CONNECTICUT GREEN BANK

Board of Directors

MEETING DATE: FRIDAY, JUNE 20, 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

Public Funding
Ratepayer dollars, taxpayer dollars

→ CONNECTICUT GREEN BANK ←

Private Investment
Individuals, credit unions, banks, bond buyers

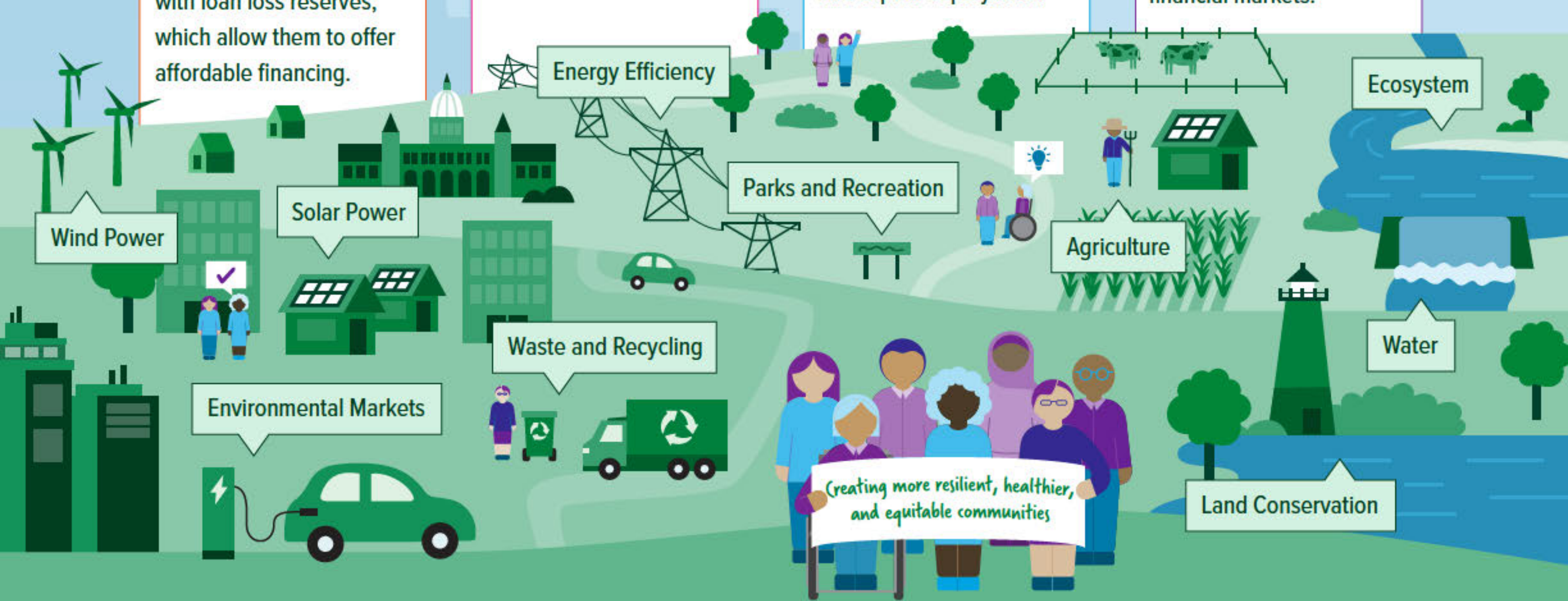
2 Apply Innovative Financial Tools to Deploy Investment Towards Our Mission

Generate **credit support** by providing local community banks with loan loss reserves, which allow them to offer affordable financing.

Initiate **co-investment** through public-private partnerships.

Support **performance-based incentives** to increase private investment and capital deployment.

Convert assets into **green bonds and notes** to be bought and sold in the financial markets.



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

Economic Development
- Creating thousands of jobs
- Generating millions in tax revenue

Ecological Resilience
- Driving environmental conservation, restoration, stewardship, and resilience

Energy
- Reducing energy burden by deploying clean energy
- Increasing energy security by deploying clean energy

Environmental Protection
- Reducing greenhouse gas emissions
- Improving the health of our residents by reducing air pollution

Equity
- No less than 40% of investment and benefits must reach vulnerable 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.

63,300+ *families*

8,125+ *businesses*

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 CO_2 : EQUALS

172 MILLION tree seedlings grown for 10 years

OR

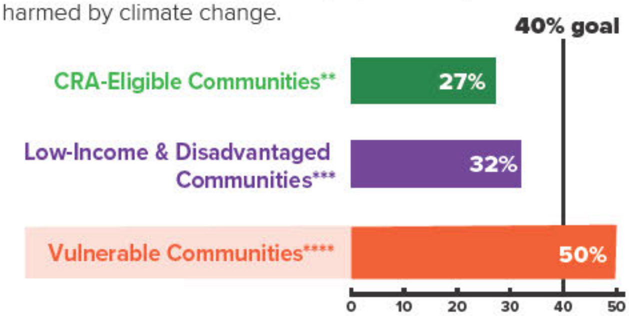
2.3 MILLION passenger vehicles driven for one year

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.

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.

James B. Cosgrove

Board Member

E: JCosgrove@branford-ct.gov P: 203-315-0620

First Selectman James B. Cosgrove graduated from Branford High School and went on to receive a bachelor's degree in finance from the University of New Haven in 1996. James B. Cosgrove was elected as First Selectman in November 2013, after serving on the Board of Selectmen from 2011 to 2013. In addition, he previously served on the Branford Representative Town Meeting (RTM), the town's legislative body from 2009 to 2011. Currently, he serves as a member of South Central Connecticut Council of Governments; South Central Connecticut Council of Governments Transportation Committee; Regional Economic Xcelleration Executive Board and Workforce Alliance Executive Board. In addition, he serves as the President of the Bristol Resource Recovery Facility Operating Committee.

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.

CONNECTICUT GREEN BANK.

Board of Directors

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.

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: houel@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

E: Allison.Pincus@ct.gov P: 914-815-0257

Board Member

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.

Board of Directors

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.

Erick Russell

E: Kimberly.Mooers@ct.gov **P: 860-702-3288**

Board Member

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

E: bwatson@northhartfordpartnership.org **P: 860-967-2751**

Chair of Joint Committee

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.

CONNECTICUT GREEN BANK

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

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

CONNECTICUT
GREEN BANK

June 13, 2025

Dear Connecticut Green Bank Board of Directors:

We have our last **regular meeting** of the Board of Directors for FY25 scheduled for **Friday, June 20, 2025, from 9:00-12:00 p.m.** Thank you to everyone for joining, including those who are able to extend for an additional hour given our line-up of transactions!

And, as often happens from time-to-time, CTN will be recording the meeting.

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.

I wanted to start by introducing our newest member of the Board of Directors – First Selectman Jamie Cosgrove from Branford. Minority Leader Vincent Candelora recently appointed him – welcome Jamie!

For the agenda, we have the following:

- **Consent Agenda** – we have several items on the consent agenda, including:

  - Meeting Minutes of April 25, 2025
  - C-PACE Transactions (Extension) – Enfield
  - Recommended Update to Bank Authorized Signers
  - Position Description – Director of Smart-E Loan Program
  - Position Description – Director of Financing Programs, Solar MAP+

  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
  - Under $100,000 and No More in Aggregate than $500,000 Staff Approved Transaction Restructurings or Write-Offs
  - FY25 Q3 Financial Report – Memo (May 23, 2025)
  - FY25 Q3 Financial Report – Abridged and Comprehensive
  - FY25 Q3 Report – IPC

- **Committee Updates and Recommendations** – for several committees, including:

  - **Budget, Operations, and Compensation Committee** – proposed FY26 targets, budget, and investments; and

  - **Audit, Compliance, and Governance Committee** – including:

- Recommendation for the selection of an audit firm for services from FY25-FY27
- Recommendation, including from the Deployment Committee, of a revision to the Loan Loss Decision Framework. Please also note an additional staff recommended forbearance inclusion following the meetings of the ACG and Deployment committees.

- **Greenhouse Gas Reduction Fund – Update and Recommendations** – including the following:

  - Recommendation to approve of a Green School Buses project under the National Clean Investment Fund – Zum in Branford

- **Incentive Programs Updates and Recommendations** – including:

  - ESS Transaction (Revision) – ESS-00522 – Numa Tool
  - ESS Transaction (Revision) – ESS-00968 – Home Depot

- **Financing Programs Updates and Recommendations** – including the following:

  - *C-PACE Transaction – Hartford* **[Moved to July 25, 2025 meeting]**
  - C-PACE Transaction – Branford
  - C-PACE Transaction – East Windsor
  - *C-PACE Transaction – Hartford*
  - C-PACE Transaction – Milford

- **Investment Updates and Recommendations** – we have several investment recommendations for the following transactions:

  - **Mutual Securities Credit Union** – extension of our linked deposits
  - ***IPC** – extension of our loan*
  - **DOC Fuel Cell** – loan request in support of Greener.Gov efforts for state facilities
  - **Cargill Falls** – report out on our C-PACE benefit assessment
  - **PosiGen** – loan modification extension

- **Executive Session** – for Trade Secrets and Commercial Information Given in Confidence.

Please note, those items *underlined, italicized, and highlighted* above, are materials coming by the close of business on Tuesday, June 17, 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, June 20, 2025
9:00 – 12:00 p.m.

Dial in: +1 860-924-7736
Phone Conference ID: 227 957 944 460#
+1 860-924-7736,,741347535#

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 – 35 minutes

    a. Budget, Operations, and Compensation Committee – 15 minutes

        i. Proposed FY26 Targets, Budget, and Investments

    b. Audit, Compliance, and Governance Committee – 20 minutes

        i. Recommended Selection of Audit Firm for Audit Services for FY25-FY27 – 5 minutes
        ii. Loss Decision Process – Proposed Revisions – 10 minutes
        iii. Legislative Session – 2025 in Review – 5 minutes

5. Greenhouse Gas Reduction Fund – Update and Recommendations – 15 minutes

    a. National Clean Investment Fund

        i. Green School Buses – Zum in Branford – 15 minutes

6. Incentive Programs Updates and Recommendations – 10 minutes

    a. ESS Transaction (Revision) – ESS-00522 – Numa Tool

b. ESS Transaction (Revision) – ESS-00968 – Home Depot

7. Financing Programs Updates and Recommendations – 25 minutes

    a. C-PACE Transaction – Berlin – 5 minutes **[Moved to July 25, 2025 meeting]**
    b. C-PACE Transaction – Branford – 5 minutes
    c. C-PACE Transaction – East Windsor – 5 minutes
    d. C-PACE Transaction – Hartford – 5 minutes
    e. C-PACE Transaction – Milford – 5 minutes

8. Investment Programs Updates and Recommendations – 45 minutes

    a. Mutual Securities Credit Union – Linked Deposits (Extension) – 5 minutes
    b. IPC – Loan Modification (Extension) – 10 minutes
    c. Department of Corrections Fuel Cell – Loan Transaction – 10 minutes
    d. Cargill Falls – Report Out – 10 minutes
    e. PosiGen – Loan Modification (Extension) – 10 minutes

9. Executive Session – Trade Secrets and Commercial Information Given in Confidence – 15 minutes

10. Adjourn

Click here to join the meeting
Teams Meeting ID: 227 957 944 460
Passcode: r3X4UG
Dial in: +1 860-924-7736,,741347535#
Phone Conference ID: 741 347 535#

Next Regular Meeting: Friday, July 25, 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, June 20, 2025
9:00 a.m. – 12:00 p.m.

Dial in: +1 860-924-7736
Phone Conference ID: 227 957 944 460#
+1 860-924-7736,,741347535#

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 April 25, 2025.

Resolution #2

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

WHEREAS, pursuant to the C-PACE program, the Connecticut Green Bank Board of Directors (the "Board") or the Connecticut Green Bank Deployment Committee ("DC"), as may be applicable, approved and authorized the President of the Green Bank to execute financing agreements for the C-PACE projects described in this Memo submitted on June 13, 2025 (the "Finance Agreements");

WHEREAS, the Finance Agreements were authorized to be consistent with the terms, conditions, and memorandums submitted to the Board or DC, as may be applicable, and executed no later than 120 days from the date of such Board or DC approval; and,

WHEREAS, due to delays in fulfilling pre-closing requirements the Green Bank will need more time to execute the Finance Agreements.

NOW, therefore be it:

RESOLVED, that the Board of Directors extends authorization of the Finance Agreements to no later than 120 days from June 20, 2025 and consistent in every other manner with the original Board or DC authorization for the Finance Agreement.

Resolutions #3

RESOLVED, that the Board of Directors affirms that as of the date of this resolution these positions are occupied by the following individuals:

- President and CEO - Bryan Garcia
- Executive Vice President Finance and Administration – Jane Murphy
- Executive Vice President and Chief Investment Officer – Roberto Hunter
- Executive Vice President, Financing Programs – Michael Dykes
- Vice President of Operations – Eric Shrago
- Director of Accounting and Reporting – Dan Smith

Resolutions #4

Motion to approve the position specifications for the Director of Smart-E Loan Program and Director of Financing Programs, Solar MAP+.

4. Committee Updates and Recommendations – 35 minutes

    a. Budget, Operations, and Compensation Committee – 15 minutes

        i. Proposed FY26 Targets, Budget, and Investments

Resolution #5

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

WHEREAS, on June 4, 2025, the Committee recommended the adoption of these targets and budget for FY2026 and the professional services agreements (PSAs) listed below;

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

I. New Charter Technologies, LLC
II. Nexus Dynamics Group
III. Alter Domus (formerly Cortland)
IV. Inclusive Prosperity Capital
V. DNV GL (DNV Energy and ENV Energy Insights USA Inc.)

VI. Guidehouse (formerly Navigant)
VII. Customized Energy Solutions LTD
VIII. PKF O'Connor Davies
IX. CliftonLarsonAllen
X. C-TEC Solar, LLC
XI. GO, LLC
XII. Craftsman Technologies
XIII. Strategic Environmental Associates
XIV. Carahsoft Technology Corporation
XV. DCS Energy LLC
XVI. AlsoEnergy, Inc

For fiscal year 2026 with the amounts of each PSA not to exceed the applicable approved budget line item.

NOW, therefore be it:

RESOLVED, that the Board of Directors approves the FY2026 Targets and Budget and authorizes staff to enter into the PSAs with the strategic partners set forth above.

b. Audit, Compliance, and Governance Committee – 20 minutes

i. Recommended Selection of Audit Firm for Audit Services for FY25-FY27 – 5 minutes

Resolution #6

RESOLVED, that the Green Bank Board of Directors hereby approves the Audit, Compliance and Governance Committee recommendation for [selected auditor] to perform professional audit services for the Connecticut Green Bank for the fiscal years 2025, 2026, and 2027.

Second. Discussion. Vote.

ii. Loss Decision Process – Proposed Revisions – 10 minutes

Resolution #7

WHEREAS, On June 13, 2018 the Connecticut Green Bank (“Green Bank”) Board of Directors (“Board”) approved a framework and process for funding provisional loss reserves, restructuring, and writing-off transactions on the balance sheet of Green Bank and its subsidiaries, the process was subsequently amended by the Board on April 24, 2020, June 26, 2020, and March 25, 2022 (taken together, being the “Loan Loss Decision Process”); and,

WHEREAS, the staff of the Green Bank proposes certain revisions and clarifications to the Loss Decision Process, as described in the memorandums to the Audit, Compliance, and Governance (“ACG”) Committee dated May 6, 2025; the Deployment Committee dated May 14, 2025, and the Board of Directors (“Board”) dated June 13, 2025 along the revised Loss Decision Process attached thereto (the “Revised Loss Decision Process”).

NOW, therefore be it:

RESOLVED, that the Board has reviewed and approved the Revised Loss Decision Process.

iii. Legislative Session – 2025 in Review – 5 minutes

5. Greenhouse Gas Reduction Fund – Update and Recommendations – 15 minutes

   a. National Clean Investment Fund

      i. Green School Buses – Zum in Branford – 15 minutes

<u>Resolution #8</u>

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

WHEREAS, at the December 13, 2024, meeting of the Green Bank Board of Directors ("Board"), it was resolved for staff to review responses to ESB RFP for electric school bus and associated upgrades and structure agreements to present to the Board for approval; and,

WHEREAS, on January 3, 2025, the Green Bank signed and executed a $93.53 million Subgrant Agreement with the Coalition for Green Capital, under their National Clean Investment Fund award, to support investment in project types including Green School Buses;

WHEREAS, at the February 19, 2025, meeting of the Green Bank Board of Directors, it was resolved for staff to be authorized to enter into agreement(s) with applicants identified through the ESB RFP that ultimately qualify for Green Bank financing, the formation of one or more Special Purpose Entities or direct investment, with or for the benefit of these applicants to obligate NCIF capital in support of investment in deployment of electric school buses, including associated upgrades for up to $16M in funding;

WHEREAS, Zum Services, Inc. ("Zum") responded to the ESB RFP, is the transportation provider for Branford Public Schools, and seeks to leverage their EPA Clean School Bus Award and CT Department of Energy and Environmental Protection grant funding alongside Green Bank financing to fully electrify their fleet; and,

WHEREAS, Green Bank staff have considered the merits of the investment and the ability of Zum to operate and support the obligations under the credit facilities throughout the term of the investment and satisfying the requisite Capital Solutions criteria, and have recommended a loan to a Special Purpose Entity not to exceed $12,300,000 to support, secured by a first priority lien on the electric school buses and charges installed with this loan as well as revenues from the transportation services agreement with Branford Public Schools and a leasehold mortgage on the school bus yard.

NOW, therefore be it:

RESOLVED, that the Green Bank Board of Directors hereby approves the applicant's Capital Solutions proposal for the Green Bank to provide a Special Purpose Entity a term loan not to exceed $12,300,000 to Zum Services, Inc. or its wholly-owned Special Purpose Entity to support the full electrification of the Branford Public Schools ("BPS") school bus fleet;

RESOLVED, that the President of the Green Bank and any other duly authorized officer is authorized to take appropriate actions to provide the loan to Zum Services, Inc. or the Special

Purpose Entity in an amount not to exceed $12,300,000 in with terms and conditions materially consistent with the Committee Memo including approval to extend the maturity of the loan to Zum to match any extension of the underlying contracts between Zum and BPS, and, subject to satisfying the above conditions, 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 Committee; 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 financing for the Project.

6. Incentive Programs Updates and Recommendations – 10 minutes

Resolution #9

WHEREAS, in its June 24, 2022 meeting the Connecticut Green Bank Board of Directors (“Board”) approved the implementation of an Upfront Incentive Project Approval procedures (“Procedures”) for non-residential projects under the Energy Storage Solutions Program (“Program”) with an estimated upfront incentive payment greater than $500,000 and procedures for less than $500,000;

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

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

WHEREAS, Green Bank Senior Staff approved on July 27, 2023 an upfront incentive for the Numa Tools project, proposed by CPower, in the amount of $334,750; and,

WHEREAS, the Deployment Committee previously approved on May 22, 2024 an upfront incentive for the Home Depot Bristol project, proposed by Redaptive Sustainability Services, in the amount of $663,813, consistent with the approved Procedures.

NOW, therefore be it:

RESOLVED, that the Green Bank Board hereby re-approves the Numa Tools project, proposed by CPower, located in Thompson, CT in a new amount not-to-exceed $553,833 consistent with the approved Procedures and this memorandum dated June 13, 2025; and,

RESOLVED, that the Board of Directors hereby re-approves the Redaptive International project located at a Home Depot store in Bristol, CT in a new amount not-to-exceed $737,438 consistent with the approved Procedures and this memorandum dated June 13, 2025; 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.

a. ESS Transaction (Revision) – ESS-00522 – Numa Tool

b. ESS Transaction (Revision) – ESS-00968 – Home Depot

7. Financing Programs Updates and Recommendations – 25 minutes

a. C-PACE Transaction – Branford – 5 minutes

Resolution #10

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 $672,051 construction and term loan under the C-PACE program to Elm Harbor Realty LLC, the building owner of 20 Elm Street, Branford, CT 06405, 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 Board of Directors dated June 13th, 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 – East Windsor – 5 minutes

Resolution #11

WHEREAS, pursuant to Connecticut General Statute Section 16a-40g ("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 ("Board") has approved a $40,000,000 C-PACE construction and term loan program; and,

WHEREAS, the Green Bank seeks to provide a $745,625 construction and term loan under the C-PACE program to NNRC, LLC, the building owner of 74-110 Bridge St, East Windsor, CT

06088, East Windsor, Connecticut ("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 June 13, 2025 ("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. C-PACE Transaction – Hartford – 5 minutes

Resolution #12

WHEREAS, pursuant to Connecticut General Statute Section 16a-40g ("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 ("Board") has approved a $40,000,000 C-PACE construction and term loan program; and,

WHEREAS, the Green Bank seeks to provide a $3,177,877 construction and term loan under the C-PACE program to 777 Main Street, LLC, the building owner of the commercial unit of 777 Main Street, Hartford, CT 06103, Hartford, Connecticut ("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 June 17, 2025 ("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.

d. C-PACE Transaction – Milford – 5 minutes

Resolution #13

WHEREAS, pursuant to Connecticut General Statute Section 16a-40g ("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 ("Board") has approved a $40,000,000 C-PACE construction and term loan program; and,

WHEREAS, the Green Bank seeks to provide a $1,103,748 construction and term loan under the C-PACE program to 1040 & 1052 Boston Post Rd LLC, the building owner of 1052 Boston Post Road, Milford, CT 06460, Milford, Connecticut ("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 June 13, 2025 ("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.

8. Investment Programs Updates and Recommendations – 45 minutes

a. Mutual Securities Credit Union – Linked Deposits (Extension) – 5 minutes

Resolution #14

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

WHEREAS, pursuant to approval by the Green Bank Deployment Committee in May 2023, the Green Bank commenced a pilot linked deposits program (the "Linked Deposits Pilot") with a

Smart-E lender as described in the memorandum to the Deployment Committee dated May 19, 2023 (the “Linked Deposit Pilot Memo”);

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

WHEREAS, pursuant to the approval by the Green Bank Board of Directors (the “Board”) in June 2024, the Green Bank raised the Linked Deposit Pilot “not to exceed” amount from $2,500,000 to 3,500,000;

WHEREAS, the Linked Deposits Pilot has been a success and per request by the participating institution, Green Bank staff recommends approval by the Green Bank Board of Directors (“Board”) to extend the Linked Deposit Pilot program to June 30, 2026 and raise the “not to exceed” amount from $3,500,000 to 5,000,000;

NOW, therefore be it:

RESOLVED, that the Board approves of the extension of the Linked Deposit Pilot to June 30, 2026 and an increase in the “not to exceed” amount from $3,500,000 to $5,000,000, to be implemented as described in the Linked Deposit Pilot Memorandum dated June 13, 2025;

RESOLVED, that the President of the Green Bank; and any other duly authorized officer of the Green Bank, is authorized to execute and deliver, any contract or other legal instrument necessary to effect the Linked Deposit Pilot on such terms and conditions as are materially consistent with the Linked Deposit Pilot Memorandum; and

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

b. IPC – Loan Modification (Extension) – 10 minutes

Resolution #15

WHEREAS, the Connecticut Green Bank (“Green Bank”) has an existing partnership with Inclusive Prosperity Capital, Inc. (“IPC”) to lessen the burden of government, and to protect, promote and preserve the environment by, among other things, furthering the purpose of the Green Bank as described in Connecticut General Statute Section 16-245n(d)(1)(B);

WHEREAS, on June 13, 2018, the Green Bank Board of Directors (“Board”) approved a Memorandum of Understanding (“MOU”) governing the Green Bank’s partnership with IPC as part of Green Bank’s long-term sustainability plan and on June 25, 2021 extended pursuant to a strategic selection the MOU to end on June 30, 2026 (the “MOU Extension”);

WHEREAS, the MOU included a Revolving Line of Credit (“RLC”) intended to support IPC startup and operational costs for an amount not to exceed $150,000 outstanding and with a maturity date of June 30, 2021, which maturity date was extended to June 30, 2024 and the not to exceed amount was increased to $1,000,000 by the Board at a meeting duly held on December 18, 2020;

WHEREAS, the maturity date of the RLC was further extended in June 2023 to accommodate the MOU Extension and extended the maturity date of the RLC to June 30, 2026 (the "Amended Maturity Date") in line with the end of the MOU as more fully explained in a memorandum to the Board dated April 18, 2023; and,

WHEREAS, IPC has made a request to further extend the RLC maturity date and to defer payments under the RLC as more fully explained in a memorandum to the Board dated June 13, 2025 (the "Board Memo").

