5%	1,344	159	17	2.0	37%

The quality of parks is difficult to discern. To better understand the quality of parks, TPL partnered with the Urban Resources Institute ("URI") to compare New Haven against the

⁸¹ Discrete Identifiable Recreation Places

⁸² The "% of Land as Parks," "# of Parks," and "10-Minute Walk" data were used from TPL's ParkScore data set.

nation's most populous cities on five (5) categories reflective of an excellent city park system: Acreage,⁸³ Access,⁸⁴ Investment,⁸⁵ Amenities,⁸⁶ and Equity⁸⁷ – see Table 12.⁸⁸

Table 12. TPL and URI Analysis of New Haven Compared to Other Cities

City	Overall	Acreage	Access	Investment	Amenities	Equity
New Haven, CT	60	36	95	35	71	65
Hartford, CT	59	44	95	40	44	73
Boston, MA	-	47	100	79	65	79
Baltimore, MD	-	25	81	68	40	83
Buffalo, NY	-	25	85	47	61	64

The TPL-URI research also delves deeper into the twenty (20) neighborhoods of New Haven to collect data with respect to population, acres of parks, and acres per 1,000 population, as well as demographic data including income and people of color. Based on data from TPL from 14,000 cities, parks that serve low-income households are four (4) times as crowded as parks that serve high-income households, and parks that serve people of color are five (5) times as crowded as parks that serve majority-white populations.⁸⁹ Such analyses in municipalities across Connecticut could elucidate opportunities for areas of improvement, including improving the public health of residents (e.g., reducing urban heat island effects) with access to parks and the economic development impact of property values within proximity to parks. Through its research and development efforts, the Green Bank has supported TPL and other community-based nonprofits to conduct a similar assessment for Hartford, the birth and burial place of Frederick Law Olmstead.

As the Green Bank looks to increase and accelerate private investment in parks and recreation, it will be exploring the following financing tools, including, but not limited to:

- Carbon offset markets
- Ecosystem services markets (e.g., Park Rx)
- Pay-for-Performance
- Green Liberty Bonds
- Tax Increment Financing
- Buy-Protect-Sell Revolving Loan Fund
 - Predevelopment Financing
 - Bridge Financing
 - Traditional Debt Financing

Based on learnings to date, one of the most promising opportunities for the Green Bank to engage across the Parks & Recreation sector could be through bridge lending or working capital

⁸³ Acreage score indicates the relative abundance of large 'destination' parks, which include large natural areas that provide critical mental health as well as climate and conservation benefits.

⁸⁴ Access score indicates the percentage of the city's residents that live within a walkable half-mile of a park – the average distance that most people are willing to walk to reach a destination.

⁸⁵ Investment score indicates the relative financial health of a city's park system, which is essential to ensuring parks are maintained at a high level for all to enjoy.

⁸⁶ Amenities score indicates the relative abundance of six park activities popular among a multi-generational cross-section of user groups (i.e., playgrounds, basketball courts, dog parks, senior and recreation center, splashpads, and permanent restrooms).

⁸⁷ Equity score indicates how fairly parks and park space are distributed within a city, including percentage of people of color and low-income households within a 10-minute walk of a park, and comparison of the amount of park space between neighborhoods by race and income.

⁸⁸ For example, a score of 90 means that the municipality is within the top 90 percent across the country.

⁸⁹ "The Heat is On" by The Trust for Public Lands

facilities for high impact community projects. The Environmental Infrastructure team will continue exploring how to bring financing methodologies to park projects while pursuing potential opportunities with project sponsors through Capital Solutions.

For further details on the market opportunity, see Primer – Parks and Recreation.⁹⁰

5.5 Agriculture

Nature-based solutions such as protecting farmlands from loss and improving farming practices, can both mitigate GHG emissions that cause climate change (e.g., climate smart agriculture) and increase resilience against the impacts of climate change (e.g., flood protection).

The following is a breakdown of the market potential for “agriculture” (i.e., farmland), including other natural forms of land cover (i.e., forestland and wetlands) – see Table 13.

Table 13. Land Cover in Connecticut (2015)

3,179,253 Acres Land and Water in Connecticut				
921,827 Acres Developed Land ⁹¹ 29%	233,847 Acres Farmland 7%	1,873,471 Acres Forestland ⁹² 59%	129,153 Acres Wetlands ⁹³ 4%	20,955 Acres Other Lands ⁹⁴ 1%

More than 70% of Connecticut’s land is farmland, forestland, or wetland. From 2001 through 2016, approximately 6% of the state’s farmland was converted to urban or low-density residential development – placing the state in the top three nationally in percent of farmland lost to development.⁹⁵

The long-term goal of the Farmland Preservation Program, which was set back in the 1980’s, is to preserve 130,000 acres of farmland – see Table 14.

Table 14. Progress Towards the Farmland Preservation Program Target in Connecticut

3,205,762 Acres Land in Connecticut				
381,539 Acres⁹⁶ Farmland				2,824,223 Acres Non-Farmland
148,609 Acres	113,355 Acres	31,923 Acres	87,652 Acres	

⁹⁰ https://www.ctgreenbank.com/wp-content/uploads/2023/01/Environmental-Infrastructure_Parks-and-Recreation_Oct-16-2022.pdf

⁹¹ Includes “Developed,” “Turf & Grass,” and “Other Grasses” classifications

⁹² Includes “Deciduous Forest,” “Coniferous Forest,” “Forested Wetland,” and “Utility-Rights-of-Way (Forest)” classifications

⁹³ Includes “Water,” “Non-Forested Wetlands,” and “Tidal Wetlands” classifications

⁹⁴ Includes “Barren” classification

⁹⁵ “Planning for Agriculture – A Guide for Connecticut Municipalities: Emerging Agricultural Trends” by the American Farmland Trust and Connecticut Department of Agriculture (2020 Edition) (Page 19)

⁹⁶ USDA Economic Research Service – 2017 data

Farmland	Woodland	Pastureland	Other ⁹⁷	
130,000 Acres				
Preserved Farmland Goal				
48,744 Acres	81,256 Acres			
Preserved	Not Preserved			

As of October 2020, the Farmland Preservation Program has protected nearly 49,000 acres on 418 farms with agricultural conservation easements – leaving 81,000 acres of farmland left to preserve.⁹⁸ If the average real estate value of an acre of farmland in Connecticut in 2019 was \$12,200, and Purchasing Development Rights (“PDR”) is 30-50% of value, then between \$300 to \$500 MM of public investment (e.g., through the Connecticut Department of Agriculture (“DoAg”) and/or USDA-Natural Resources Conservation Service (“NRCS”)) would be needed to protect 81,000 acres of farmland to achieve the 130,000 acres of farmland preserved target.

As the Green Bank looks to increase and accelerate private investment in agriculture, it will be exploring the following financing tools, including, but not limited to:

- Carbon offset markets
- Ecosystem services markets
- Pay-for-Performance
- Eco-Labeling (e.g., Connecticut Grown)
- Green Liberty Bonds
- Linked Deposits
- Buy-Protect-Sell Revolving Loan Fund
 - Predevelopment Financing
 - Bridge Financing
 - Traditional Debt Financing
- Farmland Investment Fund
- Loan Guarantees (e.g., Smart-E Loan)

Based on learnings to date, and in alignment with the land conservation sector priority opportunity, one of the most promising financing tools for the Green Bank to explore across the agriculture sector is a flexible revolving loan fund structure that could support project activities and business improvements across multiple components of the sustainable and regenerative agricultural value and supply chains. These include climate-smart commodity production, farm and forestland conservation, infrastructure modernization and supply chains sustainability improvements, renewable energy integration, and ecosystem service generation.

