



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

Wednesday, January 29, 2025  
9:00 a.m. – 10:00 a.m.

A special meeting of the Board of Directors of the **Connecticut Green Bank** (the “Green Bank”) was held on January 29, 2025.

Board Members Present: Joseph DeNicola, Adrienne Farrar Houël, Thomas Flynn, Dominick Grant, John Harrity, Kimberly Mooers, Matthew Ranelli, Lonnie Reed, Brenda Watson

Board Members Absent: Allison Pincus, Joanna Wozniak-Brown

Staff Attending: Stephanie Attruia, David Beech, Priyank Bhakta, Larry Campana, Sergio Carrillo, Catherine Duncan, Mackey Dykes, Brian Farnen, Bryan Garcia, Sara Harari, Bert Hunter, Stefanie Keohane, Matthew King, Edward Kranich, Cheryl Lumpkin, Jane Murphy, Tyler Rubega, Ariel Schneider, Eric Shrago, Dan Smith, Marianna Trief

Others present: None

**1. Call to Order**

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

**2. Investment Programs Updates and Recommendations**  
**a. Cargill Falls – Facility Modification (Restructuring)**

- Marianna Trief summarized the recent history of the Cargill Falls project, including that the 2025 budget has completed and that stakeholder negotiations are ongoing. Due to that, the team is asking for an additional deferral until July 1, 2025 for time to resolve the negotiations.
  - Thomas Flynn asked if this is the first time Cargill Falls has asked for a deferral. Marianna Trief responded no, the project has been deferred for about 2 years due to a large lead issue which has been remediated but caused issues, though most have stabilized. Thomas Flynn asked how this project is presented on the balance sheet. Marianna Trief responded the principal outstanding is about \$10.8 million which includes the deferrals, but the Green Bank is the first lean on the property and further explained the financial position. The group discussed the project and its financial status further.

**Resolution #1**

**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 affect the above-mentioned legal instrument.

**Upon a motion made by John Harrity and seconded by Matthew Ranelli, the Board of Directors voted to approve Resolution 1. None opposed or abstained. Motion approved unanimously.**

#### **b. PosiGen – Facility Modification (3<sup>rd</sup> Party Participant)**

- Larry Campana summarized the history of PosiGen and the reason for the modification request which is due to steady growth in Connecticut.
  - Thomas Flynn asked if the Green Bank’s funds are restricted for use in Connecticut. Bert Hunter responded that the Green Bank’s funds are percentage of a pool of assets that is well represented, meaning there are more Connecticut assets as a percentage of the pool than our funding into the pool represents.
  - Thomas Flynn asked if there are any concerns about concentration of risk with one entity. Bert Hunter responded there is not as the Green Bank has considerable experience with residential loan portfolios, there are substantial systems generating the cash flows behind this, and the portfolio is well diversified. Thomas Flynn and Bert Hunter further discussed the concentration of risk, though Bert was confident with this project’s security. Thomas Flynn expressed wanting to discuss with the management of the Green Bank the possibility of implementing a cap of funds to invest within one portfolio on a percentage basis.

#### **Resolution #2**

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

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

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

- Bert Hunter summarized that the diversity of measures that Smart-E covers has caused some strain on the program, particularly due to the fact that Capital for Change has paused their participation. He summarized the history of discussions with Sungage and their proposed funding options. Larry Campana summarized the history and success of Sungage’s business and proposal to fulfill the role within the Smart-E program. Bert Hunter clarified that the advances within the Resolution are to the pool of loans, much like the PosiGen structure, and that it will be advanced over time.

- Joseph DeNicola asked if the pool of loans is for Connecticut only or is diversified geographically. Bert Hunter responded the pool is for Connecticut only.

**Resolution #3**

**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 affect 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 affect the above-mentioned legal instruments.

**Upon a motion made by Joseph DeNicola and seconded by Thomas Flynn, the Board of Directors voted to approve Resolution 3. None opposed or abstained. Motion approved unanimously.**

**d. Scale Microgrids – Green Bank Capital Solutions (Commerical – ESS Projects – KeyBank Facility)**

- David Beech summarized the history with Scale Microgrids and the new proposal to participate in one of their credit facilities. He reviewed the details of the portfolio, the structure of the credit facility, and the key points about risks and mitigants.
  - John Harry asked if all the activity indicated things are going well or issues within the market. David Beech responded that he believes it is indicative of a strong portfolio, and that Scale Migrogrids has significant plans to make sure they are starting construction and safe harboring the projects.
  - Adrienne Farrar-Houël asked if this is related to the New Power project. David Beech stated that Scale Microgrids is the owner of that project and they are doing construction, but the connection stops there.
  - Matthew Ranelli asked about the construction loans, if there is confirmation of the projects being safe harbored before some or all of the loan is disbursed. David Beech responded yes that will happen as there is a 10% minimum equity requirement which applies to every project.

**Resolution #4**

**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 affect the above-mentioned Term Loan and participation.

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

#### **e. USDOE and DEEP – Energy Efficiency Revolving Loan Fund**

- Sara Harari summarized the history of the DEEP Subgrant and proposal to enter into a contract with DEEP to receive the funds. The team is still investigating the method that the funds will be applied to but are considering initiating an interest rate buydown on the LIME loan programs, using the loans to fund energy efficiency improvements required by the tenant sharing revenue rules of affordable multifamily solar projects, and possibly buydowns of the Green Bank's rate of return for Affordable Multifamily Solar and Storage leases. The Board's approval will be required before applying the funds to any project.

#### **Resolution #5**

**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 affect the above-mentioned legal instruments.

**Upon a motion made by Dominick Grant and seconded by Matthew Ranelli, the Board of Directors voted to approve Resolution 5. None opposed or abstained. Motion approved unanimously.**

**f. USDA – Rural Energy Savings Program**

This item was deferred to the next Deployment Committee meeting.

**Resolution #6**

**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 affect the above-mentioned legal instruments.

**This item was not voted on.**

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

#### **a. Energy Storage Solutions – CPower / Danbury Mission Technologies**

This item was presented after item 2e.

- Edward Kranich summarized the proposal for a 4.98 MW, 9.96 MWh Tesla Megapack 2XL system for nearly \$4 million and an upfront incentive of \$905,996.
  - John Harritty asked what a Tesla Megapack is. Edward Kranich responded it is a container about the size of a shipping container which is full of batteries and inverters, designed to be a battery storage system on a concrete pad.

#### **Resolution #7**

**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 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 affect the above-mentioned incentives consistent with the Procedures.

**Upon a motion made by Joseph DeNicola and seconded by Thomas Flynn, the Board of Directors voted to approve Resolution 7. None opposed or abstained. Motion approved unanimously.**

#### **4. Adjourn**

**Lonnie Reed adjourned the Board of Directors meeting at 10:01 am.**