NOW, therefore be it:

RESOLVED, that the Board approves IPC's request to further extend the RLC maturity date and to defer payments under the RLC as more fully explained in the Board Memo, with a maturity date of June 30, 2027 consistent with 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 effect the above-mentioned legal instruments.

c. Department of Corrections Fuel Cell – Loan Transaction – 10 minutes

Resolution #16

WHEREAS, on July 23, 2024 the Connecticut Green Bank ("Green Bank") Board of Directors ("Board") approved Green Bank entering into and assigning a power purchase agreement for a fuel cell project at the Department of Correction York Correctional Institution ("Project"), following a competitive solicitation process (the "RFP");

WHEREAS, subsequent to the PPA assignment, the Project has been completed, placed in service and transferred to a term owner and equity investor, Hosler Financial Services LLC ("Project Owner"); and,

WHEREAS, Green Bank seeks to provide debt financing to the Project Owner under terms consistent with those outlined in the RFP and with the memorandum to the Board dated June 13, 2025 ("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 Debt Facility, and any associated legal instruments; and,

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

d. Cargill Falls – Loan Restructure – 10 minutes

Resolution #17

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 (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 exercise its discretion in issuing a forbearance on the C-PACE loan payments from HCFM ("Loan Forbearance") through [redacted], as detailed in the memorandum submitted to the Board on June 13, 2025 in connection with this matter (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 Forbearance consistent with the Board Memo and the Green Bank's 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.

e. PosiGen – Loan Modification Discussion – 10 minutes

Resolution #18

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

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

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

WHEREAS, in August 2023 the Board previously authorized approval for Green Bank's participation in equity financing through the purchase of a secured convertible promissory note of $121,321;

WHEREAS, in March 2024 the Board authorized the Green Bank to enter into the Amended and Restated Note Purchase Agreement with PosiGen and other investors to fully participate in the incremental investment of $56,775 in a secured convertible promissory note of PosiGen with a total value of $213,761;

NOW, therefore be it:

RESOLVED, that the Board authorizes the Green Bank to fully participate in the 1-year maturity date extension of two secured convertible promissory note of PosiGen totaling $335,083, with a revised maturity date of June 13, 2026, and executing Amendment No. 6 to Note Purchase Agreement, as set forth in the Board Memo;

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.

9. Executive Session – Trade Secrets and Commercial Information Given in Confidence – 15 minutes

10. Adjourn

Click here to join the meeting
Teams Meeting ID: 227 957 944 460
Passcode: r3X4UG
Dial in: +1 860-924-7736,,741347535#
Phone Conference ID: 741 347 535#

Next Regular Meeting: Friday, July 25, 2025 from 9:00-11:00 a.m.
Colonel Albert Pope Room at the
Connecticut Green Bank, 75 Charter Oak Avenue, Hartford

Announcements

- **<u>In-Person Option</u>** – if anyone wants to join future BOD or Committee meetings in person, we are inviting you to our offices in Hartford

- **<u>Mute Microphone</u>** – in order to prevent background noise that disturbs the meeting, if you aren't talking, please mute your microphone or phone.

- **<u>Chat Box</u>** – if you aren't being heard, please use the chat box to raise your hand and ask a question.

- **<u>Recording Meeting</u>** – we continue to record and post the board meetings.

- **<u>State Your Name</u>** – for those talking, please state your name for the record.

Board of Directors Meeting

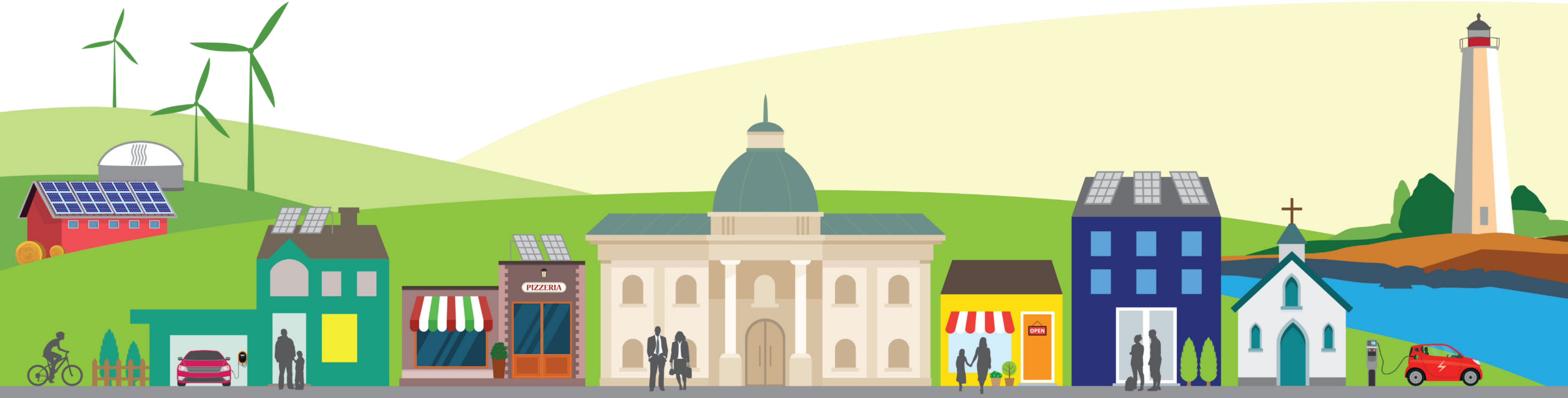
June 20, 2025

CONNECTICUT GREEN BANK®

Board of Directors

CONNECTICUT GREEN BANK

Agenda Item #1
Call to Order



Board of Directors

Agenda Item #2
Public Comments

Welcome to the Board of Directors

Jamie Cosgrove

First Selectman of Branford

Appointed by Minority Leader Vincent Candelora

CONNECTICUT GREEN BANK

Agenda Item #3
Consent Agenda

Consent Agenda
Resolutions #1 through #4

1. **Meeting Minutes** – approve meeting minutes of April 25, 2025
2. **C-PACE Transaction** – extension of time to close for transaction in Enfield
3. **Authorized Signers** – recommendation from ACG Committee allowing Director of Accounting and Reporting to sign checks and release wire or ACH transfers
4. **Position Descriptions** – approval of two (2) position descriptions for Director of Smart-E Loan Program and Director of Financing Programs, Solar MAP+

- **Under $500,000 and No More in Aggregate than $1,000,000** – staff approved transactions of over $145,000 in one (1) C-PACE project (i.e., Bristol)
- **Under $100,000 and No More in Aggregate than $500,000** – staff approved restructurings or write-offs of zero (0) transactions
- **Q3 of FY 2025 Financial Report** – abridged and comprehensive for Green Bank
- **IPC Q3 of FY25 Report** – quarterly report of Inclusive Prosperity Capital

Board of Directors

Agenda Item #4ai

Budget, Operations, and Compensation Committee

Proposed FY26 Targets, Budget, and Investments

FY2026 Financing Programs Targets

Segment	Product	Channel	Targets					
			Number of Projects	Total Capital Deployed	CGB Capital Committed	NCIF Committed	SFA Committed	Capacity Installed
Financing Programs	CPACE	**Total CPACE**	**24**	**$ 42,246,153**	**$ 10,246,153**	**$ 2,500,000**	**$ -**	**-**
	Marketplace Assistance Program	*Municipal MAP PPAs/Loans*	6	$ 4,050,000		$ 7,500,000		**1.800**
		State MAP PPAs/Loans	8	$ 22,526,155				**12.176**
		Multifamily MAP PPAs/Leases/Loans	6	$ 2,159,190	$ 2,159,190	**$ 5,000,000**		**0.768**
		Total MAP	**20**	**$ 28,735,345**	**$ 2,159,190**	**$ 12,500,000**	**$ -**	**14.744**
	Roof Lease/PPA	**Total PPA**	**11**	**12,605,288**	**$ 5,181,906**			**10.101**
	Tariff Backed Loan							
	SBEA		**436**	**$ 14,490,000**	**$ 2,898,000**			
	(LIME)							
	Financing Programs Total		**491**	**98,076,786**	**20,485,249**	**15,000,000**	**0**	**24.85**

FY2026 Incentive Programs and Environmental Infrastructure Targets

Segment	Program		Targets: Number of Projects	Total Capital Deployed	CGB Capital Committed	NCIF Committed	SFA Committed	Capacity Installed/ Nameplate Capacity
Incentive Programs	ESS (Residential)	*Residential Storage Incentives Total*	500	$ 15,000,000	$ 3,750,000		$ 440,000	5.000
	ESS (C&I)	*C&I Storage Incentives Total*	5	$ 15,000,000	$ 2,500,000			10.000
	Smart-E	Total Smart-E	915	$ 23,135,000	$ -	$ 5,000,000	$ -	2.000
	Incentive Programs Total		1,420	$ 53,135,000	$ 6,250,000	$ 5,000,000	$ 440,000	17.000

Segment	Program		Targets: Number of Projects	Total Capital Deployed	CGB Capital Committed	NCIF Committed	SFA Committed	Capacity Installed/ Nameplate Capacity
Environmental Infrastructure	Capital Solutions	*Total Capital Solutions (EI)*	2	5,000,000	2,500,000	5,000,000		
	Environmental Infrastructure Total		2	5,000,000	2,500,000	5,000,000	0	0

FY2026 Investment and Organizational Targets

CONNECTICUT GREEN BANK

Segment	Program		Number of Projects	Total Capital Deployed	CGB Capital Committed	NCIF Committed	SFA Committed	Capacity Installed/ Nameplate Capacity
			Targets					
Investments	Solar For All	*Leases (SF)*	18	$ 600,000	$ 600,000		$ 600,000	4.000
		PPA (MF)	3	1,079,595	1,079,595	$ -	$ 1,079,595	0
		Solar for All Total	21	$ 1,679,595	$ 1,679,595	$ -	$ 1,679,595	4
	Innovation	*Fleet Electrification Accelerator*	6					
		Innovation Total	6	0	0	0	0	0
	Capital Solutions	***Capital Solutions (Transportation)***	4	$ 20,163,174	$ 20,163,174	$ 10,000,000		
		Capital Solutions (Clean Energy DER)	4	$ 29,575,288	$ 20,581,906	$ 5,000,000	$ -	-
		Capital Solutions (EI)	2	$ 5,000,000	$ 2,500,000	$ 5,000,000		
		Total Strategic Investments	10	$ 54,738,462	$ 43,245,080	$ 20,000,000	$ -	-
	Total Investments		37	$ 56,418,057	$ 44,924,675	$ 20,000,000	$ 1,679,595	4.350

Segment	Business Segment	Number of Projects	Total Capital Deployed	CGB Capital Committed	NCIF Committed	SFA Committed	Capacity Installed
		Targets					
CGB	Financing Programs Total	491	$ 98,076,786	$ 20,485,249	$ 15,000,000	$ -	24.845
	Incentive Programs Total	1,420	$ 53,135,000	$ 6,250,000	$ 5,000,000	$ 440,000	17.000
	Environmental Infrastructure Total	2	$ 5,000,000	$ 2,500,000	$ 5,000,000	$ -	-
	Total Investments	37	$ 56,418,057	$ 44,924,675	$ 20,000,000	$ 1,679,595	4.350
	Green Bank Total	1,945	$ 198,554,555.00	$ 66,412,673.00	$ 40,000,000.00	$ 2,119,595.00	45.85

FY2026 Budget - Revenues

CONNECTICUT GREEN BANK

	FY26 Budget			FY25 Budget			FY25 Mar YTD Actuals
	General Operations	Programs	Total Operations & Programs	Total Operations & Programs	$ Incr / (Decr)	% Incr / (Decr)	Total Operations & Programs
Revenues-Total							
Utility customer assessments	$ 24,392,700	$ -	$ 24,392,700	$ 24,188,144	$ 204,556	1 %	$ 19,424,557
Utility customer assessments - Sweep	-	-	-	-	-	0 %	-
RGGI auction proceeds	5,200,000	-	5,200,000	5,200,000	-	0 %	5,200,000
Interest Income, cash received	1,715,200	9,291,337	11,006,537	9,346,410	1,660,127	18 %	8,653,929
Interest Income, capitalized	-	150,000	150,000	90,000	60,000	67 %	537,455
Grant income (Federal Programs)	-	40,000	40,000	40,000	-	0 %	2,685
Grant income (State / Other)	-	740,000	740,000	475,000	265,000	56 %	223,324
Grant income (SFA)		2,119,595	2,119,595	-	2,119,595	0 %	-
Grant income (NCIF) (1)	-	93,160,599	93,160,599	16,000,000	77,160,599	482 %	369,400
REC sales, general	-	1,665,000	1,665,000	1,714,750	(49,750)	(3)%	-
REC Sales, SHREC program	-	12,051,215	12,051,215	12,202,372	(151,157)	(1)%	10,418,218
CPACE Loan closing fees	-	120,000	120,000	120,000	-	0 %	223,067
PPA Income	-	1,718,000	1,718,000	1,644,024	73,976	4 %	1,296,069
LREC/ZREC Income	-	1,708,000	1,708,000	1,601,947	106,053	7 %	1,185,883
Rental Income	-	1,444,500	1,444,500	1,398,099	46,401	3 %	1,110,737
Other income	970,000	3,611,852	4,581,852	3,884,587	697,265	18 %	3,875,299
Total Revenues:	$ 32,277,900	$ 127,820,098	$ 160,097,999	$ 77,905,333	$ 82,192,665	106 %	$ 52,520,623

Revenues increasing YOY

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

Interest income increasing due to new investments

Grant income increasing due to grants from GGRF (although NCIF funds are currently frozen)

FY2026 Budget – Operating Expenses

CONNECTICUT GREEN BANK

	Total CT Green Bank			Financing Programs			Incentive Programs			Environmental Infrastructure		
	FY26	FY25	YOY	FY26	FY25	YOY	FY26	FY25	YOY	FY26	FY25	YOY
	Budget	Budget	Variance	Budget	Budget	Variance	Budget	Budget	Variance	Budget	Budget	Variance
Revenue												
Operating Income	144,359,609	64,584,336	79,775,273	131,808,394	51,881,964	79,926,430	12,051,215	12,202,372	(151,157)	500,000	500,000	0
Interest Income	11,006,537	9,346,409	1,660,128	10,934,537	9,316,109	1,618,428	72,000	30,300	41,700	0	0	0
Interest Income, Capitalized	150,000	90,000	60,000	150,000	90,000	60,000	0	0	0	0	0	0
Other Income	4,581,852	3,884,587	697,265	1,399,000	1,208,972	190,028	3,182,852	2,675,615	507,237	0	0	0
Total Revenue	**$ 160,097,998**	**$ 77,905,332**	**82,192,666**	**$ 144,291,931**	**$ 62,497,045**	**81,794,886**	**$ 15,306,067**	**$ 14,908,287**	**397,780**	**$ 500,000**	**$ 500,000**	**0**
Operating Expenses												
Compensation and Benefits												
Employee Compensation	13,930,358	10,581,285	3,349,073	10,630,105	7,677,165	2,952,941	2,111,534	2,023,935	87,600	1,188,718	880,186	308,532
Employee Benefits	10,119,704	9,214,340	905,364	7,725,400	6,691,110	1,034,289	1,538,334	1,764,863	(226,530)	855,970	758,365	97,605
Total Compensation and Benefits	24,050,062	19,795,625	4,254,437	18,355,505	14,368,275	3,987,230	3,649,868	3,788,798	(138,930)	2,044,688	1,638,551	406,137
Program Development & Administration	7,177,026	5,290,069	1,886,956	4,950,450	3,105,070	1,845,380	1,945,500	1,935,000	10,500	281,076	250,000	31,076
Program Administration-IPC Fee	341,554	683,110	(341,555)	115,293	230,586	(115,293)	226,262	452,524	(226,262)	0	0	0
Lease Origination Services	5,000	5,000	0	5,000	5,000	0	0	0	0	0	0	0
Marketing Expense	1,483,220	1,568,070	(84,850)	1,343,220	1,355,070	(11,850)	140,000	213,000	(73,000)	0	0	0
E M & V	500,000	585,000	(85,000)	250,000	335,000	(85,000)	250,000	250,000	0	0	0	0
Research and Development	625,000	710,000	(85,000)	625,000	650,000	(25,000)	0	0	0	0	60,000	(60,000)
Consulting and Professional Fees	3,410,000	2,728,134	681,866	2,409,000	2,188,134	220,866	1,001,000	525,000	476,000	0	15,000	(15,000)
Rent and Location Related Expenses	4,294,001	4,346,304	(52,303)	4,157,767	4,167,268	(9,501)	87,163	124,364	(37,201)	49,070	54,671	(5,601)
Office, Computer & Other Expenses	2,569,970	2,659,982	(90,012)	2,079,778	2,023,454	56,324	368,953	513,231	(144,278)	121,240	123,298	(2,058)
Warranty Management	268,000	258,586	9,414	268,000	258,586	9,413	0	0	0	0	0	0
Total Operating Expenses	**44,723,833**	**38,629,880**	**6,093,953**	**34,559,013**	**28,686,443**	**5,872,569**	**7,668,746**	**7,801,917**	**(133,171)**	**2,496,074**	**2,141,520**	**354,554**
Program Incentives and Grants												
Program Expenditures-State/Other Grants	940,000	855,000	85,000	940,000	795,000	145,000	0	60,000	(60,000)	0	0	0
Program Expenditures-Federal Grants	4,213,779	40,000	4,173,779	4,213,779	40,000	4,173,779	0	0	0	0	0	0
RSIPI Incentives	3,000,000	6,939,391	(3,939,391)	0	0	0	3,000,000	6,939,391	(3,939,391)	0	0	0
Battery Storage Incentives	5,235,000	2,000,000	3,235,000	0	0	0	5,235,000	2,000,000	3,235,000	0	0	0
Total Program Incentives and Grants	**$ 13,388,779**	**$ 9,834,391**	**3,554,388**	**$ 5,153,779**	**$ 835,000**	**4,318,779**	**$ 8,235,000**	**$ 8,999,391**	**(764,391)**	**$ 0**	**$ 0**	**0**
Operating Income/(Loss)	**$ 101,985,387**	**$ 29,441,061**	**72,544,326**	**$ 104,579,139**	**$ 32,975,602**	**71,603,537**	**$ (597,678)**	**$ (1,893,021)**	**1,295,343**	**$ (1,996,074)**	**$ (1,641,520)**	**(354,554)**
Non-Operating Expenses												
Interest Expense	2,065,568	2,288,076	(222,518)	547,168	641,321	(94,163)	1,518,400	1,646,755	(128,355)	0	0	0
Realized (Gain) Loss	0	65,160	(65,161)	0	65,160	(65,161)	0	0	0	0	0	0
Provision for Loan Loss	1,973,600	1,800,300	173,300	1,973,600	1,800,300	173,300	0	0	0	0	0	0
Interest Rate Buydowns-ARRA	242,000	242,000	0	0	0	0	242,000	242,000	0	0	0	0
Taxes	0	145,854	(145,853)	0	145,854	(145,853)	0	0	0	0	0	0
Total Non-Operating Expenses	**$ 4,281,168**	**$ 4,541,390**	**(260,232)**	**$ 2,520,768**	**$ 2,652,635**	**(131,877)**	**$ 1,760,400**	**$ 1,888,755**	**(128,355)**	**$ 0**	**$ 0**	**0**
Net Revenues Over (Under) Expenses	**97,644,229**	**24,899,671**	**72,744,558**	**101,998,382**	**30,322,967**	**71,675,415**	**(2,358,078)**	**(3,781,776)**	**1,423,698**	**(1,996,074)**	**(1,641,520)**	**(354,554)**

- **Compensation and Benefits** – increase of $1,094,396 representative of 4 new positions (2 new team members in Environmental Infrastructure programs, an additional member of the Investments team, and a new position to support the bringing in house of the Smart-e Loan Program). The other large driver here ($2.1 million) is the previously discussed incentive compensation pool that is contingent upon receipt and investment of the NCIF monies from the EPA.

- **Program Administration** – is due to increase by $1,886,956 due entirely to our now having to include the expenses of the subsidiaries in this budget. This represents the operations and maintenance costs for the solar systems owned by the Green Bank.

- **Program Administration (IPC Fee)** – will decrease by 50% as per our agreements with Inclusive Prosperity Capital, this is the last year within the eight-year commitment.

- **Consulting and Professional Fees** – This is proposed to increase by $681,866., The majority of this is due to bond issuance costs ($500K) as we are intending to issue our last SHREC-backed bond to support the RSIP program. Of the remainder, we are budgeting an additional $75k for potential legal expenses related to the GGRF

FY2026 Budget – Strategic Partners

CONNECTICUT GREEN BANK

Connecticut Green Bank
FY 2026 General Operations Budget - DRAFT
Strategic Partners

Partner	Department	RFP	Year of RFP	Work Performed	FY26 Budget	FY25 Budget
New Charter Technologies, LLC	General Operations	Y	2024	IT Outsourcing	$ 100,000	$ 525,000
Nexus Dynamics Group	General Operations	Y	2024	IT Outsourcing	$ 320,000	286,575
Alter Domus (formerly Cortland)	Financing Programs	Y	2024	CPACE - Loan Servicing	180,000	173,650
Inclusive Prosperity Capital	Multiple	N [1]		Program Execution and Investment Management	341,555	683,110
DNV	Multiple	Y	2023	CPACE Technical Administrator; SHREC Due Diligence	164,420	225,000
Guidehouse (formerly Navigant)	Incentive Programs	Y	2025	Battery storage Technical Support	200,000	600,000
CES	Incentive Programs	Y	2025	Battery storage EM&V	250,000	-
PKF O'Connor Davies	General Operations	Y	2025	Auditing Services - CGB Annual Audit, CGB Green Liberty Notes Annual Audit	115,000	100,200
CliftonLarsonAllen	General Operations		various	Auditing Services/Consulting - SOC2 Audit, CT Solar Lease 2 Audit	104,000	150,000
C-TEC Solar, LLC	Multiple	Y	2024, 2023	Servicing PPA systems from a technical perspective (operations & maintenance)	3,950,000	3,698,000
GO, LLC	Marketing	Y	2023	Marketing, Paid Media	625,000	600,000
Craftsman Technologies	General Operations	Y	2023	Salesforce Development	225,000	200,000
Strategic Environmental Associates	Financing Programs	Y	2023	Consulting on Carbon Markets and Facilitation of EVCCC	150,000	400,000
Carahsoft	Multiple	N [2]		Salesforce and Pardot licensing	200,000	175,000
DCS	Multiple	Y	2024	Servicing PPA systems (operations & maintenance)	500,000	700,000
AlsoEnergy	Multiple	Y	2023	Monitoring for PPA and RSIP systems	1,000,000	1,300,000
					$ 8,424,975	$ 9,816,535

[1] The Board of Directors of the Green Bank, per the Sustainability Strategy Pathway which was approved on December 15, 2017, reviewed and approved a series of agreements between the Green Bank and Inclusive Prosperity Capital on July 27, 2018, July 18, 2019, June 26, 2020, July 2, 2021, July 1, 2022, and July 1, 2023, September 27, 2024. Per the Comprehensive Plan of the Green Bank, IPC is a strategic partner of the organization.