This exploration is influenced through an evolving partnership with the Connecticut Department of Agriculture (“DoAg”) on joint priorities, and in consideration of the proven revenue streams and viable lending models for farmland acquisition and business lending for increased climate resilience across the agricultural sector.

For further details on the market opportunity, see Primer – Agriculture.⁹⁹

5.6 Water

Water infrastructure and market opportunities in Connecticut are complex. Water is managed through several state agencies (i.e., DEEP, DPH), including issuing green bonds by the Office of the Treasurer, and federal departments (i.e., EPA).

⁹⁷ Land in house lots, ponds, roads, wasteland, etc.

⁹⁸ Connecticut Department of Agriculture, Farmland Preservation Programs Report (January 2022)

⁹⁹ https://www.ctgreenbank.com/wp-content/uploads/2023/01/Environmental-Infrastructure_Agriculture_Oct-16-2022a.pdf

Per PA 21-115, there are several boundaries with respect to what the Green Bank can do with respect to water, including:

- **Environmental Infrastructure Fund** – may not receive funds from the Clean Water Fund pursuant to sections 22a-475 to 22a-438f, or funds collected from a water company as defined in section 25-32a; and
- **Apply for Federal Assistance** – may not apply directly or through a subsidiary to be eligible for federal grant assistance under the Clean Water Act, 33 USC 1251 et seq., nor the Safe Drinking Water Act, 42 USC 300f et seq., without the approval of the State Treasurer, Commissioner of Energy and Environmental Protection, and Commissioner of Public Health.

As a result of these restrictions, and since Connecticut’s State Revolving Fund (“SRF”) hasn’t invested in green infrastructure,¹⁰⁰ the Green Bank will focus its efforts on nature-based solutions (e.g., land conservation) and stormwater (e.g., green roofs), as well as its financing programs (e.g., Smart-E Loan, C-PACE) to help end-use customers improve water on their property. It should be noted that within PA 21-115, that municipalities can create stormwater authorities.

As a result of climate change, there is increased possibilities of instream (i.e., ecological, recreational) and out-of-stream (i.e., drinking, industry, agriculture, energy needs) water shortages from droughts as a result of heat waves, flooding as a result of rain bombs, and other adverse local impacts. These impacts are likely to impact vulnerable communities first and worst, as evidenced by recent flooding impacts on stormwater systems.¹⁰¹

As the Green Bank looks to increase and accelerate private investment in water, in collaboration with its state agency partners, it will be exploring the following financing tools, including, but not limited to:

- | | |
|--|--|
| ▪ Ecosystem services markets | ▪ Buy-Protect-Sell Revolving Loan Fund |
| ▪ Pay-for-Performance | ○ Predevelopment Financing |
| ▪ Green Liberty Bonds | ○ Bridge Financing |
| ▪ Linked Deposits | ○ Traditional Debt Financing |
| ▪ Loan Guarantees (e.g., Smart-E Loan) | |

Based on learnings to date, one of the most promising near-term opportunities for the Green Bank to engage across the Water sector is to explore a Linked Deposit program to facilitate access to lower-cost Smart-E loans for resilience and water measures, especially among residents in vulnerable communities impacted by, or at risk of, flooding and extreme weather. This approach is envisioned as a catalyst for a deployment model for Smart-E and Capital Solutions that aligns with the Environmental Infrastructure team’s priority program design and investment criteria.

¹⁰⁰ Hansen, K., Thomas, T., Vo, S., Berven, K., Moudgalya, P., Vedachalam, S. (2022). Financing Green Stormwater and Natural Infrastructure with Clean Water State Revolving Funds. by the Environmental Policy Innovation Center – EPIC. (pp 11)

¹⁰¹ “Hartford to Get \$85M for Sewage System Fix” by Deidre Montague in the Hartford Courant (June 27, 2023)

For further details on the market opportunity, see Primer – Water.¹⁰²

5.7 Waste and Recycling

In FY 2024, and continuing into FY 2025, the Green Bank is pursuing a three-part strategy to develop its primer and begin to engage on waste and recycling, including:

1. **Collective Responsibility** – assessing existing products used in solar and battery storage installation and establishing a “collective responsibility” to reuse, recycle, and dispose.
2. **Scale-Up Solutions** – continuation of solutions to organic waste management including the pilot program launched by the Green Bank (i.e., anaerobic digestors and combined heat and power) to address food (e.g., Quantum Biopower) and farm (e.g., Fort Hill Farms) waste to energy through investment in anaerobic digester infrastructure.
3. **Support the State** – supporting DEEP goals for waste management and recycling per Public Act 23-170.

As organics are a leading waste stream for Connecticut, it should be noted that the Green Bank is a leading financier of food waste¹⁰³ and farm waste¹⁰⁴ to energy projects that utilize anaerobic digesters and combined heat and power to reduce methane and produce renewable natural gas for onsite clean energy.

The Green Bank Waste and Recycling Primer is anticipated for release in 2025 and will highlight key public policy objectives, existing funding programs and sources of financing, and a set of opportunities for further exploration aligned with the Green Bank’s Waste and Recycling strategy.

6. Citizen and Community Engagement – Green Bonds US

The Green Bank, and its predecessor the CCEF, have a long-standing history of community engagement in Connecticut. In 2002, the CCEF partnered with six private foundations¹⁰⁵ to co-found SmartPower – which launched the 20 percent by 2010 campaign and led the administration of the CCEF’s EPA award-winning Connecticut Clean Energy Communities Program to engage citizens in signing-up to purchase clean energy.¹⁰⁶ Then in 2013, the Green Bank launched a series of Solarize campaigns in communities across the state in partnership with SmartPower and the Yale Center for Business and the Environment to help citizens install solar PV on their homes,¹⁰⁷ while also advancing the SunShot Initiative of the U.S. Department of Energy (“USDOE”) in partnership with the Clean Energy States Alliance through projects that

¹⁰² https://www.ctgreenbank.com/wp-content/uploads/2023/04/Environmental-Infrastructure_Water_Primer_062323.pdf

¹⁰³ Quantum Biopower – <http://www.quantumbiopower.com/>

¹⁰⁴ Fort Hill Farm – <https://aggridenergy.com/fort-hill-ag-grid-digester/>

¹⁰⁵ Emily Hall Tremain Foundation, The John Merck Fund, Pew Charitable Trust, The Oak Foundation, Rockefeller Brothers Fund, and Surdna Foundation

¹⁰⁶ “Climate Policy and Voluntary Initiatives: An Evaluation of the Connecticut Clean Energy Communities Program,” by Matthew Kotchen for the National Bureau of Economic Research (Working Paper 16117).

¹⁰⁷ “Solarize Your Community: An Evidence-Based Guide for Accelerating the Adoption of Residential Solar” by the Yale Center for Business and the Environment.

reduce soft-costs for solar PV (i.e., customer acquisition, permitting, and financing) and provide better access to solar PV for LMI households.

Citizen and community engagement have been in the DNA of the Green Bank since its inception. In 2022, in collaboration with the Greater Bridgeport Community Enterprises and Operation Fuel, the Green Bank continued its efforts to learn more about community engagement by seeking to understand the importance of community benefit agreements through the Communities Local Energy Action Plan (“Communities LEAP”) pilot program of the DOE.¹⁰⁸ The Green Bank is reaching citizens and communities through various ways including green bonds, community match funds, community-based campaigns, municipal assistance programs, and eventually community benefit agreements.