[2] We are licensing Salesforce and Pardot from Carahsoft under a State of Connecticut agreement that expires on 9/15/2026

Resolution #5

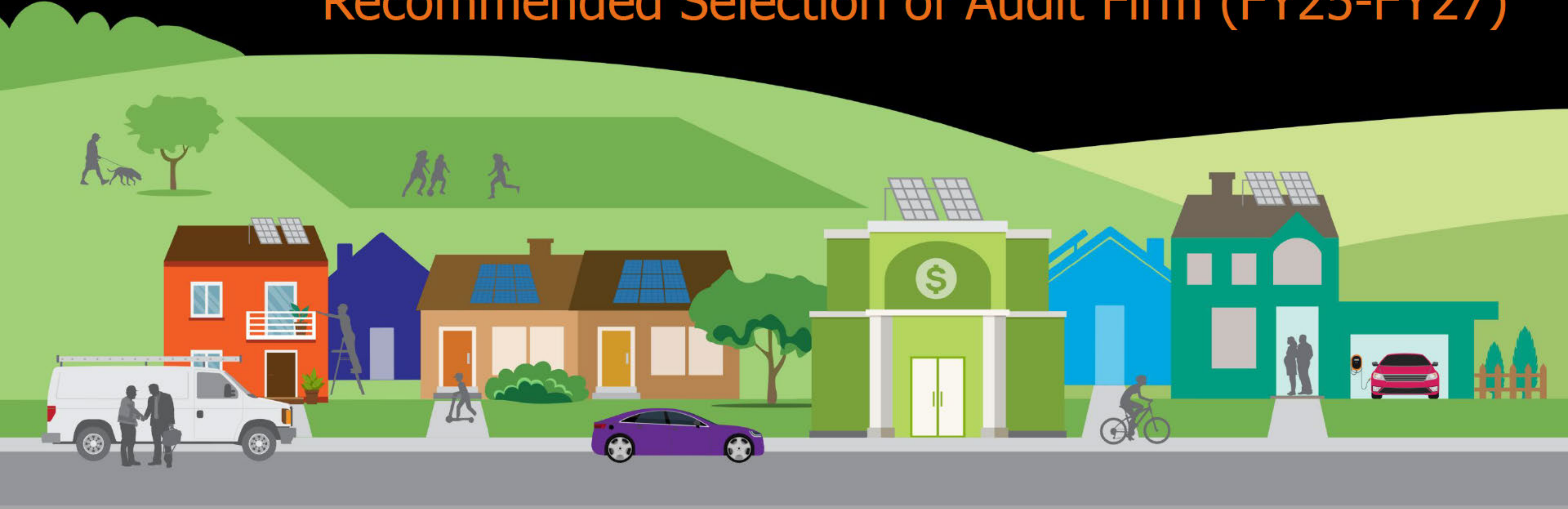
NOW, therefore be it:

RESOLVED, that the Board of Directors approves the FY2026 Targets and Budget and authorizes staff to enter into the PSAs with the strategic partners set forth above.

Agenda Item #4bi

Audit, Compliance, and Governance Committee

Recommended Selection of Audit Firm (FY25-FY27)



Update on Selection of Audit Firm
FY25 – FY27

Under CGS Section 1-127, the Green Bank can contract with the same firm to conduct financial audits for a period <u>not to exceed six consecutive years</u> with a requirement to <u>go out for RFP every three years</u>. The Green Bank's incumbent audit firm has audited the Green Bank's financial statements for a period of three years.

The Green Bank received 5 proposals in response to RFP for Audit services for FY25-FY27 released on 2/7/25:

- PKF O'Connor Davies (incumbent)
- BerryDunn
- Whittlesey
- CliftonLarsonAllen LLP
- Crowe LLP

Update on Selection of Audit Firm
FY25 – FY27

An internal team was assembled to review and evaluate the proposals:

- Jane Murphy, EVP Finance and Administration
- Dan Smith, Director of Accounting and Reporting
- Shawne Cartelli, Controller
- Tyler Rubega, Accounting Manager

Each proposal was evaluated based on the following criteria:

- Firm Independence
- Firm License to Practice/Peer Review
- Firm Qualifications and Experience
- Similar Engagements
- Fees
- References

The evaluation team recommends PKF O'Connor Davies to provide professional audit services to the Green Bank for the fiscal years 2025 to 2027.

Resolution #6

RESOLVED, that the Green Bank Board of Directors hereby approves the Audit, Compliance and Governance Committee recommendation for PKF O'Connor Davies to perform professional audit services for the Connecticut Green Bank for the fiscal years 2025, 2026, and 2027.

Agenda Item #4bii

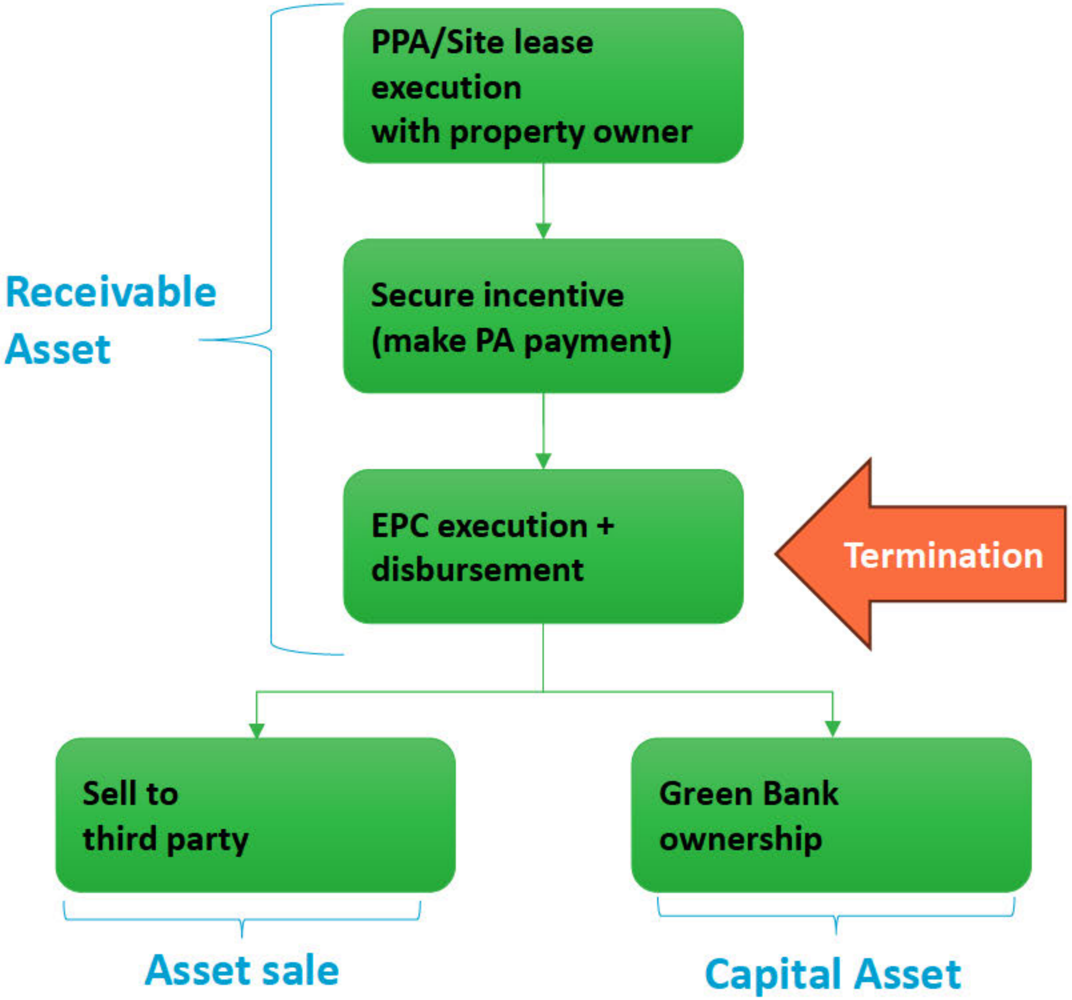
Audit, Compliance, and Governance Committee

Loss Decision Process – Proposed Revisions

Update on the CGB Loss Decision Process
Project Terminations

CONNECTICUT GREEN BANK

Development Process



Historical Terminations:

Project Name	EPC funds spent	Perf. Assurance	Total Termination Amount	Date Terminated	Reason terminated
Robinson C[1]	$83,411	$18,038	$101,449	11/18/2022	Wetlands
Robinson D[1]	$50,461	$8,422	$58,882	11/18/2022	Wetlands
165 Capitol Ave[1]		$2,357	$2,357	2/9/2021	Interconnection
Sharon[2]	$39,162	$3,568	$42,730	7/30/2024	Heat pumps on site (undisclosed) require costly equipment
Total	$173,033	$32,385	$205,418		

[1]**SAP 1 Portfolio**: Includes $13.5M in completed and energized projects (Termination “rate” 1.2%). Terminations recovered through cost recovery for the portfolio upon asset sale

[2]**MAP3 Portfolio**: Includes $2.2M in completed and energized projects (Termination “rate” 1.9%). Terminations for MAP3 recovered through cost recovery for the portfolio upon asset sale

Update on the CGB Loss Decision Process
Project Terminations

<u>Proposed Process</u>:

- **Annual budget** for unrecoverable costs developed by Accounting, Investments & Programs teams; approved in annual Board budget process.
- Approval based on if, in aggregate, they exceed the Project Termination Budget:

	Value of Modification		
	<\$100,000	\$100,000 – \$1,000,000	>\$1,000,000
if, in aggregate, DO NOT exceed Project Termination Budget allocation	Staff		
If, in aggregate, exceed Project Termination Budget allocation	Staff	Deployment	Board of Directors

- **Project Termination Budget Reserve**: Accounting team will consult with selected auditors (post-RFP and Board approval) to determine if a reserve is needed; auditors' recommendations will be incorporated.

Update on the CGB Loss Decision Process
Project Terminations

CONNECTICUT GREEN BANK®

Forbearance

- Added forbearance policy: staff to approve temporary relief for transactions up to $5 million and one year in duration
- Additional extensions or amendments require review under the existing Loss Decision framework

Other revisions

- Alignment with the Green Bank's evolving project structures.
- Streamlined language, updated list of programs and reserve percentages.
- Added practical examples to guide implementation and improve usability.

Resolution #7

NOW, therefore be it:

RESOLVED, that the Board has reviewed and approved the Revised Loss Decision Process.

Board of Directors

Agenda Item #4biii

Audit, Compliance, and Governance Committee

Legislative Session – 2025 in Review

2025 Legislative Session
Session of Aircraft Carriers

Nearly 4,000 proposed bills were introduced, with only 206 gaining final passage. Green Bank tracked 321, submitted testimony & negotiated language on over 20.

Green Bank Funding through "Public Benefits" charge was protected.

Legislation of Note: *ENERGY*

SB 647 → SB 1560 → SB 4 (Final)

Legislation of Note: *CLEAN ENERGY, DECARBONIZATION, AND RESILIENCE*

HB 5004: Green Monster" & SB 9: Governor's Resilience Bill (RID's)

2025 Legislative Summary

Governor Lamont to date: Signed 64 Bills into Law / Vetoed 2 LI
2025 Legislative Summary: Quasi, Clean Energy, EI, and General
Lunch & Learn: TBD with all CGB Staff
CGB Board: 7/25/2025

Agenda Item #5a
Greenhouse Gas Reduction Fund
National Clean Investment Fund – Green School Buses

Hartford Courant

CT town is first in state to go all in on electric school buses. And its app shows location.

The Branford school district will be converting to electric buses provided by Zūm of San Francisco. (Courtesy of Zūm)

Branford Public Schools Award $60M Transportation Contract to Zum: Transitioning to fully electric school buses within 5 years

Zūm

NEWS PROVIDED BY
Zūm →
Mar 25, 2024, 06:00 ET

SHARE THIS ARTICLE

Certified bus drivers and new candidates are encouraged to attend March 26 hiring event

Why – Public Health

CT Air Quality

- Unfortunately, CT experiences persistent, poor air quality conditions. 2024 American Lung Association Report:
  - Ground-level Ozone (Smog) Grades:
    - 4/8 counties receive an “F” – Fairfield, Middlesex, New Haven, New London
  - Branford (in New Haven County): 94th percentile on average in CT for ground-level ozone levels

Children’s Health

- Asthma – children in CT experience very elevated rates of asthma prevalence
  - Branford: 11.2% of public school students
  - National: 6.5% of children, 8.0% of adults
- Public health benefits are estimated at $43,800 per ESB deployed

Why – Policy & Mission Alignment

Green Bank Enabling Statute: Section 16-245n

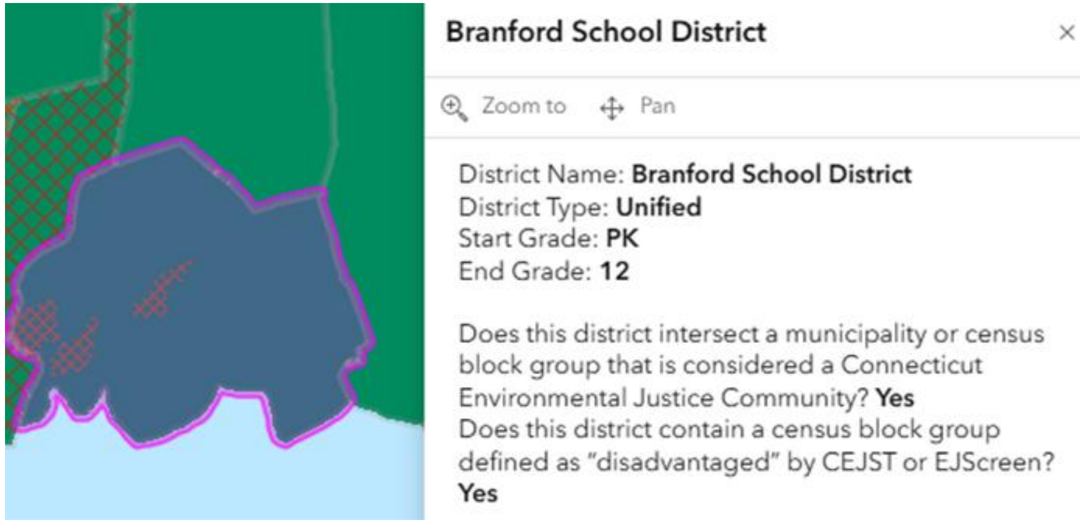
- "Promote investment in… projects that seek to deploy electric… or alternative fuel vehicles and associated infrastructure"

State Policy: P.A. 22-25,
The Connecticut Clean Air Act

- 2030 – all school buses that serve environmental justice communities
- 2040 – all school buses in the state

Federal LIDACs

- The Green Bank has committed to a minimum 60 percent federal Low-Income and Disadvantaged Communities ("LIDACs") target when making ESB investments



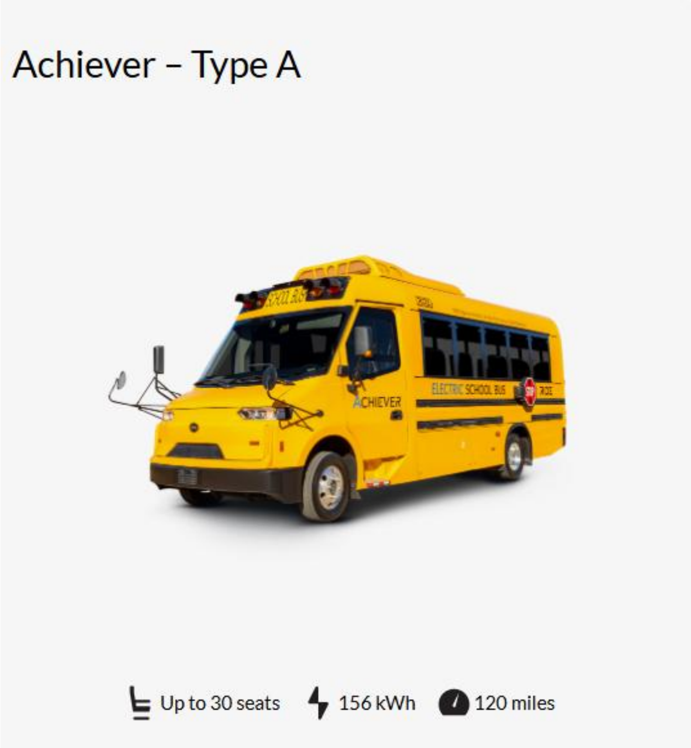
Technology: Buses ("ESBs")

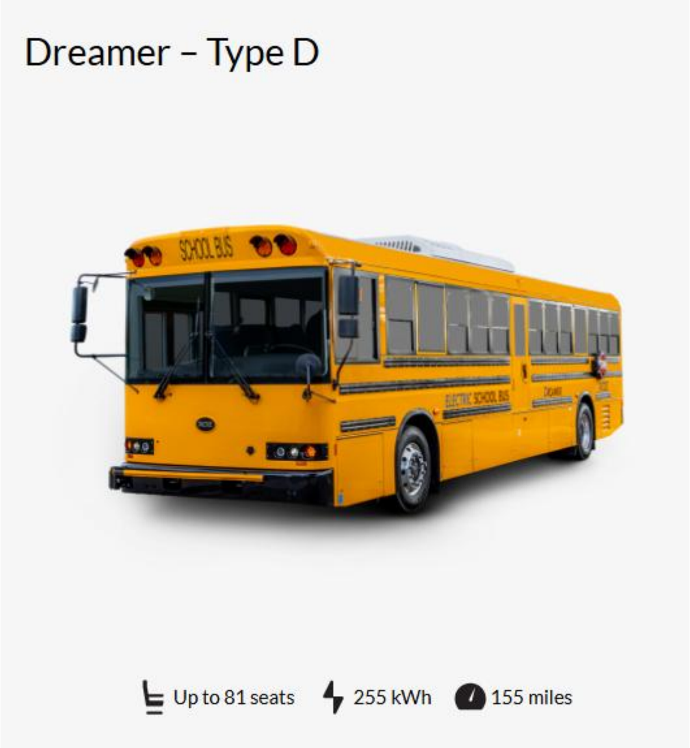
Buses

- Class A – 17, 4 ADA
- Class D – 28

- Batteries are manufactured by FinDreams Battery, the second-largest electric vehicle battery producer in the world

- Bus and battery warranty terms are tethered for 12 years





Technology: Chargers

Chargers

- Manufactured by Tellus Power Green in Irvine, CA
  - 44, 30 kW chargers
  - 5, 60 kW chargers
  - Sum, maximum load = 1,620 kW / 1.62 MW
- Build America, Buy America Act compliant
- All chargers are V2G-capable
- Warranty period = 5 years

Site

- 33 Flax Mill Road Branford, CT
- 3.60 MW available on Eversource EV Charging Hosting Capacity Map

Investment Summary

Project Costs and Financing Requests

	Buses	Chargers	Infrastructure	Total
Gross Cost	18,967,947	2,483,323	2,085,956	23,537,226
Grants	(11,845,500)	0	(1,323,715)	(13,169,215)
Req'd Financing	7,122,447	2,483,323	762,241	**10,368,011**

Federal and State Grants

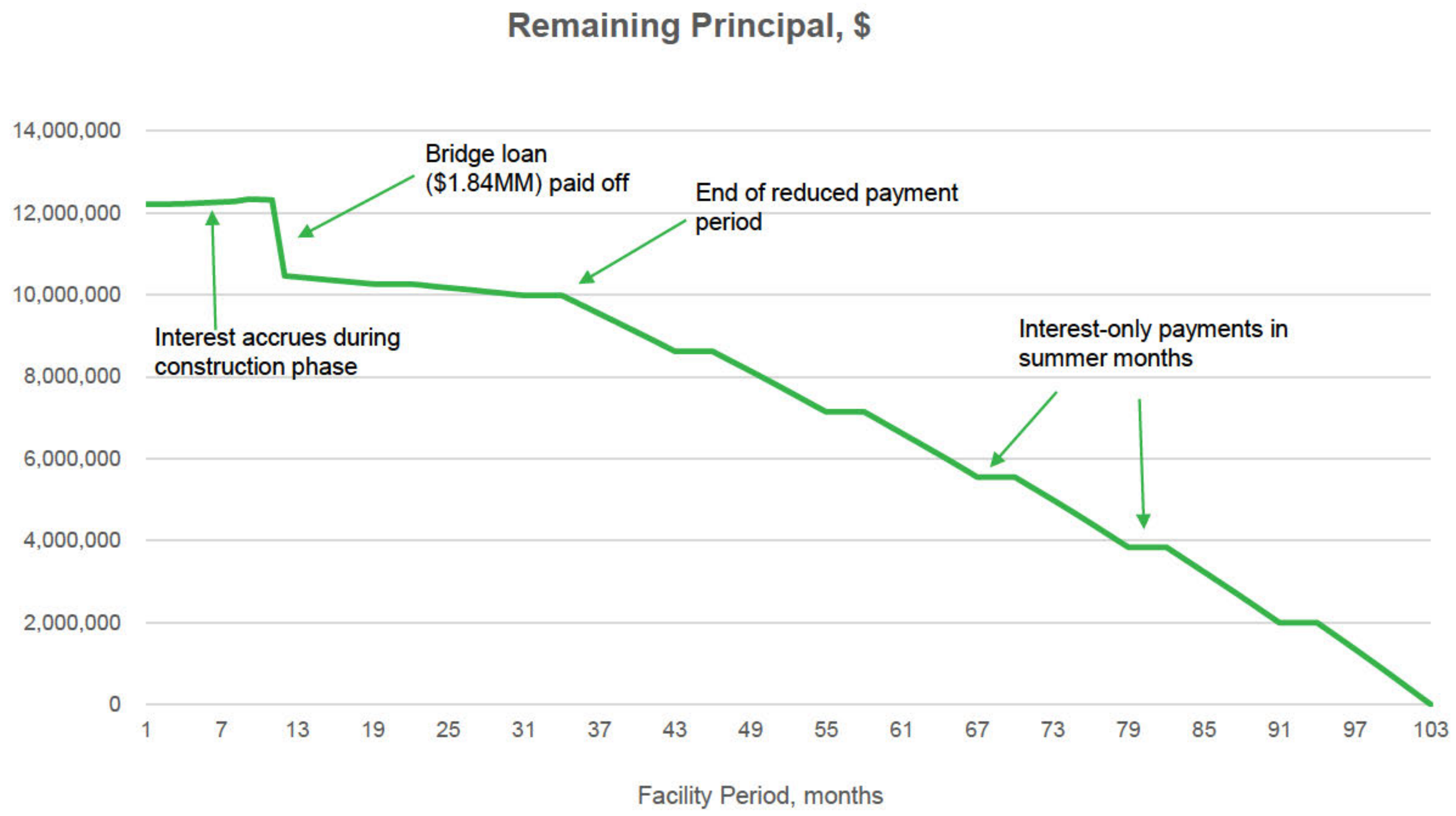
- EPA Clean School Bus Program: $5MM for 25 buses → Zum
- EPA Clean Heavy-Duty Vehicle Program: $6.3MM for 21 buses and infrastructure → BPS
- DEEP Supplemental Grant: $1.84MM in matching funds → Zum

Total Financing Request = $12,208,011, including DEEP Bridge Loan for $1.84MM

Investment Structuring

- Clean Energy Fund → National Clean Investment Fund flexibility
- Facility Term: December 2025 – June 2034
  - December 2025: Infrastructure Draw
  - April 2026: Chargers Draw
  - August 2026: Buses, DEEP Bridge Loan Draw
- Payment Period: September 2026 – June 2034
- Interest-only Payment Months: every July, August, and September
- "Reduced-payment" Months: until September 2028 (24 months following ESB fleet operation date)
- Debt Service Coverage Ratio = 1.15x
- Debt Service Reserve Account: minimum of 6 full months of payments; to be filled over the 24 "reduced-payment" months. Final 6 months of payments to be paid with DSRA account.

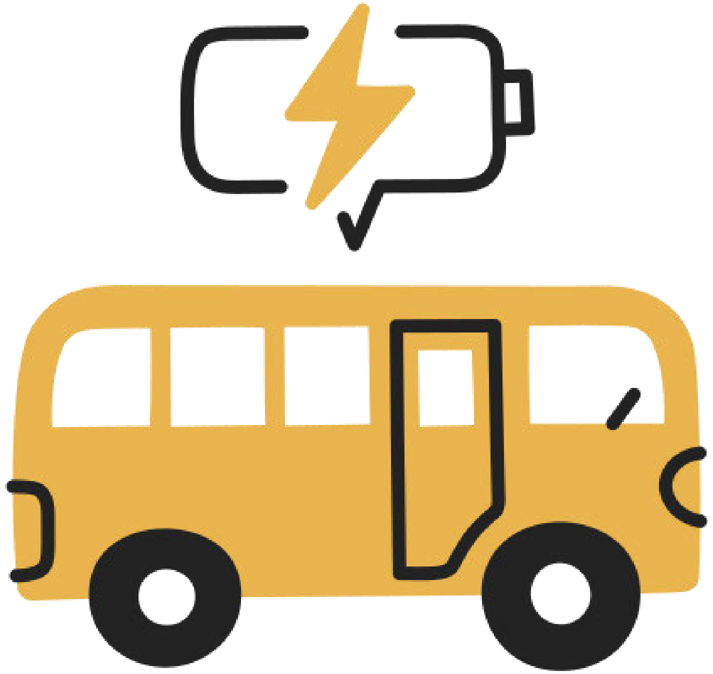
Payment Sculpting



Green Bank Impact

- **The Green Bank's investment in the Zum-Branford Public Schools school bus electrification project will support:**
  - **Accelerated full school bus fleet electrification (two school years ahead of schedule)**
  - **The largest full-district ESB deployment on the east coast**
  - **Public health-focused investment in an overburdened community**
  - **Lifetime on-road emissions savings of approximately 250 metric tons of CO_2 per ESB**
  - **Acceleration of the vehicle-to-grid charging market in CT and overall grid resilience**
  - **Proof-of-concept delivery of braided funding models in the clean transportation/ESB sector**

Questions?



Greenhouse Gas Reduction Fund
National Clean Investment Fund (NCIF)
Green School Buses

CONNECTICUT GREEN BANK

- **Green Bank NCIF Implementation Plan**

  (reviewed with the Board February 2025)

Program	EPA Priority Project Categories				Pipeline Range ($MM)	LIDACs Target (min%)
	Distributed Generation & Storage	Net-Zero Emissions Buildings	Zero-Emissions Transportation	Other		
Green School Buses			X		0-40	60%
Green Homes (Multifamily & Single-family)	X	X			0-20	100%
Green Municipal, Non-profit & Commercial Buildings	X	X			0-12.5	40%
Green School Buildings	X				0-10	60%
Green Resilience Hubs	X			X	0-10	40%
Environmental Infrastructure				X	0-10	40%
Total Subaward:					**$40.8MM**	**40-50%**

Resolution #8

NOW, therefore be it:

RESOLVED, that the Green Bank Board of Directors hereby approves the applicant's Capital Solutions proposal for the Green Bank to provide a Special Purpose Entity a term loan not to exceed $12,300,000 to Zum Services, Inc. or its wholly-owned Special Purpose Entity to support the full electrification of the Branford Public Schools ("BPS") school bus fleet;

RESOLVED, that the President of the Green Bank and any other duly authorized officer is authorized to take appropriate actions to provide the loan to Zum Services, Inc. or the Special Purpose Entity in an amount not to exceed $12,300,000 in with terms and conditions materially consistent with the Committee Memo including approval to extend the maturity of the loan to Zum to match any extension of the underlying contracts between Zum and BPS, and, subject to satisfying the above conditions, 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 Committee; 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 financing for the Project.

NCIF RECENT UPDATES TIMELINE

CONNECTICUT GREEN BANK

Key
CGB — CGC, Climate United (CU), and Power Forward (PF) suit
EPA — Other

2025

- Mar. 11 — EPA announces NCIF and CCIA awards have been "terminated"; sends letter to awardees
- Mar. 12 — CGC files suit against EPA and Citi seeking Temporary Restraining Order (TRO) in DC District Court
- **Mar. 17** — Judge Chutkan holds hearing in CGC suit
- **Mar. 18** — Judge Chutkan grants in part/denies in part CGC's TRO request
- **Mar. 20** — All 3 NCIF awardee suits (CGC, CU, PF) are consolidated into one case
- **Mar. 21** — CGC files motion for Preliminary Injunction (PI)
- **Mar. 28** — CGB executes loan and subgrant for technical assistance agreements with the Puerto Rico Green Energy Trust (PRGET)
- **Mar. 31** — Judge Chutkan holds grants CGC's motion to extend TRO
- **Apr. 2** — Judge Chutkan holds hearing on CGC's request for PI
- **Apr. 10** — House Energy and Commerce Comm. issues document request to NCIF & CCIA awardees
- **Apr. 14** — CGB makes 7th biweekly draw request through Citi, including for PRGET allocation; funds remain frozen
- **Apr. 15** — Judge Chutkan grant CGC's PI request enabling access to Citi funds (beg. Apr. 21)
- **Apr. 16** — EPA appeals Judge Chutkan's decision to DC Court of Appeals; 3-panel Appeals court grants a temporary stay of the PI ruling
- **Apr. 28** — Expedited briefing schedule set
- **May 5 - 12** — Briefs submitted
- **May 19** — Oral Arguments held before 3-judge panel (Pillard, Kastas, and Rao)

Board of Directors

Agenda Items #6a and #6b

Incentive Programs Updates and Recommendations

ESS Transaction (Revision) – ESS-00522 – Numa Tool

ESS Transaction (Revision) – ESS-00968 – Home Depot

ESS-00522 Numa Tool

CPower

Customer: Numa Tools

Location: Thompson, CT

Operations: Designer and manufacturer of rock drilling bits and equipment.

Original System Size: 964 kW / 1,928 kWh

Revised System Size: 1,928 kW / 3,854 kWh

Equipment: Tesla Megapack 2XL

Image: Numa Hammers

Project Summary – ESS-00522

Project Name	City	Priority Customer Adder	System Specs	Revised Upfront Incentive	Estimated Performance Incentive	Install Year
ESS-00985	Seymour	Yes	1,928 kW / 3,854 kWh	$553,833 ($219,083 increase)	$1,493,739 Paid by Eversource over 10-year term	2027

ESS-00968 The Home Depot

REDAPTIVE®

Customer: The Home Depot

Location: Bristol, CT

Operations: Home improvement retailer with 20+ locations throughout CT

Original System Size: 2,000 kW / 5,590 kWh

Revised System Size: 2,000 kW / 10,000 kWh (prorated to 8,333 kWh for Passive Dispatch compliance)

Equipment: Narada Power / Ingeteam

Image: Home Depot, Bristol, CT

Project Summary – ESS-00968

Project Name	City	Priority Customer Adder	System Specs	Revised Upfront Incentive	Estimated Performance Incentive	Install Year
ESS-00968	**Bristol**	**No**	**2,000 kW / 8,333 kWh**	**$989,544** $325,731 increase	**$3,533,221** Paid by Eversource over 10-year term	**2027**

45

Resolution #9

NOW, therefore be it:

RESOLVED, that the Green Bank Board hereby re-approves the Numa Tools project, proposed by CPower, located in Thompson, CT in a new amount not-to-exceed $553,833 consistent with the approved Procedures and this memorandum dated June 13, 2025; and,

RESOLVED, that the Board of Directors hereby re-approves the Redaptive International project located at a Home Depot store in Bristol, CT in a new amount not-to-exceed $989,544 consistent with the approved Procedures and this memorandum dated June 13, 2025; 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

MOVED TO JULY

Agenda Item #7a

Financing Programs Updates and Recommendations

C-PACE Transaction – Berlin

Agenda Item #7b

Financing Programs Updates and Recommendations

C-PACE Transaction – Branford

20 Elm Street, Branford
Introduction & Overview

Overview

Property Owner:
Elm Harbor Realty LLC

Property Type:
Industrial

Contractor:
[redacted]

Project Description:
220.7 kw DC solar PV and roof work

Year Built:
2002

[redacted]

20 Elm Street, Branford
Transaction Summary

CONNECTICUT GREEN BANK

Loan Terms

Benefit Assessment:
$672,051

Total CPACE Debt: $1,271,460

Loan Term:
20 Year

Term Loan Interest:
5.25%

Construction Interest:
5%

Financial Metrics

Property Value:
$[redacted]

Loan to Value: [redacted]%

Lien to Value: [redacted]%

Total CPACE Debt LiTV: [redacted]%

DSCR: [redacted]x

Mortgage Lender:
[redacted]

Energy Metrics

SIR: 1.16

Savings / EUL:
$1,285,171

Annual Savings:
$64,258.55

Incentives:
NRES

20 Elm Street, Branford
Cash Flow - Standard

[redacted]

20 Elm Street, Branford
Cash Flow - Sculpted

CONNECTICUT GREEN BANK

CASH INFLOWS	CASH OUTFLOW	CASH FLOWS

[redacted]

Resolution #10

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 #7c

Financing Programs Updates and Recommendations

C-PACE Transaction – East Windsor

74 - 110 Bridge Street, East Windsor
Introduction & Overview

Overview

Property Owner:
NNRC, LLC

Property Type:
Retail

Contractor:
[redacted]

Project Description:
331.70 kW DC Rooftop Solar

Year Built:
1954

[redacted]

74 - 110 Bridge Street, East Windsor
Transaction Summary

CONNECTICUT GREEN BANK

Loan Terms

Benefit Assessment:
$745,625

Loan Term:
20 Year

Term Loan Interest:
5.25%

Construction Interest:
5%

Financial Metrics

Property Value:
$[redacted]

Loan to Value: [redacted]%

Lien to Value: [redacted]%

DSCR: [redacted]x

Mortgage Lender:
[redacted]

Energy Metrics

SIR: 1.58

Savings / EUL:
$1,938,921

Annual Savings:
$90,946.05

Incentives:
NRES

74 - 110 Bridge Street, East Windsor
Cash Flow - Standard

[redacted]

Resolution #11

NOW, therefore be it:

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

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

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

Board of Directors

Agenda Item #7d

Financing Programs Updates and Recommendations

C-PACE Transaction – Hartford

777 Main Street, Hartford
Introduction & Overview

Overview

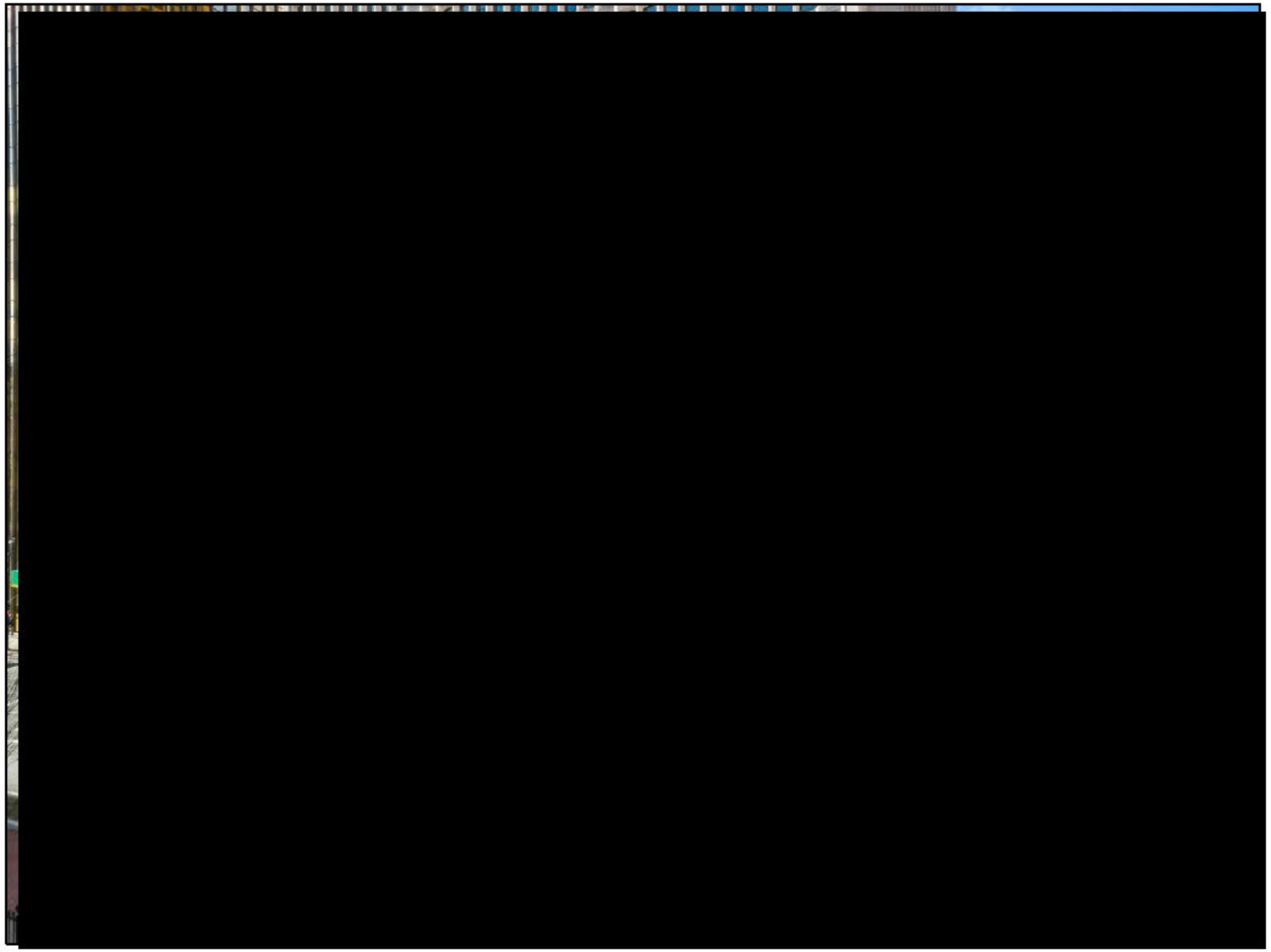
Property Owner:
777 Main Street LLC

Property Type:
Retail

Contractor:
[redacted]

Project Description:
460 kW DC HyAxiom Fuel Cell System

Year Built:
1964



Scenario Analysis	Scenario 1	Scenario 2
C-PACE Assessment (Ratepayer funds at risk)	$2,457,000	$3,177,877
Term Duration (years)	10	10
Term Rate	5.25%	5.25%
Annual C-PACE Assessment	318,953	412,533
Average DSCR over Term	[redacted]	[redacted]
DSCR assuming CVS Lease Termination (Downside Scenario)	[redacted]	[redacted]
Savings-to-Investment Ratio	1.66x	1.29x
Lien-to-Value (LiTV)	[redacted]	[redacted]
Loan-to-Value (LTV)	[redacted]	[redacted]
Appraisal Value	[redacted]	[redacted]
Objective Function (kBtu / ratepayer dollar at risk)	43.79	33.85

Resolution #12

NOW, therefore be it:

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

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

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

Board of Directors

CONNECTICUT GREEN BANK

Agenda Item #7e

Financing Programs Updates and Recommendations

C-PACE Transaction – Milford

1052 Boston Post Rd., Milford

Introduction & Overview

Overview

Property Owner:
1040 & 1052 Boston Post Rd LLC

Property Type:
Car Dealership

Contractor:
[redacted]

Project Description:
250.11 kW DC Carport Solar System

Year Built:
2024

[redacted]

1052 Boston Post Rd., Milford
Transaction Summary

CONNECTICUT GREEN BANK

Loan Terms

Benefit Assessment:
$1,103,748

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]

Energy Metrics

SIR: 1.05

Savings / EUL:
$1,971,164

Annual Savings:
$98,558.20

Incentives:
NRES

1052 Boston Post Rd., Milford

Cash Flow - Standard

[redacted]

1052 Boston Post Rd., Milford

Cash Flow - Sculpted

[redacted]

Resolution #13

NOW, therefore be it:

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

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

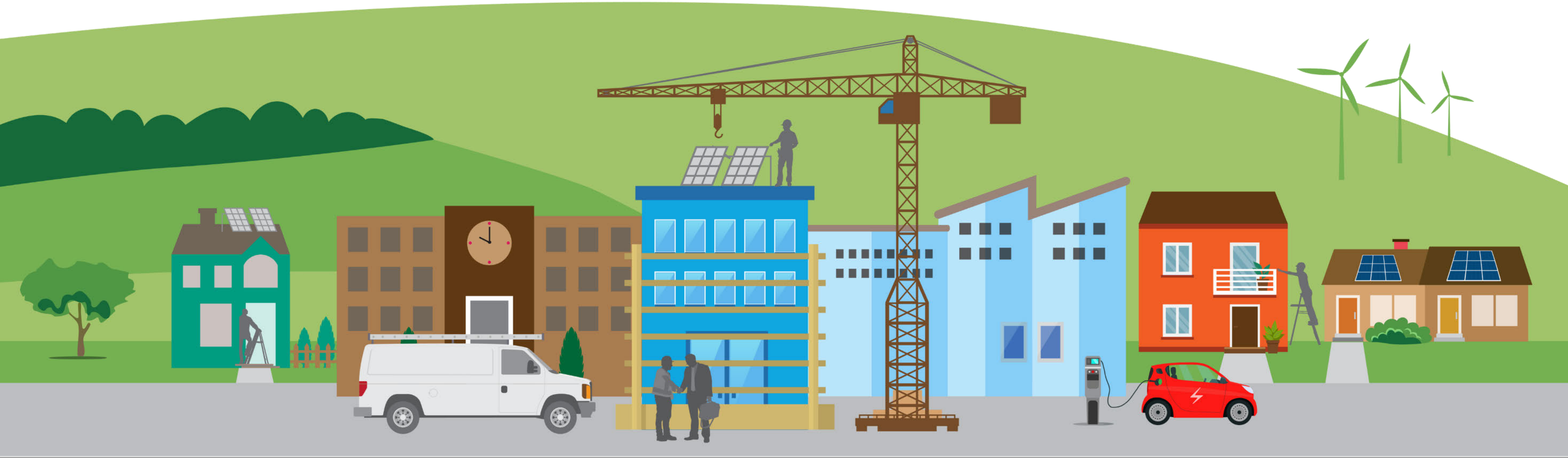
RESOLVED, that the duly authorized Green Bank officers are authorized and empowered to do all other acts and execute and deliver all other documents and instruments as they shall deem necessary and desirable to effect the above-mentioned legal instruments.