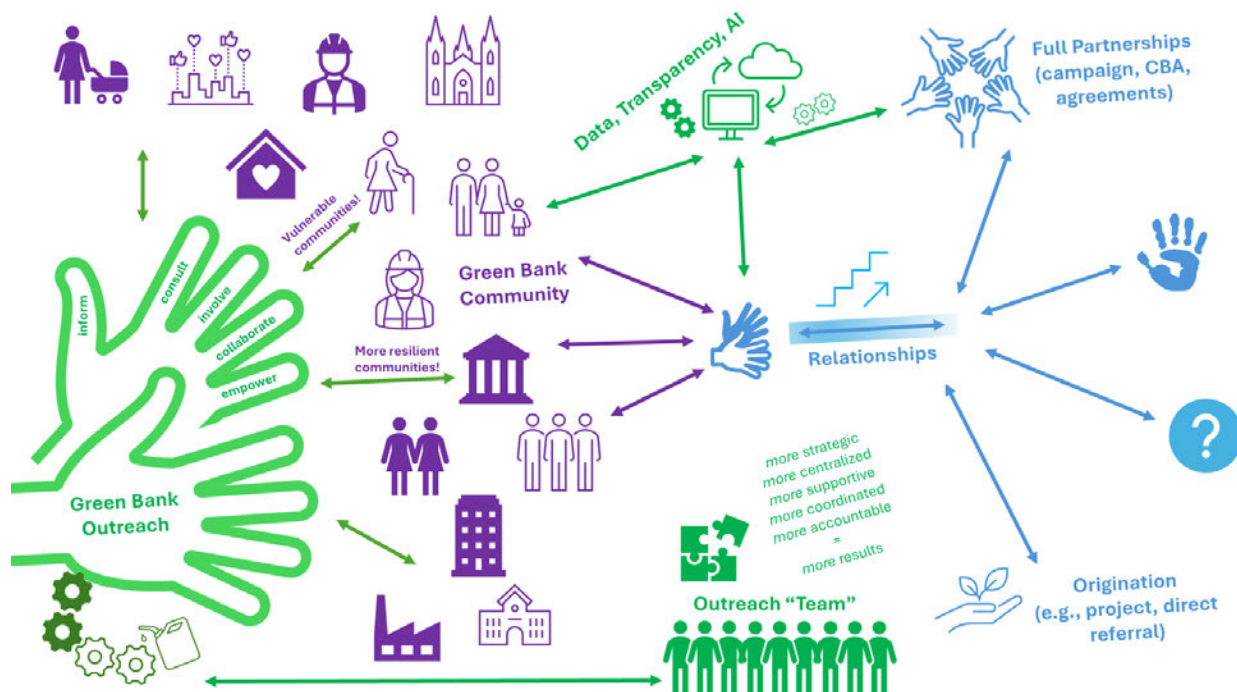
In FY 2024, the staff of the Green Bank came together to renew the organization’s commitment to community engagement coalescing around the following statement:

Statement on Community Engagement

The Green Bank builds trust and awareness within our community – especially amongst its most vulnerable members – through clear and transparent communication, education, and active listening, enabling us to understand and meet their needs. By strategically cultivating strong, collaborative, and reciprocal relationships with stakeholders, we empower them to achieve their energy, environmental and resiliency goals while advancing the mission of the Green Bank and realizing its vision of a planet protected by the love of humanity.

In addition to the statement, the staff designed a visual image depicting a vision for the Green Bank’s commitment to community engagement – see Figure 6.

¹⁰⁸ <https://www.energy.gov/communitiesLEAP/communities-leap>



Under this premise, we expect to continue the below efforts but to also play a more active and intentional role with those in our community, helping to identify issues and projects while breaking down barriers. Community engagement will follow a framework to inform, consult, involve, collaborate, and empower our community, with the goal of developing relationships that lead to desired outcomes – ultimately originating Green Bank transactions that lead to the financing of projects that help community members, especially those in vulnerable communities, achieve their energy, environmental and resiliency goals.

We also recognize the need to be more thoughtful and strategic in our approach to community engagement – including leveraging technology (e.g., Salesforce, Artificial Intelligence), achieving deeper internal coordination and consistency, mapping and identifying stakeholder groups and gaps in outreach, developing annual outreach plans, and identifying and implementing the necessary resources to serve our community (especially vulnerable communities). Developing an approach to achieving these goals will be an integral part of the Green Bank’s outreach work.

6.1 Green Bonds US

Whether through markets or within communities, the Green Bank is bringing people together and strengthening the bonds we share with one another. As the name of the Comprehensive Plan suggests – “Green Bonds US” seeks to promote a simple but critically important message; green, the environment, bonds us, brings us together, the environment unites us. The simple slogan combines the financial tool of green bonds that are being sold to retail investors across

the United States with a unifying message that humanity and the environment are inextricably linked.

CGS Section 16-245n(d)(1)(C) is the enabling statute that allows the Green Bank to issue revenue bonds for up to 25 years for clean energy and 50 years for environmental infrastructure projects to support its purposes. Green Bonds are bonds whose proceeds are used for projects or activities with environmental or climate benefits, most usually climate change mitigation and adaptation. Research shows that citizens across the US, including Connecticut, are interested in seeing their investments go towards green projects – see Table 15.¹⁰⁹

Table 15. Green Project Types of Interest by Private Investors by Location

Green Project Types	Composite	National	Connecticut	Connecticut with Solar
Clean Water	68.8%	71.4%	68.6%	54.2%
Waste Reduction and Recycling	53.1%	51.0%	53.8%	63.9%
Rooftop Solar	48.5%	45.3%	46.0%	75.3%
Home Energy Efficiency	42.7%	40.1%	41.8%	61.4%
Electric Vehicles	32.7%	30.6%	32.6%	45.8%
Land Conservation	39.6%	37.1%	40.6%	51.2%
Agriculture	37.2%	36.0%	39.6%	37.3%
Parks and Recreation	31.8%	31.5%	32.6%	31.3%
Climate Adaptation and Resiliency	30.9%	29.2%	32.0%	38.0%

Green Project Types	2022		2024	
	Connecticut	National	Connecticut	National
Clean Water	68.6%	71.4%	54.8%	49.9%
Waste Reduction and Recycling	53.8%	51.0%	34.0%	31.1%
Rooftop Solar	46.0%	45.3%	26.8%	23.4%
Home Energy Efficiency	41.8%	40.1%	30.2%	24.4%
Electric Vehicles	32.6%	30.6%	17.0%	17.9%
Land Conservation	40.6%	37.1%	29.0%	25.9%
Agriculture	39.6%	36.0%	27.0%	26.1%
Parks and Recreation	32.6%	31.5%	30.0%	25.7%
Climate Adaptation and Resiliency	32.0%	29.2%	24.0%	22.9%

To enable everyday citizens with an opportunity to invest in the green economy, the Green Bank created two fixed income securities – Green Liberty Bonds and Green Liberty Notes, which have three features:

1. **Use of Proceeds** – funds raised from the bonds must go towards projects that support the Paris Agreement (i.e., mitigation of GHG emissions or adaptation to the impacts of climate change);

¹⁰⁹ 2022 Brand Awareness Digital Survey by Great Blue for the Connecticut Green Bank (October 2022). [2024 Investment Market Assessment by Great Blue for the Connecticut Green Bank \(November 2024\)](#)

2. **Retail Accessible** – like the Series-E War Bonds of the 1940's, bonds must be small denomination (i.e., less than \$1,000) and available to everyday retail investors; and
3. **Independently Certified and Verified** – due to the expectation by retail investors that the use of proceeds will go towards projects that support the Paris Agreement, the bonds must be independently certified and verified as green.