Board of Directors

Agenda Item #8a

Investment Updates and Recommendations

Mutual Securities Credit Union – Linked Deposits



Smart-E Loan
Single-Family Unsecured Loans

Market Segment	**Residential Single Family** (Credit Enhancement – IRB, LLR)
Product Summary	Partnership with local community banks and credit unions to provide easy access to affordable financing for comprehensive clean energy and environmental infrastructure measures. 5-20-year terms at rates ranging up to 7.99% for $500-$50,000 of borrowing.
Support Needed	▪ Provide 2nd Loan Loss Reserve (LLR) up to 7.5% of losses Class A and 15.0% of losses Class B
CT Results	8,833 projects for $180.1 MM investment, 13.0 MW solar PV, 86% projects have EE

REFERENCES
Annual Comprehensive Financial Report FY 2024

Context for Linked Deposits Pilot (2023)

- FRB raises interest rates from 0% to a target range of 5.25-5.50% over 14 months – the highest level since Sept 2007 (started March 2022)
- Smart-E “not-to-exceed” rates at the time (May 2023) had been held steady since inception (we did increase rates a bit in September 2023 – see next slide)
- Bank & Credit Union cost of funds were increasing rapidly – with increasing concern with “net interest margin” (one lender advised “program suspension”)
- Deployment approved a “**linked deposits**” approach – placing deposits with certain lenders at a “concessional rate” for a defined period (to June 2024)
- Program achieving goal
  - Retained the lender – loan volume as anticipated
    - ~$2M as of May 2024
    - ~$3.5M as of June 2025
- Program extended to June 2025 due to “higher for longer” interest rates
- With higher interest rates holding at a higher level (inflation, tariffs) – Credit Union partner has requested an additional extension
- **Based on success to date and anticipated volume through June 2026 (+ $1.5M)**
  – approval requested for 1-Year Extension and raising “not to exceed” level to $5 million

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Smart-E Program "Not To Exceed" Rates

Term	Original Smart-E Rate	Sept 23 Smart-E Rate	Sept 24 Smart-E Rate	Rate Increase 2024 vs 2023	Rate Increase 2024 vs Original
5 Years	4.49%	5.99%	6.99%	1.00%	2.5%
7 Years	4.99%	5.99%	6.99%	1.00%	2.0%
10 Years	5.99%	6.99%	6.99%	n/c	1.0%
12 Years	6.99%	7.49%	7.49%	n/c	0.5%
15 Years	6.99%	7.49%	7.99%	0.50%	1.0%
20 Years	6.99%	7.49%	7.99%	0.50%	1.0%

Linked Deposits Program Cost

FY24 program cost of about $48,000
FY25 estimated program cost just over $50,000
FY26 estimated program cost ~$30-$35,000

Resolution #14

CONNECTICUT GREEN BANK

NOW, therefore be it:

RESOLVED, that the Board approves of the extension of the Linked Deposit Pilot to June 30, 2026 and an increase in the "not to exceed" amount from $3,500,000 to $5,000,000, to be implemented as described in the Linked Deposit Pilot Memorandum dated June 13, 2025;

RESOLVED, that the President of the Green Bank; and any other duly authorized officer of the Green Bank, is authorized to execute and deliver, any contract or other legal instrument necessary to effect the Linked Deposit Pilot on such terms and conditions as are materially consistent with the Linked Deposit Pilot Memorandum; and

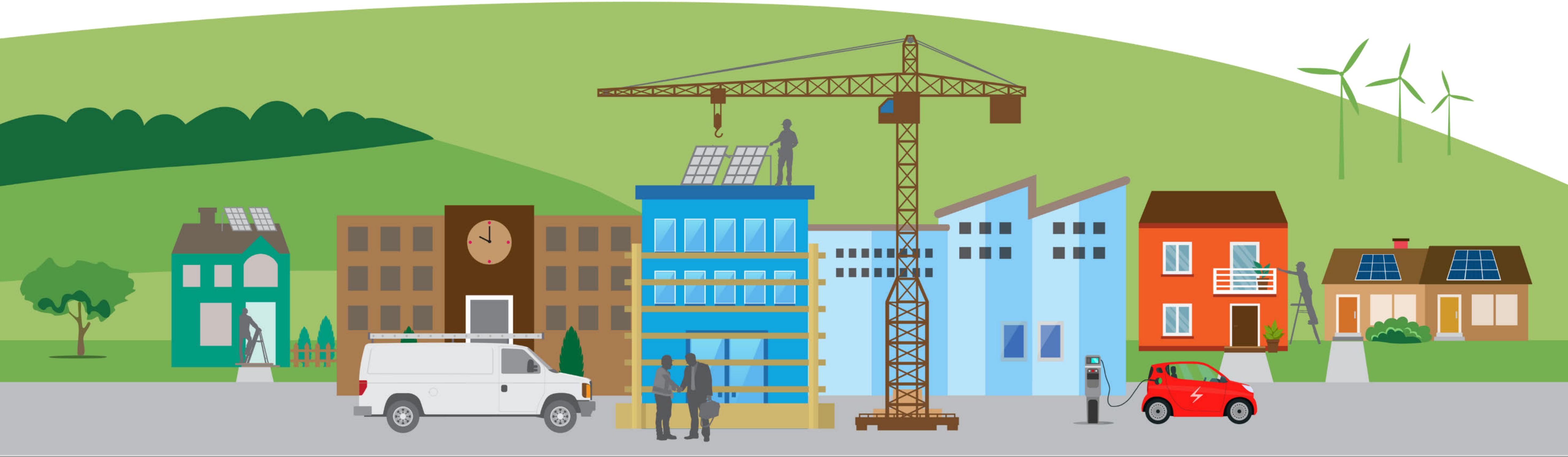
RESOLVED, that the proper Green Bank officers are authorized and empowered to do all other acts and execute and deliver all other documents as they shall deem necessary and desirable to effect the above-mentioned legal instruments.

Board of Directors

Agenda Item #8b

Investment Updates and Recommendations

Inclusive Prosperity Capital – Loan Modification (Extension)



IPC Loan Facility – Modification

- In Dec 2020 – Green Bank expanded the IPC revolving line of credit ("LOC") to $1m secured by the remaining fees payable to IPC under the PSAs pursuant to the MOU
- In June 2021 – Green Bank and IPC mutually extended the MOU (from June 2024 to June 2026) and extended the LOC expiration to June 2026 (approved by Board in April 2023)
- As a result of delays in securing and implementing funding programs associated with Solar for All award from the GGRF, IPC has requested that Green Bank extend the maturity of the LOC from June 2026 to June 2027
- Other funders of IPC have provided similar accommodations
- IPC has made all interest and principal payments (balance = $675,000)
- IPC has taken several steps to reduce expenses and cash burn
- Extensive pipeline (>$200M) that are being readied for investment with SFA funds
- Combination of existing cash resources, expense management and significant pipeline that will generate revenue (cash flow from investments and management of portfolio) gives staff confidence that the exposure not covered by Green Bank admin fees (post June 30, 2026) will be repaid ($500,000) [please refer to confidential financial package in the Board memo]

IPC Loan Facility – Modification

Date Ending	Facility Max Balance Existing	Repayments Original	Facility Max Balance Revised	Repayments Revised	Remaining PSA
		PAID		PAID	
12/31/2022	$ 1,000,000	$ -	$ 1,000,000	$ -	$ 3,073,993
3/31/2023	$ 1,000,000	$ -	$ 1,000,000	$ -	$ 2,732,438
6/30/2023	$ 1,000,000	$ -	$ 1,000,000	$ -	$ 2,390,883
9/30/2023	$ 1,000,000	$ -	$ 1,000,000	$ -	$ 2,049,328
12/31/2023	$ 1,000,000	$ -	$ 1,000,000	$ -	$ 1,793,162
3/31/2024	$ 1,000,000	$ -	$ 1,000,000	$ -	$ 1,536,996
6/30/2024	$ 1,000,000	$ -	$ 1,000,000	$ -	$ 1,280,830
9/30/2024	$ 1,000,000		$ 1,000,000	$ -	$ 1,024,664
12/31/2024	$ 850,000	$ 150,000	$ 850,000	$ 150,000	$ 853,887
3/31/2025	$ 675,000	$ 175,000	$ 675,000	$ 175,000	$ 683,110
6/30/2025	$ 500,000	$ 175,000	$ 675,000	$ -	$ 512,333
9/30/2025	$ 325,000	$ 175,000	$ 675,000	$ -	$ 341,556
12/31/2025	$ 250,000	$ 75,000	$ 675,000	$ -	$ 256,167
3/31/2026	$ 150,000	$ 100,000	$ 675,000	$ -	$ 170,778
6/30/2026	$ -	$ 150,000	$ 500,000	$ 175,000	$ 85,389
9/30/2026			$ 325,000	$ 175,000	$ -
12/31/2026			$ 250,000	$ 75,000	$ -
3/31/2027			$ 150,000	$ 100,000	$ -
6/30/2027			$ -	$ 150,000	$ -

Resolution #15

NOW, therefore be it:

RESOLVED, that the Board approves IPC's request to further extend the RLC maturity date and to defer payments under the RLC as more fully explained in the Board Memo, with a maturity date of June 30, 2027 consistent with the Board Memo; and,

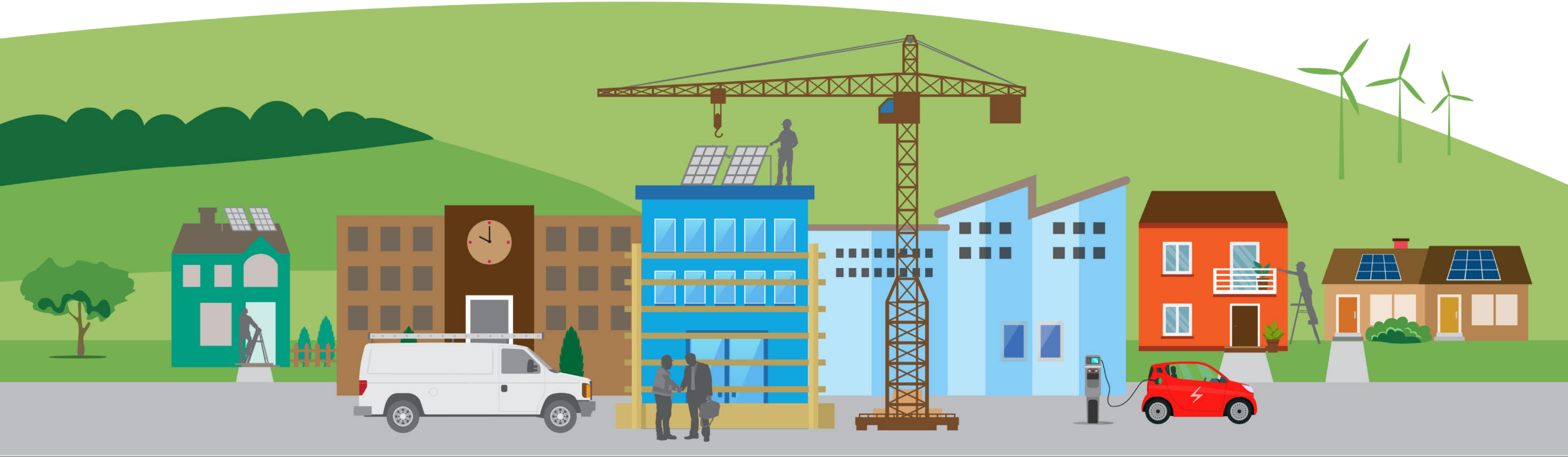
RESOLVED, that the proper Green Bank officers are authorized and empowered to do all other acts and negotiate and deliver all other documents and instruments as they shall deem necessary and desirable to effect the above-mentioned legal instruments.

Board of Directors

Agenda Item #8c

Investment Updates and Recommendations

Department of Corrections – Fuel Cell



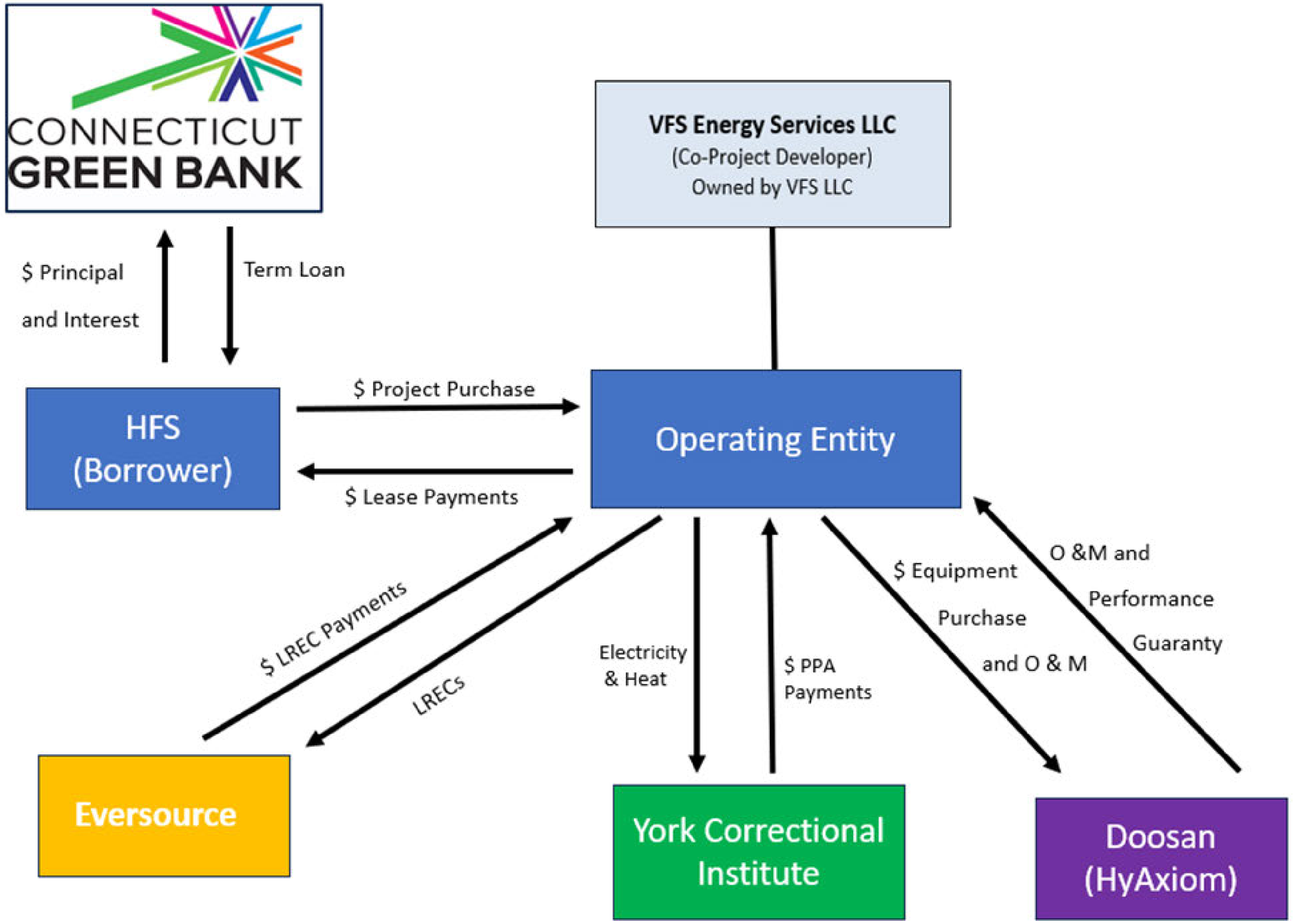
Overview
SAP – Fuel Cell at DOC facility

- **<u>HyAxiom Partnership</u>** – selected through a competitive RFP to install project + long term ownership
- **<u>Venture Funding Specialists</u>**
  - Developer/sponsor equity
  - Hosler Financial Services – TE provider
- **<u>Key Impact Metrics</u>**
- 800 KW DC
- 6,990 MWh Y1 expected
- ~$10.5M in savings over 20-year term

Long Term Debt
Summary

Debt Highlights
(consistent with PPA RFP)

- Sale-Leaseback structure
- Up to $4M Loan
- Sized based on 1.25X DSCR
- 10 year fully amortizing term
- 3.0% interest rate



Resolution #16

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 Debt Facility, and any associated legal instruments; and

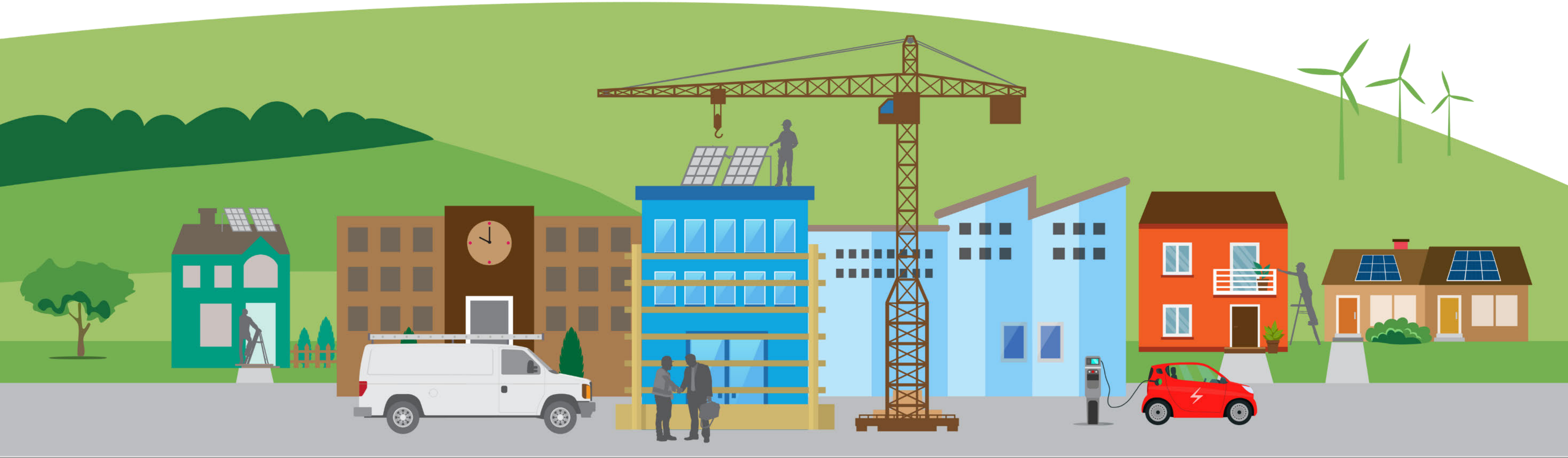
RESOLVED, that the appropriate Green Bank officers are authorized and empowered to do all other acts and execute and deliver all other documents as they shall deem necessary and desirable to effect the above-mentioned legal instrument.

Board of Directors

Agenda Item #8d

Investment Updates and Recommendations

Cargill Falls – Loan Restructure



Cargill Falls
Background

Background:

- The property faced payment difficulties due to lead-related issues, which have now been fully abated.
- The building is nearing stabilization and is mostly leased, with only planned vacancies remaining.
- Green Bank previously issued Reservation of Rights. Since receiving the RoR, property owner has remained engaged.
- Property is working with Haynes to establish and follow a new amortization schedule; on track and targeting repayment of the construction loan by 12/31/2026.
- While the CPACE loan requires restructuring, it cannot currently proceed due to failure to meet the statutory Savings-to-Investment Ratio (SIR) requirement.

Stakeholder	Approximate Balance	Priority	Nature of Obligation	Final Maturity
Green Bank	$11,100,000	1 (C-PACE lien)	C-PACE funding	20
Haynes Construction	$360,000	2 (mortgage)	Construction funding	12/1/2026
CT-DOH	$10,000,000	3 (mortgage)	Subordinated lender	2049
Enhanced Capital	$6,100,000	4 (equity)	Tax credit investor	N/A

Cargill Falls
Forbearance Proposal

Proposal:

- Staff recommends forbearance on C-PACE loan payments, at staff discretion, [redacted].
- Forbearance preserves Green Bank's rights and security.
- Forbearance allows property to prioritize repayment of Haynes Loan, which benefits us indirectly by clearing that lender from the capital stack.
- No waiver of rights or loan modifications are proposed at this time.

Resolution #17

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 Forbearance consistent with the Board Memo and the Green Bank's 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.

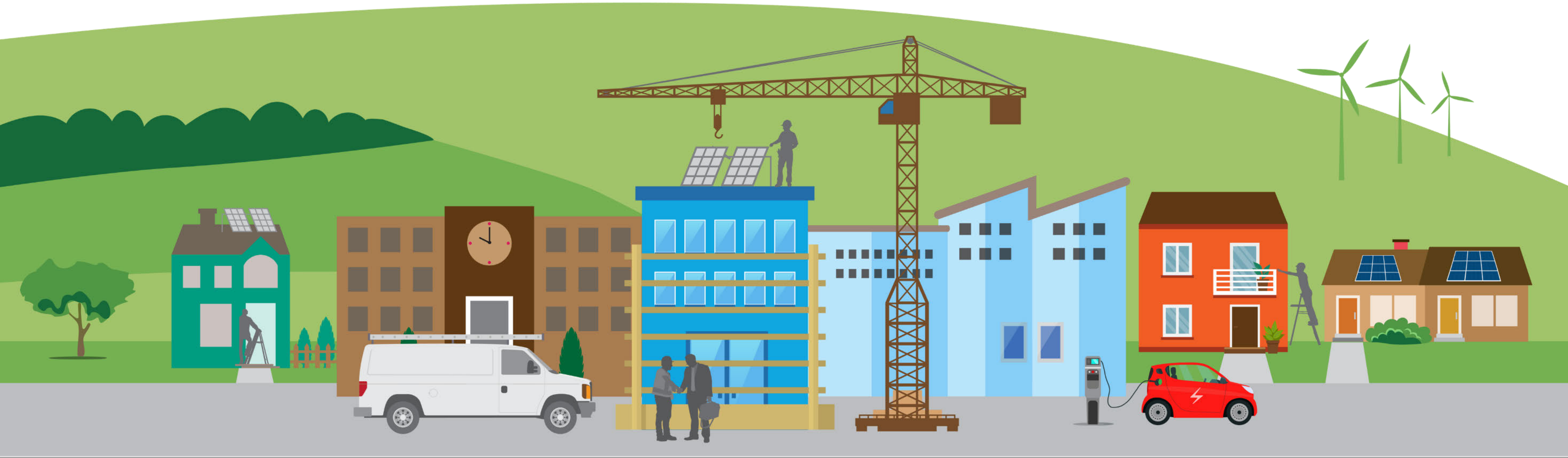
Board of Directors

CONNECTICUT GREEN BANK

Agenda Item #8e

Investment Updates and Recommendations

PosiGen – Loan Modification (Extension)



PosiGen
Convertible Note Extension Request

Q1

- Q1 2025 Total Sales exceeded budget +47%
- Q1 2025 Total Installs exceeded budget +43%

Q2

- Volume forecasted to grow ~150%
- YoY as Channel program reaches scale
- New Home opportunity results in meaningful volume in Q2

Macro

- Tariff impact on equipment and, in turn, cost of installs
- Congress budget reconciliation bill creates Tax Equity uncertainty for solar projects

- Request for 1-year extension to Green Bank convertible notes, alongside multiple (75-100%) other investors holding similar securities.
- No incremental cash required.

Resolution #18

NOW, therefore be it:

RESOLVED, that the Board authorizes the Green Bank to fully participate in the 1-year maturity date extension of two secured convertible promissory note of PosiGen totaling $335,083, with a revised maturity date of June 13, 2026, and executing Amendment No. 6 to Note Purchase Agreement, as set forth in the Board Memo;

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 #9

Executive Session

Trade Secrets and Commercial Information Given in Confidence

PosiGen "2L" Restructuring Concept

- Great partner – pioneered "Solar for All" in CT with the Green Bank to bring solar to underrepresented communities – Huge Success
- Continuing their success in several states – notably CT, NJ, LA, CA
  - Benefitting from SunPower and Sunnova exits & good funding decisions (fixed)
- PosiGen Issue: Brookfield Facility is nearly tapped out + Fed Policy
  - Follow-on Facility with several notable lenders will not come together until ~mid-to-late August
- **CGB Issue: Seeks to reduce exposure in 2L facility**
  - Currently $16.75M …88% of our exposure
  - Opportunity to cut 2L exposure to $9.5M (~50%) .. 15-27% overall exposure

Potential PosiGen "2L" Restructuring (2)

- Why & Why Now?
- **WHY?** The "2L" is always exposed to being "squeezed" by the "1L" (Brookfield) … no present issue! So long as PosiGen pays – both Brookfield & CGB are good
  - If there is an issue **and** Brookfield elects to sell the lease portfolio to cash out their position, our 2L could be squeezed out (total loss)
- **WHY NOW?** PosiGen's need for funding between now and when funding from the follow-on $150-$200M facility being lined up by PosiGen gives CGB an opening with a bank partner to ***provide incremental funding + reduce our 2L exposure***
- **RESULT?** The incremental funding would reduce CGB's 2L position in 2 Parts:
  - Currently $16.75M
  - Opportunity to cut exposure to $9.5M (nearly 50%)

Potential PosiGen “2L” Restructuring (3)

- How?
  - Line up bank partner: Amalgamated Bank (previously funded PosiGen)
  - Lend on a 1L basis (no “squeeze” risk) against a “high concentration” CT portfolio
    - Portfolio selected is 88% CT (balance is nearly all NJ .. Possible $5M from NJGB)
    - Borrowing Base = $48.7M
    - CGB + AB lend $40M (~80% when extra CT collateral is chipped in)
    - CGB “swaps” additional $3.25M of 2L against new “CT Portfolio”

      in exchange for **reduction in** $3.25M 2L exposure in “Existing Portfolio”
    - Upon next Brookfield draw (or follow-on facility draw, whichever first)

      PosiGen funds a $4M “defeasance reserve” to provide added security for CGB exposure (likely shared with AB in 1st 7 years … when they amortize)

Potential PosiGen "2L" Restructuring (4)

- Basic Financial Terms

	PosiGen	CGB	Amalgamated
Loan Amount	$43,250,000	$23,250,000	$20,000,000
Loan Term	15 Years	15 Years	7 Years
Interest Rate	7.50%	7.50%	7.00%
Repayment Profile	Amortizing + Sweep (sculpted)	1st 7 years – sweep after AB Balance of Amort Yrs 8-15	Fully Amortizing
DSCR	1.15	1.15	>1.15
Earned Yield		5% to 5.50%	
Loss Reserve Pool		2.5% to 3%	
Annual Loss Reserve		~$700,000 (3% of Loan) ~$5,000,000 over 7 Yrs	

- Benefits?