6.2 Green Liberty Bonds

In April of 2019, the Green Bank issued \$38.6 million in green asset backed securities – its first rated debt issuance and the first ever solar asset-backed security ("ABS") transaction by a green bank. The issuance was certified by Kestrel Verifiers and independently assessed by Climate Action Reserve. In July 2020, the Green Bank issued \$16.8 million in a Special Capital Reserve Fund ("SCRF") backed Green Liberty Bond that was Climate Bond Certified. And in April 2021, the Green Bank sold out \$25 million in Green Liberty Bonds drawing four times as much demand as could be fulfilled from retail investors in Connecticut and across the U.S., as well as institutional investors interested in sustainability investments.

In March and December of 2020, and June of 2022, the Green Bank's Green Liberty Bonds were awarded for innovation and green bond structure by Environmental Finance, The Bond Buyer, and Clean Energy States Alliance respectively.

The Green Bank will look towards its Green Liberty Bonds, and ability to use SCRF, to support its clean energy and environmental infrastructure efforts.

For more information on Green Liberty Bonds, visit www.greenlibertybonds.com

6.3 Green Liberty Notes

In January of 2022, the Green Bank, in collaboration with [Raise GreenHoneycomb \(which acquired Raise Green in 2024\)](#), began a two-year campaign to raise \$2 million by providing an opportunity for citizens to invest as little as \$100 to confront climate change. Issuances are anticipated quarterly. Of the ~~six-ten~~ [\(106\)](#) issuances through FY243, ~~four-eight~~ were sold out resulting in an extension for a third year and an increase per quarterly issuance from \$250,000 to \$350,000. [In partnership with Amalgamated Bank, a financial institution that has a close relationship with labor unions and is dedicated to providing affordable banking services to working people,](#) investment by everyday citizens in Green Liberty Notes supports Eversource's SBEA program, administered through the Conservation and Load Management Plan, which helps small businesses reduce their energy consumption through deploying energy efficient equipment. As a result of the climate benefits associated with this program, the offering was reviewed and verified for its environmental attributes by Kestrel Verifiers.

To attract more investors, the program offers one-year maturity notes, with \$100 minimums, that are easy to purchase through an online platform without a broker. The Green Liberty Notes were created as an investment companion to Green Liberty Bonds, which have been offered in \$1,000 minimums to retail and institutional investors through brokerage firms. In the future, the Green Bank seeks to identify more ways to partner with [Raise GreenHoneycomb](#) to increase community engagement while advancing market transformation in green investing.

For more information on Green Liberty Notes, visit www.greenlibertynotes.com

6.4 Sustainable CT and Community Match Fund

The strategic partnership between Sustainable CT¹¹⁰ and the Green Bank is focused on the following key priorities:

- Driving investment in projects in our communities, with a goal to accelerate over time;
- Community-level engagement, from project origination through financing, that is inclusive, diverse, and “knitted”;
- Creating a structure that harnesses all types of capital for impact – from donations to investment;
- Developing a business model that covers the cost of the program; and
- Creating a measurable impact, both qualitative and quantitative.

Sustainable CT’s voluntary certification program¹¹¹ for Connecticut’s cities and towns provides thirteen (13) action areas (e.g., inclusive and equitable communities, well stewarded land and natural resources, renewable and efficient energy) to achieve bronze, silver, or gold status, including a climate leader designation. The Green Bank works closely with Sustainable CT to encourage local actions that are consistent with the respective missions of the organizations. In FY24, the Green Bank will focused on working with Sustainable CT to expand its support for modernizing environmental infrastructure.

Also, in collaboration with Patronicity, Sustainable CT has developed a community matching grant platform to raise capital in support of local projects that provide individuals, families, and businesses with funding opportunities to make an impact on sustainability in their communities. This online crowdfunding platform enables citizen leaders to have access to financial resources (i.e., matching grants) that they need to support local sustainability projects.

In FY 2025, The Green Bank is looking to sponsor a yearlong fellowship at Sustainable CT so that the fellow can partner with the Green Bank and communities to further the awareness of Green Bank offerings.

For more information on Sustainable CT’s Community Match Fund, visit <https://www.patronicity.com/sustainablect>

6.5 Community-Based Campaigns

The Green Bank has once again partnered with the Yale School of the Environment,¹¹² to support USDOE-funded Solar Energy Evolution and Diffusion Study 3 (“SEEDS 3”). SEEDS 3 research builds on nearly a decade of work investigating the peer-to-peer effects of solar PV adoption – how do prospective solar PV customers make the decision to adopt and how do people talk to each other about going solar. Professor Gillingham developed a community-based solar adoption strategy that accelerated the adoption of solar in Connecticut through various Solarize campaigns.¹¹³

¹¹⁰ <https://sustainablect.org/>

¹¹¹ <https://sustainablect.org/actions-certifications>

¹¹² Professor Ken Gillingham and the Yale Center for Business and the Environment

¹¹³ <https://cbey.yale.edu/our-stories/lessons-learned-from-solarize-campaigns-in-connecticut>

SEEDS 3 expands on this work to investigate the co-adoption of solar, storage, and electric vehicles. The Green Bank ~~will support~~^{ed} Professor Gillingham as he initiated^s and ~~runs~~^{anuns} community-based solar plus storage campaigns ~~over the next two years~~. We will leverage the learnings that these campaigns create to refine our storage marketing messages to assist ESS in achieving its goals.

In addition to this work, the Green Bank is actively pursuing other community-based campaigns, such as one in partnership with the Blue Hill Civic Association, that will help educate us and those in our community about clean energy and resiliency. We are also educating ourselves more broadly with regard to Community Benefit Agreements ("CBA")¹¹⁴ and Community Benefit Plans ("CBP")¹¹⁵ and will potentially seek to leverage such agreements and structures in the future, including through the use of AI to support vulnerable communities. The Green Bank recognizes that community-based campaigns reduce barriers to adoption – including awareness and education, contractor selection, cost and accessibility of financing, etc. - and will seek to identify areas where these campaigns would serve the community and address gaps.

7. Investment

The Green Bank pursues investments that advance market transformation in green investing while supporting the organization's pursuit of financial sustainability. With the mission to confront climate change, the Green Bank leverages limited public resources to scale-up and mobilize private capital investment in the green economy of Connecticut.

7.1 State Funds

The Green Bank receives public revenues from a number of sources that are leveraged to mobilize multiples of private capital investment in the green economy of Connecticut.

System Benefit Charge

As its primary source of public revenues, the Green Bank through CGS 16-245n(b) receives a 1 mill per kilowatt-hour surcharge called the Renewable Energy Investment Fund or Clean Energy Fund ("CEF") from ratepayers of Eversource Energy and Avangrid. The CEF has been in

¹¹⁴ CBAs are strategic vehicles for community improvement, while benefiting private sector developers and both state and local governments. They are not zero-sum instruments. They are legal agreements between community benefit groups and developers, stipulating the benefits a developer agrees to fund or furnish, in exchange for community support of a project. Benefits can include commitments to hire directly from a community, contributions to economic trust funds, local workforce training guarantees and more. <https://www.energy.gov/justice/community-benefit-agreement-cba-toolkit>

¹¹⁵ CBPs are based on a set of four core policy priorities:

1. Engaging communities and labor;
2. Investing in America's workers through quality jobs;
3. Advancing diversity, equity, inclusion, and accessibility through recruitment and training; and
4. Implementing [Justice40](#), which directs 40% of the overall benefits of certain Federal investments to flow to disadvantaged communities.

These key principles, when incorporated comprehensively into project proposals and applications and executed upon, will help ensure broadly shared prosperity in the clean energy transition. The Department of Energy (DOE) requires Community Benefits Plans (CBPs) as part of all Bipartisan Infrastructure Law (BIL) and Inflation Reduction Act (IRA) funding opportunity announcements (FOAs) and loan applications. <https://www.energy.gov/infrastructure/about-community-benefits-plans>

existence since Connecticut deregulated its electric industry in the late 1990s.¹¹⁶¹¹⁷ On average, households contribute between \$7-\$10 a year for the CEF, aggregating to about \$25 million per year, which the Green Bank leverages to attract multiples of private capital investment in clean energy through its Financing Programs.

Regional Greenhouse Gas Emission Allowance Proceeds

As a secondary source of public revenues, the Green Bank receives a portion (i.e., 23%) of Connecticut's RGGI allowance proceeds through CGS 22a-174(f)(6)(B). The Green Bank invests RGGI proceeds to finance clean energy projects through its Financing Programs. It should be noted that with the passage of PA 22-25, that allowance proceeds received in excess of \$5.2 million from the Green Bank's portion of RGGI, are to be directed to DEEP for the purposes of supporting electric school buses in environmental justice communities.

7.2 Federal Funds

The Green Bank receives public revenues through a number of past, current, and future sources of federal funds as well that it leverages to scale-up and mobilize private capital investment in the green economy of Connecticut.

American Recovery and Reinvestment Act

Through the American Recovery and Reinvestment Act ("ARRA") the CCEF received \$20 million for its programs and initiatives. After nearly \$12 million of those funds were invested as grants, the Green Bank repurposed and invested the remaining \$8.2 million in financing programs. With \$250,000 of ARRA funds left,¹¹⁸ the Green Bank invested nearly \$8.0 million of ARRA funds to attract and mobilize \$232 million of public and private investment in residential clean energy financing programs.¹¹⁹

Infrastructure Investment and Jobs Act

As a result of the IIJA, significant federal resources are being made available to local and state governments through formula grants, and through competitive requests for proposals from budget allocations across many federal agencies. The Green Bank has been an active participant in the various federal agency public engagement processes under the IIJA and IRA.¹²⁰

The Green Bank will compete for and pursue federal funding opportunities to support its programs, where appropriate, including:

- **Department of Energy's Loan Program Office**¹²¹ – on March 25, 2022, the Loan Program Office ("LPO") of the DOE presented to the Board of Directors of the Green

¹¹⁶ PA 98-28 An Act Concerning Electric Restructuring – <https://www.cga.ct.gov/ps98/act/pa/1998pa-00028-r00hb-05005-pa.htm>

¹¹⁷ The Clean Energy Fund should not be mistaken with the Conservation Adjustment Mechanism (or the Conservation and Loan Management Fund), which is administered by the EDCs

¹¹⁸ As of June 30, 2023

¹¹⁹ <https://www.ctgreenbank.com/wp-content/uploads/2024/03/CGB-ARRA-Infographic-March-2024.pdf>

¹²⁰ <https://www.ctgreenbank.com/engagement-on-iija-ira/>

¹²¹ It should be noted that the President and CEO of the Connecticut Green Bank voluntarily served on the Biden-Harris Transition Team following the November 2019 elections and was assigned to the DOE team and responsible for ascertaining the LPO.

Bank,¹²² and the Green Bank subsequently followed with public comments to the DOE on July 1, 2022.¹²³ Specifically, the LPO presented the new State Energy Financing Institutions (“SEFI”) provisions within the IIJA that amended Title 17 to (1) include projects receiving financial support or credit enhancements from SEFIs as eligible projects, and (2) clarifies that such projects do not require “new or significantly improved technologies” to qualify.¹²⁴ As defined by the DOE-LPO, the Green Bank is a SEFI – and, on September 29, 2023, the Green Bank received official notification from the DOE that it is a SEFI.

Subsequently, through the passage of the IRA, a congressional appropriation for Title 17 ensued, which triggered the expansion of the LPO’s authority including enabling SEFI. LPO can now augment state-administered clean energy programs, providing additional financial support to projects that align federal energy priorities with those of U.S. states like Connecticut. Qualifying project participation may include equity, loan loss reserves, co-lending (i.e., by the SEFI providing debt financing which may be pari-passu with or subordinate to LPO funding or financial support), and other financing mechanisms for eligible technologies such as renewable energy, energy efficiency, fuel cells, hydrogen, energy storage, and more.

The Connecticut Green Bank, in collaboration with other states (e.g., New York Green Bank, Massachusetts Community Climate Bank or the Rhode Island Infrastructure Bank), or with our electric and natural gas utilities (i.e., Eversource and Avangrid),¹²⁵ can individually or collectively apply to the LPO or support other proposals submitted to the LPO through SEFI to leverage federal funding to mobilize private deployment of eligible technologies.

Inflation Reduction Act

As a result of IRA, significant federal resources are being made available through investment tax credits (e.g., 25D Residential Clean Energy Credit, 48 Energy Investment Tax Credit) and other resources including the GGRF. These tax credits, along with their associated adders (i.e., energy communities, low-income, domestic content), are consistent with the Green Bank’s efforts to mobilize investment in vulnerable communities through its various incentive and financing programs.

The Green Bank, as a subrecipient of other lead applicant proposals, competed for and won several federal funding opportunities to support its programs,- including:

- **Greenhouse Gas Reduction Fund** – \$27 billion GGRF modelled after the Green Bank, comprising:
 - **Solar for All** – \$7 billion competition that provided 60 grants to states, tribes, municipalities and nonprofits to expand the number of low-income and

¹²² <https://www.youtube.com/watch?v=TPb7AHRWFhg>

¹²³ https://www.ctgreenbank.com/wp-content/uploads/2022/12/3_DOE_LPO_Title-XVII_CT-Green-Bank_Public-Comments_070122.pdf

¹²⁴ <https://www.energy.gov/lpo/state-energy-financing-institutions-sefi-supported-projects>

¹²⁵ “LPO Announces Conditional Commitment to Pacific Gas & Electric Company to Expand Hydropower Generation, Battery Energy Storage, and Transmission” by the US Department of Energy (December 17, 2024)

disadvantaged communities for investment in residential and community solar, as well as associated storage and other enabling upgrades (e.g., new roof, electric panels, energy efficiency). Supported DEEP's winning "Project SunBridge" application of \$62.5 million with a focus on increasing investment in and deployment of solar + storage for multifamily affordable housing.