• Reduced 2L Exposure	• New Loan Sr Secured	• 88% of Security in CT
• We Start Amortizing	• Experience Servicing	• Control our Destiny

Potential PosiGen "2L" Restructuring (5)

- **Result?**

	TODAY	New Loan	Defeasance Reserve	7 Yr Reserve Build	Net Exposure	Delta Exposure
PBI	$3,808,595				$3,808,595	$0
2L	$16,750,000	($3,250,000)	($4,000,000)	($5,000,000)	$4,500,000	($12,250,000)
Battery	$2,000,000				$2,000,000	$0
Conv Note	$335,083				$335,083	$0
New 1L		$23,250,000			$23,250,000	$23,250,000
Gross Risk	$22,893,678	$20,000,000	($4,000,000)		$38,893,678	$16,000,000
Less PBI	(3,808,595)				(3,808,595)	$0
Net Risk	$19,085,083	$20,000,000	($4,000,000)	($5,000,000)	$30,085,083	$16,000,000. ($11,000,000)
2L % of Risk	**88%**				**15%-27%**	

- **Alternative?** Do nothing and take 2L "squeeze risk" on full $16.75M position

Agenda Item #9

Executive Session

Trade Secrets and Commercial Information Given in Confidence

Agenda Item #10
Adjourn

BOARD OF DIRECTORS OF THE
CONNECTICUT GREEN BANK
Regular Meeting Minutes

Friday, April 25, 2025
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 April 25, 2025.

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

Board Members Absent: Thomas Flynn, Matthew Ranelli

Staff Attending: Stephanie Attruia, David Beech, Priyank Bhakta, Joe Boccuzzi, Larry Campana, Catherine Duncan, Mackey Dykes, Emma Ellis, Brian Farnen, Bryan Garcia, Sara Harari, Bert Hunter, Stefanie Keohane, Edward Kranich, Stephanie Layman, 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, Amanda Nocera

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 the March 21, 2025 meeting

Resolution #1

Motion to approve the meeting minutes of the Board of Directors for March 21, 2025.

Upon a motion made by Kimberely Mooers and seconded by Brenda Watson, the Board of Directors voted to approve the Consent Agenda which includes Resolution 1. None

opposed or abstained. Motion approved unanimously.

4. Greenhouse Gas Reduction Fund – Update and Recommendations

a. Updates

- Bryan Garcia reviewed the history of the Inflation Reduction Act and the Greenhouse Gas Reduction Fund, recent freezes by the federal government, and plans to continue supporting the work plan and following systematic process to file to allow access to the funds. Brian Farnen added that there are weekly calls with awardees and sub-awardees and will keep everyone updated as the situation develops.

b. National Clean Investment Fund

i. Green Homes – Linked Deposits for Smart-E Lenders

- Bert Hunter reviewed the history of the National Clean Investment Fund ("NCIF") Implementation Plan including the Linked Deposits plan, noting what was approved in February 2025 before being frozen and the proposed modification to use up to $5 million in Clean Energy funds to support the programs instead. Upon release of NCIF funds, any Clean Energy Funds deployed will be exchanged for the NCIF funds. He noted that in discussions with lenders and in conjunction with Eric Shrago, there was a lot of concern about the NCIF freeze as there was a lot of excitement and momentum for the programs. He highlighted that there is the risk that the NCIF funds will not ever be released of course
    - Adrienne Farrar Houël asked what the object for financing the program is. Bert Hunter responded that approximately for every $10,000 invested about 500 homes could be improved.
    - Joseph DeNicola asked if the NCIF funds become available if it would roll into the program or if it would need to be documented separately. Bert Hunter responded that it gives the Green Bank the flexibility to go from one to the other or if the NCIF funds become available before July 1, 2025 then the Clean Energy Funds would never need to be used.
    - John Harrity praised Bert Hunter, Eric Shrago, and the staff for developing the flexibility to implement this program which lenders and customers are enthusiastic amount. He then asked if there is anything that the Board Members or the organizations they represent can do to help in any way. Bryan Garcia responded that in the event for response to legal action, to be open to that, and that knowing the staff have the support of the Board to move on legal action should it be necessary for Connecticut to respond in that way is already very supportive.
    - Kimberly Mooers asked what will happen if the NCIF funds are never released. Bert Hunter responded it would become a permanent use of the Clean Energy Funds, which would be $5 million less from there for other Green Bank purposes.
    - Joanna Wozniak-Brown asked given the rollback of other environmental justice or equity call outs within other grants, if the deal for the NCIF was restructured or if the Green Bank would have to be willing to take the loss on the Clean Energy Funds. Bert Hunter responded the loss would have to be taken.

<u>**Resolution #2**</u>

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 Connecticut Green Bank ("Green Bank");

WHEREAS, the EPA officially notified Coalition for Green Capital ("CGC") of its winning application on April 4, 2024 in the amount of $5 billion, which included a subaward to the Green Bank (the "Green Bank Award");

WHEREAS, the EPA and CGC entered into a grant agreement on August 8, 2024 under the NCIF of the GGRF;

WHEREAS, on January 3, 2025, the Green Bank signed and executed the Green Bank Award in the amount of $93.53 million, a portion of which was to serve the purposes of financing clean energy deployment in single-family homes in collaboration with our local community banks and credit unions through Green Homes within our plan submitted to CGC;

WHEREAS, the Green Bank Board of Directors ("Board") approved the use of a portion of the Green Bank Award to make linked deposits to eligible Smart-E lenders in support of Green Homes (the "LIDAC Linked Deposits Program");

WHEREAS, the Green Bank Award has been frozen by the US Environmental Protection Agency ("EPA") and is subject to protracted litigation which could persist for the foreseeable future; and,

WHEREAS, Green Bank staff seeks approval from the Board to use up to $5 million in Clean Energy Funds to fund the LIDAC Linked Deposits Program during the pendency of the EPA freeze of NCIF funds as explained to the Board in a memorandum dated April 22, 2025 (the "Linked Deposits 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 contracts with eligible Smart-E lenders for a linked deposits program, with such aggregate amount of upfront deposits using Clean Energy Funds being limited to $5,000,000 as outlined in the Linked Deposits Memo as he or she shall deem to be in the interests of the Green Bank, provided, however, at such time NCIF funds are released to the Green Bank for such linked deposits program, staff stall instead use NCIF funds and redeploy any Clean Energy Funds recovered to use for Clean Energy Fund purposes; 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 John Harrity, the Board of Directors voted to approve Resolution 2. None opposed or abstained. Motion approved unanimously.

ii. Green School Buses – Zum in Branford

- Kevin Moss summarized for the Green School Buses priority area of the NCIF award, the team has been developing a project pipeline that can achieve the LIDAC target. He continued that the partnership with Zum for Branford Public Schools is going strong and the Green Bank will likely support the financing of a fleet of 50 electric school buses, which would be the first fully electrified school bus fleet in the state. With the help of the Green Bank investment the transition to a fully electric fleet could be done within 3 years, 2 years ahead of Zum's 5-year goal.

- Kevin Moss highlighted that the EPA Clean School Bus funds are starting to flow again and more investment opportunities should be presented at future Board Meetings. He highlighted the public health benefits of school bus electrification, including the reduction of asthma among Connecticut children, which is well above the national average.

5. Investment Programs Updates and Recommendations

a. Progress to Target Updates

- Bryan Garcia summarized the progress to targets for Investments, which has had 3 facilities closed for a total investment of $16 million, with an additional $37 million of approved transactions expected to close by fiscal year end. Adrienne Farrar Houël added that there has been much progress on construction for the Fuel Cell for the district heating loop in Bridgeport.

b. C4C LIME Funding Facility – Amendment (Permit Use of DOE Funds via DEEP)

- Bert Hunter summarized the Capital For Change facility history and proposed modification to use the $1.29 million awarded by DEEP as an interest rate buydown to lower the interest rates on Green Bank funding for the LIME program, to offset the extra cost of compliance by the developers.

<u>**Resolution #3**</u>

WHEREAS, the State of Connecticut through the Connecticut Department of Energy and Environmental Protection ("DEEP") has been awarded funding under the US Department of Energy's Energy Efficiency Revolving Loan Fund Capitalization Grant Program ("EERLF");

WHEREAS, DEEP 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 as provided by the EERLF;

WHEREAS, the Green Bank Board of Directors ("Board") approved in January 2025 Green Bank entering into a contract with DEEP to facilitate deployment of the EERLF funds;

WHEREAS, staff of Green Bank seek to deploy EERLF funds to projects in the form of interest rate buydowns for LIME Loan Program loans as explained in a memorandum to the Board dated April 22, 2025 (the "C4C EERLF IRB Memo");

WHEREAS, the Board approved in March 2025 Green Bank modifying the availability period for the LIME Loan Program funding facility to March 2026; and,

WHEREAS, staff requests approval from the Board to modify the LIME Loan Program funding facility to permit the use of EERLF funds for interest rate buydowns for the LIME Loan Program funding facility as explained in the C4C EERLF IRB Memo.

NOW, therefore be it:

RESOLVED, that the Green Bank may modify the LIME Loan Program funding facility to permit the use of EERLF funds for interest rate buydowns for the LIME Loan Program funding facility substantially as explained in the C4C EERLF IRB Memo; 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 Adrienne Farrar Houël and seconded by Kimberely Mooers, the Board of Directors voted to approve Resolution 3. None opposed and Joseph DeNicola abstained. Motion approved.

6. Financing Programs Updates and Recommendations

a. Progress to Targets

- Mackey Dykes summarized the progress to targets for the Financing Programs, which is at 75% overall across all programs. The C-PACE and SBEA programs are on track for Projects completed, though the Solar MAP program is already at 100% completed and Solar Storage Lease/PPA programs are at 25% to target. The total capital deployed is also nearly met in total due to high capital projects in the C-PACE and Solar MAP programs. For the Solar Storage Lease and PPA programs, there have been no project closings for Debt to Third Party Owner projects, which is what has caused the target shortage, but hopefully will see more uptake soon.
  - Bert Hunter added that the Skyview project is going strong and should see progress on it soon.

b. C-PACE Transaction – New Milford

- Stephanie Attruia summarized the project proposal for a 123.12 kW DC rooftop solar project in New Milford, CT requiring $323,317 at a 15-year loan with 5% interest for the loan and construction, and the owner is still deciding between a standard mortgage style repayment or a sculpted repayment schedule, though the DSCR and SIR are still healthy in either case. For a standard repayment schedule, the cash flow is positive for the first 5 years then becomes negative, which is why the sculpted repayment schedule was presented, as it brings the cash flows up to positive.

Resolution #4

WHEREAS, pursuant to Connecticut General Statute Section 16a-40g ("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 ("Board") has approved a $40,000,000 C-PACE construction and term loan program; and,

WHEREAS, the Green Bank seeks to provide a $323,317 construction and term loan under the C-PACE program to 10 STILL RIVER REALTY, LLC, the building owner of 10 Still

River Dr, New Milford, 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 April 22, 2025 ("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 John Harrity, the Board of Directors voted to approve Resolution 4. None opposed or abstained. Motion approved unanimously.

c. C-PACE Transaction – Hamden (Porobond)

- Stephanie Attruia summarized the project proposal for a 182.4 kW DC rooftop solar project in Hamden, CT requiring $402,046 at a 10-year loan term with a 4.75% loan interest rate. The loan-to-value ratio and lien-to-value ratio are both [redacted]%, the DSCR is [redacted]x, and the SIR is 1.86. The cash flows are positive for the first 3 years due to the loan term being shorter. The borrower was offered a sculpted repayment schedule but decided on the standard repayment plan.

<u>**Resolution #5**</u>

WHEREAS, pursuant to Connecticut General Statute Section 16a-40g ("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 ("Board") has approved a $40,000,000 C-PACE construction and term loan program;

WHEREAS, the Green Bank seeks to provide a $402,046 construction and term loan under the C-PACE program to Porobond Properties, LLC, the building owner of 80 Sanford Street, Hamden, CT 06518, Hamden, Connecticut ("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 April 17, 2025 ("Memo"); and,

NOW, therefore be it:

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

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

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

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

d. C-PACE Transaction – Hamden (Aron)

- Stephanie Attruia summarized the project proposal for a 131.8 kW DC rooftop solar project in Hamden, CT requiring $283,353 at a 20-year loan term with a 5.25% loan interest rate. The loan-to-value ratio is [redacted]%, the lien-to-value ratio is [redacted]%, the DSCR is [redacted]x, and the SIR is 1.62. The cash flows are positive throughout the repayment.

<u>Resolution #6</u>

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 ("Board") has approved a $40,000,000 C-PACE construction and term loan program; and,

WHEREAS, the Green Bank seeks to provide a $283,353 construction and term loan under the C-PACE program to Aron 100 Sanford Street, LLC and PackEdge, Inc., as co-borrowers being the building owner and operating company, respectively, of 100 Sanford Street, Hamden, CT 06514, Hamden, 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 April 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 affect the above-mentioned legal instruments.

Upon a motion made by Adrienne Farrar Houël and seconded by John Harrity, the Board of Directors voted to approve Resolution 6. None opposed or abstained. Motion approved unanimously.

e. C-PACE Transaction – Bethel

- Stephanie Attruia summarized the project proposal for a 231.28 kW DC rooftop solar project in Bethel, CT requiring $496,972 at a 20-year loan term with a 5.25% loan interest rate. The loan-to-value ratio is [redacted]%, the lien-to-value ratio is [redacted]%, the DSCR is [redacted]x, and the SIR is 1.57. The cash flows are positive throughout the repayment.

<u>**Resolution #7**</u>

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

WHEREAS, the Green Bank seeks to provide a $496,972 construction and term loan under the C-PACE program to 11 Durant Ave, LLC, the building owner of 11 Durant Avenue, Bethel, CT 06801, Bethel, Connecticut ("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 April 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 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 7. None opposed or abstained. Motion approved unanimously.

f. C-PACE Transaction – Middletown

- Stephanie Attruia summarized the project proposal for a 196 kW DC rooftop solar project in Middletown, CT requiring $432,147 at a 20-year loan term with a 5.25% loan interest rate. The loan-to-value ratio and lien-to-value ratio are both [redacted]%, the DSCR is [redacted]x, and the SIR is 1.62. The cash flows are positive throughout the repayment.
    - John Harrity commented that even with tracking the green jobs these projects create, it strikes him that the Green Bank is also helping to provide stability for the employees at the facilities by cutting their energy costs, and that it is so important to continue to reduce those costs. He praised C-PACE for what it provides and Mackey Dykes added that one of the takeaways heard from the manufacturers is that not only are there energy benefits for the environment, their employees benefited from workplace improvements such as better lighting, which hadn't really been considered before.

<u>**Resolution #8**</u>

WHEREAS, pursuant to Connecticut General Statute Section 16a-40g ("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 ("Board") has approved a $40,000,000 C-PACE construction and term loan program; and,

WHEREAS, the Green Bank seeks to provide a $432,147 construction and term loan under the C-PACE program to Centerpoint Holdings LLC, the building owner of 306 Industrial Park Road Middletown, Connecticut ("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 Board of Directors dated April 17, 2025 ("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 Brenda Watson and seconded by John Harrity, the Board of Directors voted to approve Resolution 8. None opposed or abstained. Motion approved unanimously.

7. Incentive Programs Updates and Recommendations
a. Progress to Targets

- Edward Kranich summarized the progress to targets for Energy Storage Solutions, which should reach the relatively conservative targets. Only 3 of the 5 Commercial & Industrial projects are set to close but they are larger than expected in terms of capital deployed and MW deployed. For Residential projects, 380 of the 500 projects are closed with about 67% of the capital deployed target reached but over 115% of the MW deployed target reached. The Residential sector has a slower progression but is steady, as customers have generally increased the size of the battery they get installed and pre-incentive costs have also decreased. He noted that despite the current economic and political changes, the Green Bank will continue to support the installer base with outreach efforts and to build awareness and demand, as well as looking to find new OEMs and bring in new contractors to continually improve the program.
- Eric Shrago summarized the progress to targets for the Incentive programs, which for Smart-E are about halfway to the target due to macro factors. However, targets around climate resilience measures are ahead of the target. He hopes to see an uptick in the Smart-E program once the Linked Deposits begin but does not believe this year's targets will be met.

8. Environmental Infrastructure Programs Updates and Recommendations
a. Progress to Targets

- Leigh Whelpton summarized the progress to targets for Environmental Infrastructure, which is the first year there are quantitative targets, and that she anticipates reaching the Green Bank Capital Solutions target of $1 million in capital deployed by the end of the fiscal year. She reviewed several of the qualitative targets such as expanding and implementing existing products, identifying unique project opportunities, continuing engagement, supporting public policy that unlocks private capital investment, and more.
  - Lonnie Reed asked if there is more enthusiasm coming from the Municipalities. Leigh Whelpton responded that municipal, especially post-consumer food waste, continues to be one of the more challenging aspects of the state's waste management but the team is encouraged by some project sponsors and potential project proposals.
  - Joanna Wozniak-Brown expressed gratitude for the ongoing engagement from the Environmental Infrastructure team on resiliency measures across Connecticut. She also highlighted the Resilience Opportunity Area Methodology that UCONN CIRCA established, which is identifying discrete geographic areas within communities that have moderate to high climate vulnerability. She also added that areas in the design phase and of high local or regional engagement with the COG have a high opportunity value for

scoping out the valuation of the ecosystem services. Leigh Whelpton agreed and added that the resilient opportunity areas are very community-oriented and community-driven, and then discussed potential solution opportunities and methodologies.

- Adrienne Farrar Houël added that there is a movement from herself and Brenda Watson along with Kathy Fay in New Haven to move forward 3 resiliency hubs. She noted the challenges are the physical disposition and information and education of surrounding communities, though she is happy to see it move forward.

Brenda Watson left the meeting at 10:20 am.

9. Other Business

a. Legislative Process

- Brian Farnen summarized the current phase of the legislative session, in which all Committee deadlines have concluded, legislation is now being negotiated, and then he summarized progress for specific bills such as SB 9, HB 5004, SB 4, and HB 1560.
  - Dominick Grant asked about the implication of the Public Benefit Charge modification, both short term and long term, and if things get funded through bonding instead. Brian Farnen responded that he doesn't believe it will happen as he doesn't believe it would be in the best interest of the ratepayers based on our track record of lowering the energy burden for CT business, manufacturers and residents while creating good paying jobs, but stated a lot of it is being discussed right now.

b. Other Business

- Bryan Garcia summarized some other updates, including the unveiling of a 2.4 MW ground-mounted system at the Department of Corrections, which is part of a project across seven facilities across the state totaling 8.4 MW and should save $11 million in energy costs over the 25-year Power Purchase Agreement. On the day of the unveiling, 85% of the energy load of the building was being supplied by solar.
- Bryan Garcia noted the team is planning and working hard to issue the third Green Liberty Bond, most likely in the late summer, hopefully in August if all goes well.

10. Executive Session – Real Estate Lease Transaction Under Current Negotiation with Multiple Parties

Upon a motion made by John Harrity and seconded by Joseph DeNicola, the Board of Directors voted to enter Executive Session at 10:35 am. None opposed or abstained. Motion approved unanimously.

The Board of Directors returned from the Executive Session at 10:42 am.

<u>**Resolution #9**</u>

WHEREAS, the lease on the Green Bank's office in Stamford expire on April 30, 2026; and,

WHEREAS, staff having engaged CB Richard Ellis who have guided the organization's search for new office space, have identified office space at 50 Washington Street, Norwalk

NOW, therefore be it:

RESOLVED, the Board of Directors authorizes Green Bank staff to negotiate and enter into a lease with the owner of the aforementioned building provided that the financial terms of those leases not exceed those presented to the Board today in the attachment dated April 22, 2025 and authorizes staff to negotiate with the other tenant to assume the lease for their current space in Stamford.

Upon a motion made by Joseph DeNicola and seconded by Joanna Wozniak-Brown, the Board of Directors voted to approve Resolution 9. None opposed or abstained. Motion approved unanimously.

11. Adjourn

Upon a motion made by John Harrity and seconded by Allison Pincus, the Board of Directors voted to adjourn at 10:45 am. None opposed or abstained. Motion approved unanimously.

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CONNECTICUT GREEN BANK

Memo

To: Connecticut Green Bank Board of Directors

From: Stephanie Attruia, Associate Manager, Financing Programs; Catherine Duncan, Associate Director, Financing Programs; Mackey Dykes, Vice President, Financing Programs;

CC: Bryan Garcia, President & CEO; Brian Farnen, General Counsel and CLO; Emma Ellis, Counsel

Date: June 13, 2025

Re: Extending timeline for closing certain C-PACE transactions

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Summary

The Connecticut Green Bank Board of Directors (the "Board") or the Connecticut Green Bank Deployment Committee ("DC"), as may be applicable, has previously approved and authorized C-PACE financing for the following property:

Project Address	Approved	Expired	Project Amount
157 Moody Road, Enfield, CT 06082	12/13/2024	4/12/2025	$1,274,629

The financing agreement(s) listed above (the "Financing Agreements") were authorized to be consistent with the terms, conditions, and memorandums submitted to the Board/DC and made no later than 120 days from the date of Board/DC approval.

Due to delays in fulfilling pre-closing requirements, the C-PACE program staff requests more time from the Board or DC, as may be applicable, to close and execute the Financing Agreements. The staff requests an additional 120 days from the date of this meeting to execute the Financing Agreements for the transaction(s) listed above.

Resolutions

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

WHEREAS, pursuant to the C-PACE program, the Connecticut Green Bank Board of Directors (the “Board”) or the Connecticut Green Bank Deployment Committee (“DC”), as may be applicable, approved and authorized the President of the Green Bank to execute financing agreements for the C-PACE projects described in this Memo submitted on June 13, 2025 (the “Finance Agreements”);

WHEREAS, the Finance Agreements were authorized to be consistent with the terms, conditions, and memorandums submitted to the Board or DC, as may be applicable, and executed no later than 120 days from the date of such Board or DC approval; and,

WHEREAS, due to delays in fulfilling pre-closing requirements the Green Bank will need more time to execute the Finance Agreements.