- **Clean Communities Investment Accelerator** ("CCIA") – \$6 billion competition that funded 5 hub nonprofits with the plans and capabilities to rapidly build the clean financing capacity of specific networks of public, quasi-public, and nonprofit community lenders to ensure that households, small businesses, schools, and community institutions in low-income and disadvantaged communities have access to financing. Supported Justice Climate Fund's winning application of \$940 million with a focus on minority depository institutions.
- **National Clean Investment Fund** ("NCIF") – \$14 billion competition that funded 3 national nonprofits that will partner with private capital providers to deliver financing at scale to businesses, communities, community lenders, and others. Supported Coalition for Green Capital's winning application of \$5 billion, including \$94 million of support through the Green Bank with a focus on increasing investment in and deployment of clean energy and environmental infrastructure through green infrastructure, green school buses, green resilience hubs, green school buildings, green municipal and commercial buildings, and green homes.¹²⁶

The Green Bank's federal competitive funding priority is the GGRF. The Green Bank has been actively involved in all public engagement aspects of the GGRF,¹²⁷ and as a result, will be receiving significant funding through several lead applicants (i.e., DEEP and Coalition for Green Capital).

United States Department of Agriculture

The Green Bank has applied to [and received approval from](#) the United States Department of Agriculture ("USDA") ~~to seek~~ [accessing](#) ~~to~~ low-cost and long-term federal loan funds for the deployment of clean energy in rural communities¹²⁸ through the Rural Energy Savings Program ("RESP"). The USDA has vast lending authority under the Rural Electrification Act of 1936, which enables direct loans, project financing and loan guarantees to a variety of borrowers.

7.3 Additional Funding Sources

Per CGS 16-245n, additional funding sources include, but are not limited to:

¹²⁶ It should be noted that within the Connecticut Green Bank's proposal to the Coalition for Green Capital, that New Hampshire (i.e., \$14.9MM) and Puerto Rico (i.e., \$37.8MM) are also included as participants (i.e., to receive low-cost debt financing) alongside Connecticut (i.e., \$40.8MM)

¹²⁷ <http://www.ctgreenbank.com/ggrf/>

¹²⁸ "Rural" communities are defined by a population bound and the various limits depend on the program; at the broadest, "rural" may be considered a town that has a population not greater than 50,000 people. Despite its positioning in a mostly-developed corridor, we estimate Connecticut would have 69% of towns eligible at the 20,000-person limit and 89% of towns at the 50,000-person limit.

- Charitable gifts, grants, contributions as well as loans from individuals, corporations, university endowments and philanthropic foundations;
- Earnings and interest derived from financing support activities for clean energy [and environmental infrastructure](#) projects backed by the Connecticut Green Bank;
- If it qualifies as a CDFI under Section 4702 of the United States Code, funding from the CDFI Fund administered by the United States Department of Treasury, as well as loans from and investments by depository institutions seeking to comply with their obligations under the United States Community Reinvestment Act of 1977; and
- Contracts with private sources to raise capital.

8. Impact

The Green Bank's evaluation efforts seek to understand how the increase in investment and deployment of clean energy and environmental infrastructure supported through the Green Bank, result in benefits to society. To that end, the Green Bank has devised an Evaluation Framework and Impact Methodologies for various societal benefits.

8.1 Evaluation Framework

The Green Bank has established an Evaluation Framework to guide the assessment, monitoring and reporting of the program impacts and processes, including, but not limited to energy savings and clean energy production and the resulting societal impacts or benefits arising from clean energy investment.¹²⁹ This framework focuses primarily on assessing the market transformation the Green Bank is enabling, including:

- **Supply of Capital** – including affordable interest rates, longer term maturity options, improved underwriting standards, etc.
- **Consumer Demand** – increasing the number of projects, increasing the comprehensiveness of projects, etc.
- **Financing Performance Data and Risk Profile** – making data publicly available to reduce perceived technology risks by current or potential private investors.
- **Societal Impact** – the benefits society receives from more investment in and deployment of clean energy.

With the goal of pursuing investment strategies that advance market transformation in green investing, the Green Bank's evaluation framework provides the foundation for determining the impact it is supporting in Connecticut and beyond across the four (4) "E's" (i.e., E⁴) – including Economy, Environment, Energy, and Equity.¹³⁰

¹²⁹ <https://ctgreenbank.com/wp-content/uploads/2017/02/CTGreenBank-Evaluation-Framework-July-2016.pdf>

¹³⁰ <https://www.ctgreenbank.com/wp-content/uploads/2024/09/FY12-FY24-Connecticut-Green-Bank-Impact-Report-8-30-2024.pdf>

The Evaluation Framework will have to be revised, over time, to include environmental infrastructure, as well as the important role Green Liberty Bonds play in raising capital for investments.

8.2 Impact Methodologies

To support the implementation of the Evaluation Framework, the Green Bank, working with various public sector organizations, has developed methodologies that estimate the impact from the investment, installation and operation of clean energy projects, including:

- **Jobs** – working in consultation with the Connecticut Department of Economic and Community Development (“DECD”), through the work of Guidehouse (formerly Navigant), the Green Bank devised a methodology that takes investment in clean energy to reasonably estimate the direct, indirect, and induced job-years resulting from clean energy deployment.¹³¹
- **Tax Revenues** – working in consultation with the Connecticut Department of Revenue Services (“DRS”), through the work of Guidehouse, the Green Bank devised a methodology that takes investment in clean energy to reasonably estimate the individual income, corporate, sales, and property tax revenues from clean energy deployment.¹³²
- **Environmental Protection** – working in consultation with the USEPA and DEEP, the Green Bank devised a methodology that takes the reduction in consumption of energy and increase in the production of clean energy to reasonably estimate the air emission reductions (i.e., CO₂, NO_x, SO₂, and PM_{2.5}) resulting from clean energy deployment.¹³³
- **Public Health Improvement** – working in consultation with the USEPA, DEEP, and DPH, the Green Bank devised a methodology that takes air emission reductions to reasonably estimate the public health benefits (e.g., reduced hospitalizations, reduced sick days, etc.) and associated savings to society resulting from clean energy deployment.¹³⁴
- **Equity** – with the passage of PA 20-05, the Green Bank devised a methodology that takes the definition of “vulnerable communities” to track progress towards the goal of ensuring that no less than 40 percent of investment from its programs are directed to vulnerable communities by 2025.¹³⁵
- **Energy Burden** – working in consultation with DEEP and PURA, the Green Bank devised a methodology that takes actual solar PV production data from meters compared against contractual lease and PPA prices and electricity rates, to estimate the energy burden reduction from financing solar PV.¹³⁶

¹³¹ https://www.ctgreenbank.com/wp-content/uploads/2018/03/CGB_DECD_Jobs-Study_Fact-Sheet.pdf

¹³² <https://www.ctgreenbank.com/wp-content/uploads/2018/09/CGB-Eval-Tax-Methodology-7-24-18.pdf>

¹³³ <https://www.ctgreenbank.com/wp-content/uploads/2018/01/CGB-Eval-IMPACT-091917-Bv2.pdf>

¹³⁴ <https://www.ctgreenbank.com/wp-content/uploads/2018/03/CGB-Eval-PUBLICHEALTH-1-25-18-new.pdf>

¹³⁵ https://www.ctgreenbank.com/wp-content/uploads/2022/07/Equity_Investment_in_Vulnerable_Communities.pdf

¹³⁶ <https://www.ctgreenbank.com/wp-content/uploads/2022/07/CGB-Eval-Solar-Methodology-combined-6-8-2021-final.pdf>

Each year, the Green Bank develops additional methodologies that value the impact the Green Bank is helping create in Connecticut and all of society. For more information on the Green Bank's impact methodologies, visit the [Impact-Evaluation](#) page of the website.¹³⁷

In time, additional impact methodologies will be developed for environmental infrastructure.

8.3 Green Bond Framework

The Green Bank's Green Bond Framework¹³⁸ provides a structure in which the Green Bank can more efficiently and effectively support its efforts to raise capital and deploy more clean energy and environmental infrastructure through the issuance of green bonds.

Connecticut has been at the forefront of state-level efforts to combat the threat of global climate change. In order to increase investment, the Green Bank will use its statutory authority (i.e., CGS 16-245kk) to issue bonds, including green bonds. These are key to sourcing capital for clean energy and environmental infrastructure projects and providing a way for all residents, businesses, and institutions of Connecticut to invest in growing our green economy.

The framework sets out how the Green Bank proposes to use its Master Trust Indenture ("MTI") in a manner consistent with its purpose and provide the transparency and disclosures investors require to make investment decisions through green bonds. This framework is specifically intended for the MTI approved and adopted April 22, 2020, which establishes the purposes for which the Green Bank may issue green bonds or other public debt. The Framework is established in accordance with the Climate Bonds Initiative ("CBI") Standard and adheres to the Green Bond Principles issued by the International Capital Market Association.

The Green Bond Framework will have to be revised, over time, to include environmental infrastructure.

9. Reporting and Transparency

The Green Bank has extensive reporting on its financial management and societal impact through various mechanisms. As a recipient of public revenues (i.e., CEF and RGGI allowance proceeds), the Green Bank believes that complete transparency is important to ensure the public's continued trust in serving its purpose. The Green Bank reports to the Governor's Office (i.e., Office of Policy and Management ("OPM")), various committees of cognizance within the CGA (i.e., energy & technology, commerce, environment, and banking), and other departments (e.g., DEEP, Office of Fiscal Analysis).

9.1 Annual Comprehensive Financial Report

An Annual Comprehensive Financial Report ("ACFR") is a set of government financing statements that includes the financial report of a state, municipal or other government entity that complies with the accounting requirements promulgated by the Governmental Accounting Standards Board ("GASB"). GASB provides standards for the content of an ACFR in its annually updated publication *Codification of Governmental Accounting and Financial Reporting Standards*. An ACFR is compiled by a public agency's accounting staff and audited by an external American Institute of Certified Public Accountants ("AICPA") certified accounting firm

¹³⁷ <https://www.ctgreenbank.com/strategy-impact/evaluations/>

¹³⁸ https://ctgreenbank.com/wp-content/uploads/2020/04/CGB_Green-Bond-Framework_final-4-22-2020.pdf

utilizing GASB requirements. It is composed of three sections – Introductory, Financial, and Statistical. The independent audit of the ACFR is not intended to include an assessment of the financial health of participating governments, but rather to ensure that users of their financial statements have the information they need to make those assessments themselves.¹³⁹

To date, the Green Bank has issued ~~eleventen~~ (1~~1~~0) ACFR's, including:

- [Fiscal Year Ended June 30, 2014 \(Certificate of Achievement\)](#)
- [Fiscal Year Ended June 30, 2015 \(Certificate of Achievement\)](#)
- [Fiscal Year Ended June 30, 2016 \(Certificate of Achievement\)](#)
- [Fiscal Year Ended June 30, 2017 \(Certificate of Achievement\)](#)
- [Fiscal Year Ended June 30, 2018 \(Certificate of Achievement\)](#)
- [Fiscal Year Ended June 30, 2019 \(Certificate of Achievement\)](#)
- [Fiscal Year Ended June 30, 2020 \(Certificate of Achievement\)](#)
- [Fiscal Year Ended June 30, 2021 \(Certificate of Achievement\)](#)
- [Fiscal Year Ended June 30, 2022 \(Certificate of Achievement\)](#)
- [Fiscal Year Ended June 30, 2023 \(Certificate of Achievement\)](#)
- [Fiscal Year Ended June 30, 2024](#)

As the “gold standard” in government reporting, the ACFR is the mechanism the Green Bank uses to report its fiscal year financial, investment, and impact performance to its stakeholders. For each of its ~~nine-ten~~ (10) years filing the ACFR with the Government Finance Officers Association the Green Bank has received a Certificate of Achievement for Excellence in Financial Reporting.¹⁴⁰

9.2 Annual Report

Beyond the ACFR, the annual reports of the Green Bank are compiled by the marketing staff and include consolidated financial statement information and narratives of various program achievements in a condensed format that can be widely distributed.

To date, the Green Bank has issued ~~twelve-thirteen~~ (1~~3~~2) annual reports, including:

- [Fiscal Year 2012 Annual Report](#)
- [Fiscal Year 2013 Annual Report](#)
- [Fiscal Year 2014 Annual Report](#)
- [Fiscal Year 2015 Annual Report](#)
- [Fiscal Year 2016 Annual Report](#)
- [Fiscal Year 2017 Annual Report](#)
- [Fiscal Year 2018 Annual Report](#)
- [Fiscal Year 2019 Annual Report](#)

¹³⁹ The Government Finance Officers Association (GFOA), founded in 1906, represents public finance officials throughout the United States and Canada. GFOA's mission is to enhance and promote the professional management of governmental financial resources by identifying, developing, and advancing fiscal strategies, policies, and practices for the public benefit. GFOA established the Certificate of Achievement for Excellent in Financial Reporting Program in 1945 to encourage and assist state and local governments to go beyond the minimum requirements of generally accepted accounting principles to prepare CAFRs that evidence the spirit of transparency and full disclosure and then to recognize individual governments that succeed in achieving that goal.

¹⁴⁰ GAO has yet to designate the FY 2023 ACFR with a Certificate of Achievement

- [Fiscal Year 2020 Annual Report](#)
- [Fiscal Year 2021 Annual Report](#)
- [Fiscal Year 2022 Annual Report](#)
- [Fiscal Year 2023 Annual Report](#)
- [Fiscal Year 2024 Annual Report](#)

9.3 Auditors of Public Accounts

The office of the Auditors of Public Accounts (“APA”) is a legislative agency of the State of Connecticut whose primary mission is to conduct audits of all state agencies, including quasi-public agencies. Included in such audits is an annual Statewide Single Audit of the State of Connecticut to meet federal requirements. The office is under the direction of two state auditors appointed by the state legislature. The APA audited certain operations of the Green Bank in fulfillment of its duties under Sections 1-122 and Section 2-90 of the CGS

To date, the APA has conducted ~~five-six~~ (65) audits, including:

- [Fiscal Years 2012 and 2013](#)
- [Fiscal Years 2014 and 2015](#)
- [Fiscal Years 2016 and 2017](#)
- [Fiscal Years 2018 and 2019](#)
- [Fiscal Years 2020 and 2021](#)
- [Fiscal Years 2022 and 2023](#)

9.4 Open Connecticut and Open Quasi

Open Connecticut centralizes state financial information to make it easier to follow state dollars. In Connecticut quasi-public agencies are required to submit annual reports to the legislature, including a summary of their activities and financial information. In addition to that, the Comptroller’s Office requested that quasi-public agencies voluntarily provide payroll and checkbook-level vendor payment data for display on Open Connecticut. The Green Bank, which was among the first quasi-public organizations to participate, has voluntarily submitted this information since the inception of Open Connecticut. In June of 2020, the Comptroller launched Open Quasi, which provides payroll and checkbook level data for all quasi-public organizations in Connecticut.