NOW, therefore be it:

RESOLVED, that the Board of Directors extends authorization of the Finance Agreements to no later than 120 days from June 20, 2025 and consistent in every other manner with the original Board or DC authorization for the Finance Agreement.

Submitted by: Bryan Garcia, President & CEO; Brian Farnen, General Counsel and CLO; Emma Ellis, Counsel

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CONNECTICUT GREEN BANK

Memo

To: Board of Directors of the Connecticut Green Bank~~Audit, Compliance and Governance Committee~~

From: Jane Murphy, EVP Finance and Administration

CC: Bryan Garcia, Brian Farnen, Eric Shrago, Dan Smith

Date: ~~May~~June ~~7~~13, 2025

Re: Updated Banking Resolutions

I am requesting that the ~~Audit, Compliance and Governance ("ACG") Committee~~Board of Directors approve the updated Banking Resolutions set forth below. This revised set of resolutions will authorize ~~additional members of the Accounting Department, at a Director level (job grade 18) or above per the salary job grades presented annually through the budget process,~~the Director of Accounting and Reporting to sign checks and initiate and release wire or ACH transfers. ~~If the ACG Committee approves this recommendation, the revised resolution will be submitted for inclusion on the consent agenda at the next regular meeting of the Board of Directors.~~At the May 7 Audit, Compliance and Governance Committee meeting the resolution below was revised from authorizing any Director level position (job grade 18) in the Accounting Department to just the Director of Accounting and Reporting position.

Resolution

RESOLVED, that ~~the Audit, Compliance and Governance Committee hereby recommends to~~ the Board of Directors ~~for approval~~approve the updated list of authorized Green Bank employee positions to sign checks and initiate and release wire or ACH transfers from Green Bank bank accounts in accordance with the established signatory authority as stated in the Green Bank internal control procedures documentation:

- President and CEO
- Executive Vice President Finance and Administration
- Executive Vice President and Chief Investment Officer
- Executive Vice President, Financing Programs
- Vice President of Operations
- ~~Director level (job grade 18) and above members of Accounting Department~~Director of Accounting and Reporting

RESOLVED, that the ~~Audit, Compliance and Governance Committee~~Board of Directors affirms that as of the date of this resolution these positions are occupied by the following individuals:

- President and CEO - Bryan Garcia
- Executive Vice President Finance and Administration – Jane Murphy

- Executive Vice President and Chief Investment Officer – Roberto Hunter
- Executive Vice President, Financing Programs – Michael Dykes
- Vice President of Operations – Eric Shrago
- ~~Director level (job grade 18) and above members of Accounting Department~~Director of Accounting and Reporting – Dan Smith

CONNECTICUT GREEN BANK

DIRECTOR OF SMART-E LOAN PROGRAM

Position Grade: 18	**Reports To**: Vice President, Operations
Direct Reports: As assigned	**Wage Hour Class**: Exempt
Salary Range: $128,723 - $205,957	**Hours Worked**: 40
Career Series: Program	**Effective Date:** June 27, 2025

SUMMARY:

The Connecticut Green Bank (hereafter “Green Bank”) Director of Smart-E Loan Program oversees all aspects of the Smart-E Loan program, from contractor training and onboarding to project management, lender relations, and quality control.

The Director is responsible for managing all aspects of the Smart-E loan program. This includes managing critical relationships with external stakeholders such as contractors, lenders, homeowners, and other project partners, overseeing a team that works with these stakeholders to manage Smart-E projects efficiently and effectively, and coordinating with internal Green Bank teams to ensure optimal program performance. The Director will also play a key role in helping to grow the program and evolve its operating model.

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

EXAMPLES OF DUTIES:

- Manages the insourcing of the Smart-E program from the current program administrator to the Green Bank;
- Directs and supervises Smart-E loan program team on day-to-day project management and on strategic direction;
- Develops and implements program enhancements to ensure that the program remains aligned with market needs;
- Responsible for maintaining contractor Terms and Conditions and manages updates as needed;
- Oversees program compliance and supervises team in handling project issues. Collaborates with relevant internal staff to make and execute disciplinary decisions as needed;
- Leads the development of training and educational materials for internal and external stakeholders, including contractors, lenders, and homeowners, and participates in training sessions as needed;
- Collaborates with Green Bank’s Marketing, Communications, and Outreach teams to develop, enhance, and maintain external stakeholder relationships and drive increased use of Smart-E;

- In partnership with Green Bank's Marketing and Investments, is responsible for lender management including developing and maintaining relationships with Smart-E lenders to encourage them to grow their Smart-E business;
- Supports Green Bank's Accounting team on all aspects of lender reporting;
- Identifies needed updates and enhancements to program systems, ensuring they meet current needs and future requirements. Manages the implementation of these updates to ensure minimal disruption and maximize user satisfaction;
- Generates and analyzes performance reports to make informed decisions that support the Smart-E program in achieving strategic objectives;
- Reports key findings and strategic adjustments to Green Bank management, Board of Directors, staff, and external partners, ensuring transparency and continuous improvement;
- Attends stakeholder events as needed and encourages stakeholder participation;
- Works closely with Green Bank's Marketing, Communications, and Outreach teams to develop and execute annual marketing and outreach plan to advance Smart-E goals;
- Identifies research needs and works with Marketing to execute and generate effective surveys/focus groups/panels as needed. Works with Smart-E team to implement learnings as necessary;
- Identifies recruitment needs for contractors, especially related to new measures or other market gaps;
- Ensures all operational (i.e. staff and policies) and organizational (i.e. contracting and reporting) requirements are being implemented and carried out;
- Develops and manages the budget and targets and is responsible for performance to those targets;
- Works with the Connecticut Department of Energy and Environmental Protection, the Energy Efficiency Board, the Connecticut gas and electric utilities, as well as other key stakeholders, to align programs where possible and assure Connecticut's energy finance programs take advantage of shared resources and programmatic synergies;
- Manages the selection of consultants, where necessary, to support the program in areas where Green Bank does not have specific in-house expertise;
- Acts as a subject matter expert with regard to single family residential lending to influence other Green Bank programs and offerings; and,
- Other duties as required.

MINIMUM QUALIFICATIONS REQUIRED:

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

- Strong knowledge and experience in finance as related to clean energy and sustainability
- Considerable experience in program/project management;
- Ability to work in a team environment as a lead contributor, manager, and facilitator;
- Strong knowledge of business operations and general management including supervisory experience, including the management of outside contractors;
- Considerable ability to develop programs and manage stakeholder processes toward results
- Understanding of the Connecticut clean energy landscape, including financing and incentive programs

- Understanding of the financial decision-making considerations of homeowners in Connecticut
- Demonstrated ability to understand various energy and sustainability related technologies and integrate those concepts into the Smart-E loan program
- Ability to work with external stakeholders including strong facilitation, negotiation, and coordination skills;
- Considerable interpersonal skills, as well as oral and written communications skills;
- Ability to market the benefits of Smart-E to potential contractors and lenders;

EXPERIENCE AND TRAINING:

General Experience:

A Bachelor's Degree (but a Master's degree is preferred) in a field related to the position's duties

Minimum of seven to ten (7-10) years of experience in energy policy and clean energy finance. Experience supervising staff, working across departments, and managing programs is required.

EMPLOYMENT DETAILS:

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

PHYSICAL REQUIREMENTS:

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

PHYSICAL DEMANDS:

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

WORK ENVIRONMENT:

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

CONNECTICUT GREEN BANK

DIRECTOR OF FINANCING PROGRAMS,
SOLAR MARKETPLACE ASSISTANCE PROGRAM PLUS

Position Grade: 18	**Reports To**: EVP, Financing Programs
Direct Reports: As assigned	**Wage Hour Class**: Exempt
Salary Range: $128,723 - $205,957	**Hours Worked**: 40
Career Series: Program	**Effective Date:** June 27, 2025

SUMMARY:

The Connecticut Green Bank (hereafter “Green Bank”) Director of Financing Programs, Solar Marketplace Assistance Program Plus, is a member of the Green Bank’s Financing Programs team with a specific focus on the Solar Marketplace Assistance Program (“Solar MAP+”).

The Financing Programs team is responsible for the Green Bank's clean energy lending programs, including Solar MAP+. Solar MAP+ was created to strengthen Connecticut’s communities and support underserved municipal, state agency, and multi-family affordable housing partners with accessing clean energy and energy savings through solar and battery storage projects.

The Director is responsible for every aspect of the Solar MAP+ program, including customer acquisition, project development, contractor selection, construction, and overall program strategy.

This position is responsible for increasing awareness of the program and building long-term relationships within the program’s eligible customer classes, with a particular focus on the multi-family affordable housing sector, and ultimately delivering projects into the program. The Director is responsible for outreach and engagement, deployment of Green Bank Solar MAP+ financing products, program enrollment, project delivery and lifetime relationship management. They will lead and manage a team responsible for executing all functions of the program.

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

EXAMPLES OF DUTIES:

- Oversees a team to manage Solar MAP+ solar and storage projects from creation to completion;
- Develops program strategies to increase deployment of solar and storage to Solar MAP+ targeted sectors;
- Works with eligible property owners, contractors, developers, utilities, municipalities and other partners to identify and develop solar and storage opportunities;

- Works with the Green Bank's Investments team to develop financing solutions for Solar MAP+ projects;
- Works with the Green Bank's Legal and Investments teams to develop project documentation and negotiate contracts with property owners and contractors;
- Manages Solar MAP+ projects through construction, including negotiations with contractors and property owners on project changes and problems;
- Oversees the procurement and ongoing management of contractors and consultants;
- Serves as expert on Connecticut clean energy and resiliency markets and works with the Green Bank's Financing Programs, Marketing, Investments, and Accounting teams, and other internal and external stakeholders, to update existing Green Bank products and develop new products to accelerate clean energy deployment;
- Ensures all operational (i.e. staff and policies) and organizational (i.e. contracting and reporting) requirements are being implemented and carried out;
- Develops and manages the budget and targets and responsible for performance to those targets;
- Regularly updates the Board of Directors, with support from the President and CEO, Executive Vice President and Chief investment Officer, and Executive Vice President of Financing Programs on the development of the Solar MAP+ program and new program development to support underserved municipal, state agency, and multi-family affordable housing partners;
- Represents Green Bank on appropriate task forces, committees, and boards relevant to clean energy finance;
- Manages the selection of consultants, where necessary, to support the program in areas where Green Bank does not have specific in-house expertise;
- Represents Green Bank to the public in speaking engagements;
- Supervises Green Bank Financing Programs staff as assigned;
- Identifies market gaps as opportunities for new program creation and implementation;
- Uses historical programmatic and market data to improve existing programs; and
- Other duties as assigned.

MINIMUM QUALIFICATIONS REQUIRED:

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

- Strong knowledge and experience in clean energy finance and/or policy;
- Familiarity with the finance and energy industries;
- Considerable experience in program/project management;
- Ability to work in a team environment as a lead contributor, manager, and facilitator;
- Strong knowledge of business operations and general management including supervisory experience, including the management of outside contractors;
- Considerable ability to develop programs, manage stakeholder processes toward results, and interpret energy policy;
- Understanding of the interaction in clean energy markets between finance and demand;
- Understanding of the financial decision-making considerations of underserved municipal, state agency, and multi-family affordable housing partners;
- Demonstrated ability to understand various scientific and energy-related technological principles and applications, and integrate those concepts into the overall project, program, or Green Bank;

- Ability to work with external stakeholders including strong facilitation, negotiation, and coordination skills;
- Considerable interpersonal skills, as well as oral and written communications skills;
- Ability to market the benefits of Solar MAP+ and other financing programs to potential customers;
- Knowledge of State and Federal energy policies and regulations that support clean energy finance; and
- Familiarity with clean energy issues and contracts.

EXPERIENCE AND TRAINING:

General Experience:

A Bachelor's Degree (but a Master's degree is preferred) in a field related to the position's duties is required.

Minimum of seven (7) to ten (10) years of experience in energy policy and clean energy finance. Experience supervising staff and working across departments is preferred. Experience working with and facilitating collaborative outcomes with various stakeholder groups in energy policy design and project development.

Special Experience:

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

Substitutions Allowed:

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

EMPLOYMENT DETAILS:

- The position reports directly to the Executive Vice President of Financing Programs.
- This position is listed as Category 2, 3, or 4, per the Green Bank's telecommuting policy.
- Travel to offsite meetings is required.
- State of CT benefits package, including generous time-off, health insurance covering medical, dental and vision, retirement, tuition reimbursement for continuing education, and paid leave.

PHYSICAL REQUIREMENTS:

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

PHYSICAL DEMANDS:

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

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75 Charter Oak Avenue, Suite 1 - 103, Hartford, CT 06106
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CONNECTICUT GREEN BANK

Memo

To: Board of Directors of the Connecticut Green Bank

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

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

Date: June 13, 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

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At the October 20, 2017 Board of Directors (BOD) meeting of the Connecticut Green Bank ("Green Bank") it was resolved that the BOD approves the authorization of Green Bank staff to evaluate and approve funding requests less than $500,000 which are pursuant to an established formal approval process requiring the signature of a Green Bank officer, consistent with the Comprehensive Plan, approved within Green Bank's fiscal budget and in an aggregate amount not to exceed $1,000,000 from the date of the last Deployment Committee meeting.

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, 1 project was evaluated and approved for funding in an aggregate amount of approximately $145,766 for Financing Programs. And, during this period, no projects were evaluated and approved for funding for ESS.

If members of the board or committee would be interested in the internal documentation of the review and approval process Green Bank staff and officers go through, then please request it.

Summary

Property Information		
Property Address	154 Meadow St	
Municipality	Bristol	
Property Owner	German Evangelical Lutheran Church	
Type of Building	Place of Worship/School	
Building Size *(sf)*	44,514	
Year of Build / Most Recent Renovation	1907 - 1965	
Environmental Screening Report	[redacted]	
Project Information		
Proposed Project Description	67.2 kW DC solar rooftop installation	
Energy Contractor	[redacted]	
Objective Function	37.97 kBtu/ratepayer dollar at risk	
Projected Energy Savings (mmBTU)	Per Year	277
	Over EUL	5,535
Estimated Cost Savings (incl. ZRECs/Tariff and tax benefits)	Per Year	$27,773
	Over EUL	$555,459
Financial Metrics		
Proposed C-PACE Assessment	$145,766	
Term Duration *(years)*	10	
Term Rate	4.75%	
Construction Rate	5.00% annually	
Annual C-PACE Assessment	$10,022	
Average DSCR	[redacted]	
Savings-to-Investment Ratio	[redacted]	
Lien-to-Value *(LiTV)*	[redacted]	
Loan-to-Value *(LTV)*	[redacted]	
Appraisal Value[1]	[redacted]	
Mortgage Lender Consent	[redacted]	

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CONNECTICUT GREEN BANK

Memo

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

From: Bryan Garcia (President and CEO)

CC:

Date: June 13, 2025

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

---

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

During this period, no projects were evaluated and approved for payment restructure/write-off at the staff level.

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[1] The Board also approved accommodation for one year for C-PACE transactions in certain towns where C-PACE assessments are collected annually.

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CONNECTICUT GREEN BANK

Memo

To: Board of Directors of the Connecticut Green Bank

From: Bryan Garcia (President and CEO)

Cc Jane Murphy (EVP of Finance and Administration), Eric Shrago (VP of Operations), Tyler Rubega (Senior Accountant), and Dan Smith (Director of Accounting and Financial Reporting)

Date: May 23, 2025

Re: Q3 of FY25 Financial Package (Abridged)

Overview

Following on the recommendation of the Chair[1] of and discussions with the Audit, Compliance, and Governance Committee ("ACG Committee")[2] and Board of Directors,[3] we are continuing to provide an abridged quarterly financial package for the Connecticut Green Bank ("Green Bank") for the purposes of helping members of the board communicate four key messages consistent with its Comprehensive Plan – (1) making an impact,[4] (2) mobilizing private investment,[5] (3) achieving sustainability,[6] and (4) monitoring state budget allocation. Each of these areas is elaborated on further below with an explanation of what transpired at a "high level" within that area in the third quarter of FY25.

Making an Impact – Board Member Dashboards

Given a primary goal of the Green Bank is to continuously deliver benefits to our communities, and need to communicate that impact to our stakeholders, we have created dashboards for each member of the board that shows the organization's impact to your community or is most relevant to your appointer. For example, with Governor Lamont's interest in the State of Connecticut, we have provided a link to the impact metrics the Green Bank has made for Connecticut:

> *"The Green Bank has **enabled $2,955,349,211 of investment** in clean energy in **CT helping 72,941 families and businesses** reduce the burden of energy costs while **creating 29,549 job years** in our communities and **avoiding 11,593,837 tons of CO2** emissions causing global climate change."*[7]

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[1] Tom Flynn
[2] May 17, 2022 ACG Committee meeting – click here
[3] June 24, 2022 BOD meeting – click here
[4] Goal 2 – to strengthen Connecticut's communities, especially vulnerable communities, by making the benefits of the green economy inclusive and accessible to all individuals, families, and businesses.
[5] Goal 1 – to leverage limited public resources to scale-up and mobilize private capital investment in the green economy of Connecticut.
[6] Goal 3 – to pursue investment strategies that advance market transformation in green investing while supporting the organization's pursuit of financial sustainability.
[7] May 22, 2025

Given our goal to ensure that "no less than 40 percent of investment and benefits are directed to vulnerable communities by 2025," you will see that we also include those breakdowns, including 42% of projects, 49% of investments, and 48% of deployment are in vulnerable communities.

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

There is an increase in total assets from $311.5 million to $415.4 million (i.e., increase of $103.9 million) in FY25 from Q2 to Q3 of FY25. This significant increase in total assets is due to the Green Bank's receipt of a $93.6 million grant as a subawardee of the Coalition for Green Capital's Greenhouse Gas Reduction Fund's ("GGRF") National Clean Investment Fund ("NCIF") competition of the EPA. It should be noted that these funds are currently frozen at Citibank (i.e., financial agent), as the result of an unlawful action by the EPA resulting in a lawsuit. The total liabilities increased $127.6 million to $219.3 million (i.e., increase of $91.7 million). This significant increase in total liabilities is the result of the GGRF-NCIF award. Through Q3 of FY25, public revenues were invested in 1042 loans closed totaling $75.2 million.

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

The key observation from FY25 is that earned revenues through Q3 (i.e., $33.7 million) were ahead of budget (i.e., by $3.4 million). In addition to that important sustainability milestone, earned revenues continue to exceed personnel-related operating expenses (i.e., $11.5 million), as well as total operating expenses (i.e., $26.9 million). These are continuing trends as the Green Bank makes steady progress towards organizational sustainability as planned in FY18.[8]

Monitoring State Budget Allocation
And lastly, to track the impact of the long-term structural budget deficit issues with respect to pension and healthcare liabilities, the Green Bank tracks the State of Connecticut Comptroller Employer SERS Rate (i.e., 47.5%) to a hypothetical market rate (i.e., 35.0%) to discern the amount the Green Bank overpays for such benefits causing increased pressure on organizational sustainability.

The key observation from Q3 of FY25 is that the Green Bank paid the State of Connecticut over $1.8 million more than it would have paid in a competitive environment for pension and healthcare benefits for its employees. This additional payment slows down progress of the Green Bank towards organizational sustainability.

Conclusion
For those interested in further details beyond the "Abridged" version of the Q3 of FY25 financial package, see the "Comprehensive" version attached.

[8] December 15, 2017 BOD meeting – click here

Connecticut Green Bank

March 2025 Quarterly Financial Package

(Abridged)

Connecticut Green Bank

March 2025 Financial Package

Table of Contents

Connecticut Green Bank:

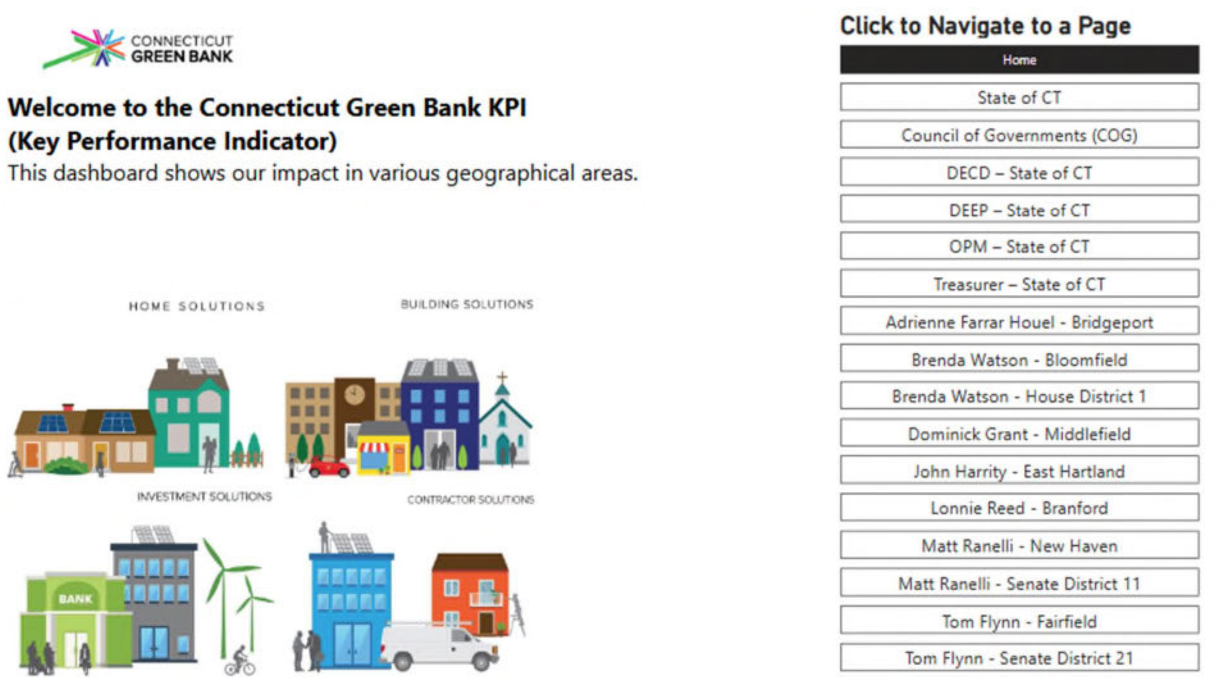
Connecticut Green Bank

Making an Impact

Board Member Dashboard

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

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



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

Please forward me your feedback and suggestions at eric.shrago@ctgreenbank.com.