For more information, go to <https://openquasi.ct.gov/>

10. Research and Product Development

As the Green Bank implements its Comprehensive Plan, there will be ongoing efforts to develop market opportunities for future green investments. With the lessons being learned and best practices being discovered in the green economy, the Green Bank’s ability to deliver more societal benefits requires understanding potential opportunities and the development of pilot programs and initiatives to increase and measure impact, including, for example:

- **Ecosystems Services** – increasing understanding of ecosystem services values from environmental infrastructure, will help to identify opportunities to mobilize private investment to maximize GHG emissions reductions and resiliency against climate change. Ongoing support of research studies to understand the value of ecosystem

services from environmental infrastructure (e.g., i.e., including public health and resilience) is important.

- **Carbon Offsets** – continuing to increase understanding of carbon offsets,¹⁴¹ recognizing their importance within environmental infrastructure (e.g., forest carbon, climate-smart agriculture) and the potential to generate revenues in support of projects, there is need for ongoing support of research studies to understand carbon offset markets and their accessibility for energy efficiency projects.
- **Resiliency** – in its efforts to advance resilience, the Green Bank working with DEEP, Insurance Department, and CIRCA, will seek to better understand labelling (e.g., FORTIFIED by the Insurance Institute for Business and Home Safety), direct install measures, and other programs (e.g., adapting Solarize campaigns to Ruggedize campaigns). To continue to develop ESS, research and pilots for public health and affordable housing, as well as vehicle to grid (“V2G”) may also be pursued.
- **Electric School Buses** – per Public Act 22-25, the Green Bank supported contract extensions for electric school buses (“ESB”) and financial support through RGGI for vouchers in support of ESB deployment in environmental justice communities through the Connecticut Hydrogen and Electric Automobile Purchase Rebate (“CHEAPR”) program. Support for the deployment of ESBs and electric vehicle supply equipment (“EVSE”) will enable increased private investment to support the 100% zero emission ESB goals for 2030 (i.e., environmental justice communities) and 2040 (i.e., all communities).
- **Hydrogen** – per Special Act 22-8,¹⁴² and consistent with the definition of “clean energy” under CGS 16-245n, the Green Bank was chair of the task force that studied hydrogen power,¹⁴³ and led to the passage of Public Act 23-156 “An Act Implementing Recommendations of the Hydrogen Task Force”. Recognizing the importance of “green hydrogen” to Connecticut’s fuel cell industry, there may be the need for research on the sources, infrastructure, and uses related to hydrogen.
- **Impact Methodologies** – building on the Green Bank’s leading impact methodologies for “clean energy,” efforts will be undertaken to develop impact methodologies for “environmental infrastructure”.
- **Solar and Battery Recycling** – as the former administrator of the RSIP, and co-administrator of the 580 MW Energy Storage Solutions program, understanding the implications, challenges, and opportunities for solar and battery recycling (e.g., lithium-ion batteries) and end-of-life is important.

¹⁴¹ Verified Carbon Standard – VM0038 Methodology for Electric Vehicle Charging Systems (V1.0) –

<https://verra.org/methodology/vm0038-methodology-for-electric-vehicle-charging-systems-v1-0/>

¹⁴² An Act Establishing a Task Force to Study Hydrogen Power – <https://www.cga.ct.gov/2022/ACT/SA/PDF/2022SA-00008-R00HB-05200-SA.PDF>

¹⁴³ <https://www.ctgreenbank.com/hydrogen-task-force/>

- **Artificial Intelligence** – undertake research to identify the challenges and opportunities posed by Artificial Intelligence (“AI”) in terms of the Green Bank’s operations and mission, [including community engagement](#).
- **Community Engagement** – [with a focus on vulnerable communities, supporting community-led research and project development efforts, consistent with community engagement outlined in the Comprehensive Plan.](#)

The Green Bank’s research product development efforts are intended to open-up new market channels for private investment in Connecticut’s green economy through studies, pilot projects, and other initiatives that have the potential for expanding the impact of the Green Bank.

11. Budget

11.1 FY 2023 Budget

For the details on the FY 2023 budget– [click here](#).

For details on the FY 2023 revised budget – [click here](#).

11.2 FY 2024 Budget

For the details on the FY 2024 budget– [click here](#).

For details on the FY 2024 revised budget – [click here](#).

11.2 FY 2025 Budget

For the details on the FY 2025 budget– [click here](#).

[For details on the FY 2025 revised budget – click here.](#)

12. Glossary of Acronyms

ABS	Asset-Backed Security
ACFR	Annual Comprehensive Financial Report
ACG Committee	Audit, Compliance, and Governance Committee
AICPA	American Institute of Certified Public Accountants
AI	Artificial Intelligence
APA	Auditors of Public Accounts
ARRA	American Recovery and Reinvestment Act
BEA	Business Energy Advantage
BIL	Bipartisan Infrastructure Law
BOC Committee	Budget, Operations, and Compensation Committee
BOD	Board of Directors
CCIA	Clean Communities Investment Accelerator
CEF	Clean Energy Fund (or Renewable Energy Investment Fund)
CBI	Climate Bonds Initiative
CCEF	Connecticut Clean Energy Fund
CDFI	Community Development Financial Institution
CEF	Clean Energy Fund
CGA	Connecticut General Assembly
CGS	Connecticut General Statutes
CHEAPR	Connecticut Hydrogen and Electric Automobile Purchase Rebate
CIRCA	Connecticut Institute for Resilience and Climate Adaptation
C-PACE	Commercial Property Assessed Clean Energy
CBA	Community Benefit Agreement
CBP	Community Benefit Plan
DECD	Department of Economic and Community Development
DEEP	Department of Energy and Environmental Protection
DoAg	Department of Agriculture
DPH	Department of Public Health
DRS	Department of Revenue Services
EDC	Electric Distribution Company
ESB	Electric School Bus
EEB	Energy Efficiency Board
EIF	Environmental Infrastructure Fund
ESS	Energy Storage Solutions
EM&V	Evaluation, Measurement, and Verification
EVSE	Electric Vehicle Supply Equipment
GASB	Governmental Accounting Standards Board
GHG	Greenhouse Gas Emissions
GGRF	Greenhouse Gas Reduction Fund
GWSA	Global Warming Solutions Act
HES	Home Energy Solutions
HES-IE	Home Energy Solutions – Income Eligible
IPC	Inclusive Prosperity Capital
IIJA	Infrastructure Investments and Jobs Act

IRA	Inflation Reduction Act
LMI	Low-to-Moderate Income
MPA	Master Purchase Agreement
MTI	Master Trust Indenture
MW	Megawatts
NCIF	National Clean Investment Fund
NRCS	Natural Resources Conservation Service
NRES	Non-Residential Renewable Energy Solutions
OPM	Office of Policy and Management
PA	Public Act
PDR	Purchasing Development Rights
PPA	Power Purchase Agreement
PRI	Program Related Investment
PSA	Professional Service Agreement
PURA	Public Utilities Regulatory Authority
RGGI	Regional Greenhouse Gas Initiative
RPS	Renewable Portfolio Standard
RRES	Residential Renewable Energy Solutions
RSIP	Residential Solar Investment Program
RESP	Rural Energy Savings Program
SBEA	Small Business Energy Advantage
SCORP	Statewide Comprehensive Outdoor Recreation Plan
SCRF	Special Capital Reserve Fund
SHREC	Solar Home Renewable Energy Credit
SRF	State Revolving Fund
TPL	Trust for Public Land
URI	Urban Resources Institute
USDA	U.S. Department of Agriculture
USDOE	U.S. Department of Energy
USEPA	United States Environmental Protection Agency
V2G	Vehicle to Grid



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