Connecticut Green Bank
Mobilizing Private Investment
Balance Sheet

		As of 3/31/2025	As of 6/30/2024	vs 6/30/24 $ Change
Assets				
Current Assets				
Cash and Cash Equivalents **(1)**	{a}	46,586,601	26,065,154	20,521,447
Other Current Assets	{b}	15,185,266	36,528,036	(21,342,770)
Total Current Assets		61,771,867	62,593,190	(821,323)
Noncurrent Assets				
Restricted Assets **(1) (2)**	{c}	123,954,422	27,782,421	96,172,001
Program Loans/Notes Receivable and Other Investments	{d}	162,761,859	145,408,081	17,353,778
Capital Assets, net	{e}	66,867,456	69,517,800	(2,650,344)
Total Noncurrent Assets		353,583,737	242,708,302	110,875,435
Total Assets		**415,355,604**	**305,301,492**	**110,054,112**
Liabilities				
Current Liabilities	{f}	108,633,091	20,848,839	87,784,252
Noncurrent Liabilities				
Asset Retirement Obligation		4,416,304	4,345,686	70,618
Long-term debt				
Notes Payable		7,153,706	7,273,800	(120,094)
Bonds Payable-SHREC ABS 1	{g}	16,626,550	16,472,663	153,887
Bonds Payable-CREBs	{h}	7,849,299	7,849,299	0
Bonds Payable-Green Liberty Bonds	{i}	31,553,000	31,553,000	0
Lease Liability, less current maturities	{j}	1,853,850	1,853,851	(1)
Long-term debt		65,036,405	65,002,613	33,792
Pension & OPEB Liabilities	{k}	41,228,205	41,228,205	0
Total Noncurrent Liabilities		110,680,914	110,576,504	104,410
Total Liabilities		**219,314,005**	**131,425,343**	**87,888,662**
Deferred Inflows of Resources	{l}	**7,862,374**	**7,782,569**	**79,805**
Total Net Position		**188,179,225**	**166,093,579**	**22,085,646**

(1) The $46.6M unrestricted balance at 3/31/2025 was mostly due to the issuance of two series of Special Capital Reserve Fund (SCRF) backed Green Liberty Bonds in FY21. The purpose of these issuances was to refinance expenditures of the Green Bank related to its Residential Solar Incentive Program (RSIP) per CGS 16-245ff. As of 3/31/25, unfunded and committed Solar PV incentives related to the RSIP program totaled approximately $14.4M, to be paid to third parties through 2028 using the proceeds from these two bond issuances. Additionally, $2.4M of RGGI funds are committed to Class 1 Renewable projects under the Regional Greenhouse Gas Initiative and not yet spent as of 3/31/25.

	Actual	**Adj for RSIP/RGGI Commitments**	**Total**
Cash - Unrestricted	$ 46,586,601	$ (16,800,000)	$ 29,786,601
Cash - Restricted	123,954,422	16,800,000	140,754,422
Total Cash	**$ 170,541,023**	**$ -**	**$ 170,541,023**

(2) The restricted assets balance includes $93.6M of NCIF grant funds which are currently frozen to due pending litigation with the EPA as it relates to the grant.

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

Appendix

{a} Cash and Cash Equivalents includes all unrestricted cash accounts for the CT Green Bank and all entities included financial reporting purposes.

{b} Other Current Assets are made up of Accounts Receivable, Utility Remittance Receivable, Interest Receivable, Other Receivables and Prepaid Expenses

{c} Restricted Assets includes all restricted cash accounts such as loan loss reserves, Special Capital Reserve Funds (SCRFs) related to the bonds outstanding and other contractually restricted cash accounts

{d} Program Loans/Notes Receivable and Other Investments include the principal balances of all outstanding Program Loans, SBEA Notes, Solar Lease 1 Notes, Bonds, as well as REC receivables, some additional smaller investments made.

{e} Capital Assets, net represent the cost of all capital assets that are owned by all CGB entities, including Solar PV systems, furniture and equipment, leasehold improvements and computer hardware.

{f} Current Liabilities includes accounts payable and accrued expenses (including accrued incentives), accrued interest, current portions of long-term debt, deferred revenue (including NCIF grant revenue deferred as the funds are frozen) and custodial liabilities

{g} SHREC ABS 1 Bonds Payable represent the outstanding principal remaining on $38.6M in bonds issued in March 2019. These bonds were collateralized by revenue from sales of SHRECs for two tranches of approx. 14,000 residential Solar PV systems to two CT utilities. These mature in 2033.

{h} Bonds Payable- CREBs are two separate Clean Energy Renewable Energy bonds issued in February 2017 for just under $3.0M(Meriden Hydro project) and December 2017 for $9.1M (CSCUs project). These mature in 2038.

{i} Green Liberty bonds represent the outstanding principal remaining on the $16.8M Series 2020 and $24.8M Series 2021 Green Liberty Bonds, collateralized by revenues from sales of SHRECs related to Tranche 3(Series 2020) and Tranche 4 (Series 2021). These mature in 2037.

{j} Lease liability represents the amount owed on the two leases of office space (Hartford & Stamford). The amount is determined per GASB 87, which included a present value of payments expected to be made during the lease term at the onset of the lease (both of which include 10.5 year terms beginning in Fiscal year 2021).

{k} Pension and OPEB Liabilities represent the actuarially determined Pension and OPEB liabilities allocated to the CT Green Bank out of the SERS retirement plans. This number is uncontrollable by the Green Bank, with the amount to be booked provided by the actuarial valuation on an annual basis.

{l} Deferred inflows of resources are a governmental accounting function which represents an acquisition of net position that applies to future periods and will not be recognized until that time. Amounts included here are functions of the Pension and OPEB actuarial valuations and are updated on an annual basis.

Connecticut Green Bank
Achieving Sustainability
Organizational P&L

		Consolidated 7/1/2024 Through 3/31/2025				
		Actual	Budget	Variance	Prior Year Actual	Variance
Total Revenues						
Public Revenues	{a}	24,624,557	24,060,044	564,513	24,257,216	367,341
Earned Revenues (**)	{b}	33,710,763	30,302,280	3,408,483	25,591,524	8,119,239
Total Revenues		**58,335,320**	**54,362,324**	**3,972,996**	**49,848,740**	**8,486,580**
Total Operating Expenses						
Personnel Related Operating Expenses	{c}	11,470,272	14,337,947	(2,867,675)	9,625,864	1,844,408
Non-Personnel Related Operating Expenses (**)	{d}	15,465,444	13,774,802	1,690,642	12,084,853	3,380,591
Total Operating Expenses		**26,935,716**	**28,112,749**	**(1,177,033)**	**21,710,717**	**5,224,999**
Margin ($) - All Revenues		**31,399,604**	**26,249,575**		**28,138,023**	
Margin (%) - All Revenues		**53.8%**	**48.3%**		**56.4%**	
Margin ($) - Pre Public Revenues		**6,775,047**	**2,189,531**		**3,880,807**	
Margin (%) - Pre Public Revenues		**11.6%**	**4.0%**		**7.8%**	
Total Non-Operating Expenses						
Program Incentives and Grants	{e}	6,208,029	6,421,787	(213,758)	4,568,486	1,639,543
Non-Operating Expenses	{f}	3,105,929	3,517,242	(411,313)	3,568,488	(462,559)
Total Non-Operating Expenses		**9,313,958**	**9,939,029**	**(625,071)**	**8,136,974**	**1,176,984**
Total Expenses		**36,249,674**	**38,051,778**	**(1,802,104)**	**29,847,691**	**6,401,983**
Net Margin ($) - All Revenues (*)		**22,085,646**	**16,310,546**	**5,775,100**	**20,001,049**	**2,084,597**
Net Margin (%) - All Revenues		**37.9%**	**30.0%**		**40.1%**	

-

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

** The prior year Earned revenues and non-personnel related operating expenses both include $1.9M in Energy System Sales that occurred in the prior period, where the revenues and cost of sales net to zero. These items both have a budget of $0. The current year actuals include similar items in the same period of the fiscal year amounting to $5.8M with no budgeted amounts. See Detailed Quarterly report for more details on these amounts.

Appendix

{a} Public Revenues include system benefit charges from electric ratepayers and RGGI allowance proceeds.

{b} Earned Revenues include interest income, REC sales, PPA income and other revenues earned by the Primary Government.

{c} Personnel Related Operating Expenses include Salaries, benefits and payroll taxes.

{d} Non-Personnel Related Operating Expenses include all other operating expenses not related to personnel, including O&M, tech support costs, IPC human capital, marketing, consulting, rent, insurance, IT and other office expenses.

{e} Program Incentives and Grants are included in Non-Operating Expenses, and relate mostly to PBI & Battery Storage incentives paid out.

{f} Non-Operating Expenses include Interest expense (mostly on bonds), loan loss reserve expense, and Interest Rate Buydowns using ARRA funds.

Connecticut Green Bank
Monitoring State Benefit Allocation
March 31, 2025

		FYTD 3/31/25 Actual	FYE 6/30/24 Actual	FYE 6/30/23 Actual	FYE 6/30/22 Actual	FYE 6/30/21 Actual	FYE 6/30/20 Actual
	Compensation:	$ 6,769,650	$ 7,655,056	$ 5,902,859	$ 4,813,293	$ 4,476,214	$ 3,931,596
	Employee Benefits:						
	State Retirement Plan Contributions	$ 3,333,731	$ 4,547,141	$ 3,995,132	$ 3,317,054	$ 2,903,780	$ 2,411,864
	Medical Dental Rx Premiums	866,164	970,135	791,620	610,627	625,480	553,908
	Total Employee Benefits	**4,199,895**	**5,517,276**	**4,786,752**	**3,927,681**	**3,529,260**	**2,965,772**
	Total Compensation and Benefits	**$ 10,969,545**	**$ 13,172,331**	**$ 10,689,611**	**$ 8,740,974**	**$ 8,005,474**	**$ 6,897,368**
*	**Retirement Plan Contributions as a % of Salary**	49.25%	59.40%	67.68%	68.91%	64.87%	61.35%
	Medical Dental Rx Premiums as a % of Salary	12.79%	12.67%	13.41%	12.69%	13.97%	14.09%
	Total Benefits and Taxes as a % of Salary	62.04%	72.07%	81.09%	81.60%	78.84%	75.43%
**	**State of CT Comptroller Employer SERS Rate**	47.48%	59.57%	67.40%	65.90%	64.14%	59.99%

* Retirement Plan Contributions include Pension & OPEB, included Employer contributions to the Tier IV Defined Contribution for associated employees in that plan.

** State of CT Comptroller Employer SERS Rate provided via the annual "Fringe Benefit Recover Rate" memo issued 7/1 of each year by the State Comptroller.

		FYTD 3/31/25	FYE 6/30/24	FYE 6/30/23	FYE 6/30/22	FYE 6/30/21	FYE 6/30/20
Total Benefits Cost @ Hypothetical Benefits Rate	35%	2,369,377	2,679,270	2,066,001	1,684,653	1,566,675	1,376,059
Actual Total Compensation and Benefits		10,969,545	13,172,331	10,689,611	8,740,974	8,005,474	6,897,368
Less Total Compensation and Benefits @ Hypothetical Rate		(9,139,027)	(10,334,325)	(7,968,860)	(6,497,946)	(6,042,889)	(5,307,655)
Incremental HR cost due to State Benefits Charge		1,830,518	2,838,006	2,720,751	2,243,028	1,962,585	1,589,713

Connecticut Green Bank

March 2025 Quarterly Financial Package

(Comprehensive)

Connecticut Green Bank

March 2025 Financial Package

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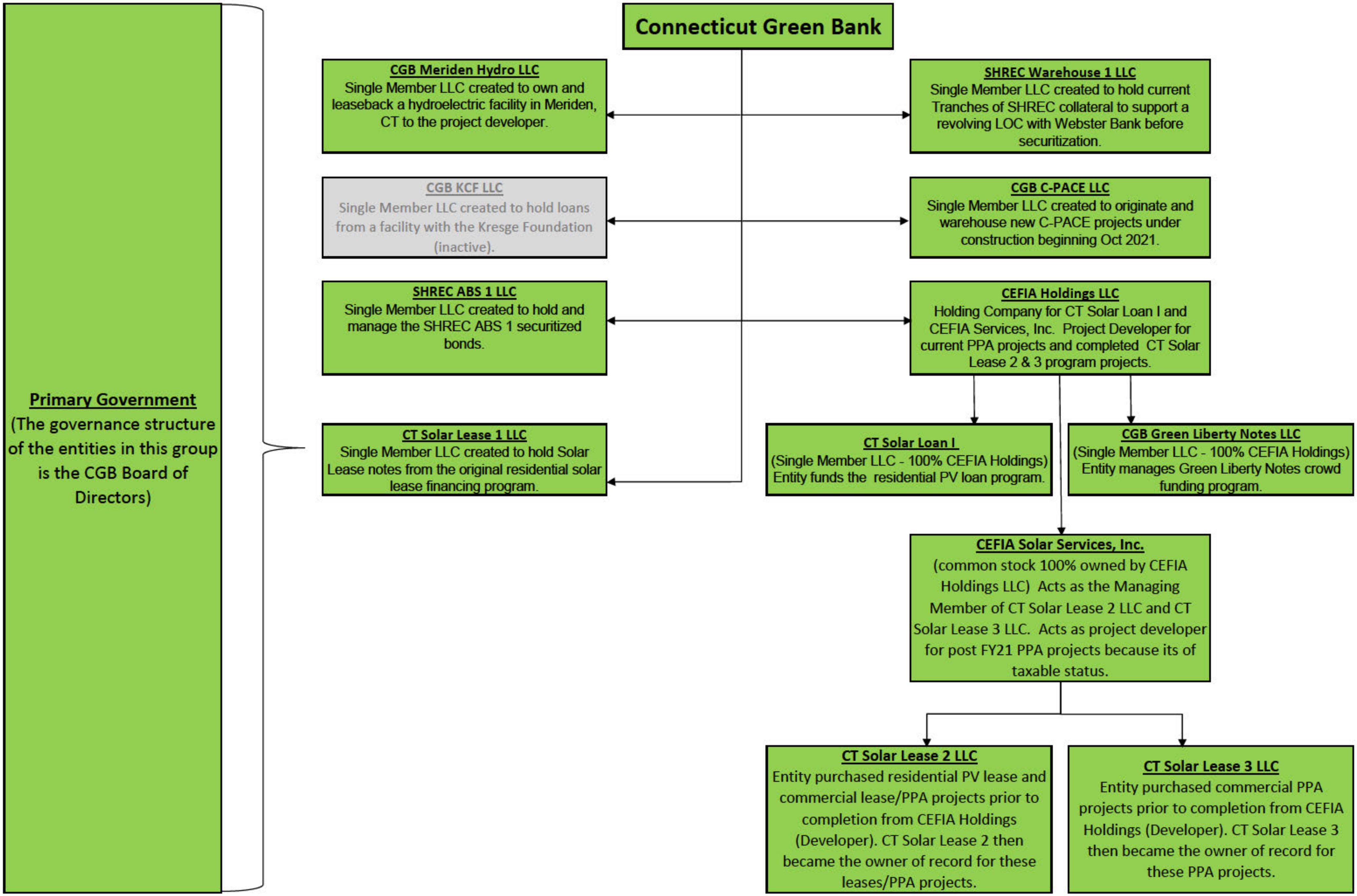
Consolidated Financial Statements:

The Connecticut Green Bank and its Component Units (as of 3/31/2025)

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



Connecticut Green Bank
Executive Summary
March 2025

Overview

This financial package contains financial information for the Connecticut Green Bank (CGB) for Fiscal Year ending June 30, 2025 through March 31, 2025 with comparisons to June 30, 2024 for balance sheet, comparisons to the same period ended March 31, 2024 for the statement of revenue and expenditures, and versus Budget for the Statement of Revenue and Expenditures. Schedules of compensation and benefits, unfunded commitments, loan guarantees, and program loans, notes and loan loss reserves are also presented. See Consolidated Balance Sheet, Consolidated Statement of Revenues and Expenditures and Consolidated Statement of Cash Flows for more details on the entities that make up the totals for purposes of this Reporting.

Balance Sheet vs. Prior Year End

- ✓ CGB's current assets decreased by $0.8M compared to June 2024, which is mostly a function of timing of reporting current portions of loans/notes receivable (done for ACFR purposes annualy at fiscal year end). Taking out the $19.2M decrease in current assets relating to this, the remaining current assets increased by $18.4M, primarily due to a $20.5M increase in cash and cash equivalents during the period. See consolidated Cash Flow statement for further details on the current period change.
- ✓ Noncurrent assets increased $110.1M compared to June 30, 2024, mostly due to the receipt of restricted cash in the amount of $93.5M (from the NCIF grant), and also due in part to the aforementioned reclassification of $19.2M done for fiscal year end.
- ✓ As of March 31, 2025, 94.0% of accounts receivable is aged 30 days or lower, and 0.5% of accounts receivable aged 60+ days - showing no significant collectability issues on accounts receivable. Utility Remittance receivables are all aged under 30 days, and Other Receivables represent disbursements made for development of projects and don't have specific aging/invoice due dates at any given time.
- ✓ Liabilities have increased $87.9M compared to June 30, 2024, mostly attributable to the $93.3M increase in deferred revenue due to the receipt of NCIF grant funds as mentioned above. As of this writing, these funds are frozen at the bank due to ongoing litigation with the EPA, however the liability for deferred revenue under the grant remains on the balance sheet as well as the restricted cash. Additionally, there is an approx. $6.2M decrease in long term debt due to payments made during the year, offset by a $1.5M increase in accrued expenses for the period ended March 31, 2025.
- ✓ Net Position has increased $22.1M from the prior year due to the period's income as seen on Statement of Revenues and Expenditures below.

Statement of Revenues and Expenditures vs. Prior Year

Change in Net Position for FY25 was approximately $22.1M of Income.

- ✓ Excluding a $3.9M increase in both Operating Revenue and Expenses due to offsetting Energy System Sales and Cost of Goods Sold for Energy System Sales, Operating Revenues increased $3.6M from the same period of the prior year and Operating expenses increased $2.8M from the same period of the prior year, resulting in Operating income increasing $0.8M from the same period of the prior year. The revenue increase is mostly due to a $2.8M increase in other income, $1.3M of which was an increase in ESSOL Program Reimbursements as well as a $0.4M increase in other income which was mostly related to the sale of DOC Projects compared to the period ended March 31, 2024.
- ✓ Operating Expenses had an overall increase of $6.7M. This is largely due to the aforementioned $3.9M increase in Cost of Goods Sold-Energy Systems for the period. Additionally, there was an increase in program administration expenses of $1.0M (mostly due to increased headcount) and a $1.6M increase in grant and incentive payments (due to increased ESS incentives), compared to the same period from the prior year.
- ✓ Nonoperating Revenues (Expenses) showed a decrease in expenses of $1.2M compared to the same period of the prior year. This decrease is mostly due to the increase in interest income on short term deposits, which had a $0.9M increase in revenue, as well as a $0.2M decrease in interest expense on long term debt and a $0.1M decrease in Loss on fair value of investments for the same period year over year.

Statement of Revenues and Expenditures vs. Budget

Fiscal Year Net Revenues Over Expenses of $22.1M was $5.8M better than budget.

- ✓ Revenues were $4.0M higher than budget due mostly to $5.8M in Sales of Energy Systems compared to a budget of zero, this however was offset by Federal Grant Income being $5.2M below budget, due to the freeze of NCIF funds due to pending lititgation. Additionally, interest income was $1.5M above budget, Utility Assessments were $0.6M above budget and, other income was $0.8M above budget.
- ✓ Operating Expenses were $1.2M lower than budget for the period. The biggest contributing factor to this was the Cost of Sales - Energy Systems that had expenses of $5.8M, with no budgeted amounts for the year. Three offsetting items to that variance were compensation and benefits variances of approx. $2.9M lower than budgeted, $1.8M less of program development & administration than budgeted and $0.6M lower consulting and professional fees than budgeted. See breakout of budget to actual for financing programs, incentive programs and environmental infrastructure programs for more details.
- ✓ Program incentives and grants were approx. $0.2M lower than budget for the period mostly due to RSIP incentives being approx. $0.3M below budget for the period.
- ✓ Non-operating expenses were approximately $0.4M below budget, mostly due to a loan loss reserve recovery in the amount of $0.4M.

Unfunded Commitments

CGB has a total of $95.0M in unfunded commitments at March 31, 2025, an increase of $31.7M from $63.6M of unfunded commitments as of June 30, 2024. The increase is mostly due to several large commitments of new loan facilities ranging from $5.0M to $12.0M for projects relating to Solar PPAs, Solar & Battery Storage and Shared Clean Energy Facilities.

Connecticut Green Bank
Balance Sheet

	3/31/2025	06/30/2024	$ Change
Assets			
Current Assets			
Cash and Cash Equivalents	46,586,601	26,065,154	20,521,447
Accounts Receivable	5,656,542	1,816,604	3,839,938
Utility Remittance Receivable	2,006,712	1,983,528	23,184
Interest Receivable	2,005,479	2,102,879	(97,400)
Other Receivables	2,607,020	7,763,671	(5,156,651)
Prepaid Expenses and Other Assets	1,859,494	2,319,852	(460,358)
Current Portion of Solar Lease Notes	0	753,842	(753,842)
Current Portion of SBEA Promissory Notes	0	1,559,260	(1,559,260)
Current Portion of Program Loans, Net of Reserves	0	16,919,794	(16,919,794)
Current Portion of Lease Receivable	1,050,019	1,050,019	0
Current Portion of Prepaid Warranty Management	0	258,587	(258,587)
Total Current Assets	61,771,867	62,593,190	(821,323)
Noncurrent Assets			
Restricted Assets	123,954,422	27,782,420	96,172,002
Investments	1,113,685	1,113,685	0
Program Loans, net of reserves	139,370,263	124,199,151	15,171,112
Solar Lease I Promissory Notes, net of reserves	567,788	428,120	139,668
Renewable Energy Certificates	31,042	31,042	0
SBEA Promissory Notes, net of reserves	5,124,849	3,030,663	2,094,186
Lease Receivable, less current portion	13,719,779	13,719,778	1
Prepaid Warranty Management, less current portion	2,732,204	2,673,454	58,750
Fair Value - Interest Rate Swap	102,249	212,188	(109,939)
Capital Assets, net	66,867,456	69,517,800	(2,650,344)
Total Noncurrent Assets	353,583,737	242,708,301	110,875,436
Total Assets	**415,355,604**	**305,301,491**	**110,054,113**
Deferred Outflows of Resources			
Deferred Amount for Pensions	7,216,342	7,216,342	0
Deferred Amount for OPEB	11,631,046	11,631,046	0
Deferred Amount for Asset Retirement Obligations	1,787,189	1,866,994	(79,805)
Total Deferred Outflows of Resources	**$ 20,634,577**	**$ 20,714,382**	**$ (79,805)**
Liabilities			
Current Liabilities			
Accounts Payable	512,252	877,981	(365,729)
Accrued Payroll and Related Liabilities	1,469,244	1,469,245	(1)
Accrued Expenses	11,350,824	9,847,924	1,502,900
Notes Payable- Green Liberty Notes	1,050,000	1,400,000	(350,000)
Current Maturities of Long-Term Debt	6,831,053	6,452,484	378,569
Custodial Liability	647,219	748,583	(101,364)
Deferred Revenue	93,368,985	52,622	93,316,363
Total Current Liabilities	115,229,577	20,848,839	94,380,738
Noncurrent Liabilities			
Asset Retirement Obligation	4,416,303	4,345,686	70,617
Notes Payable	5,912,965	7,273,800	(1,360,835)
Bonds Payable-SHREC ABS 1	14,791,550	16,472,663	(1,681,113)
Bonds Payable-CREBs	7,120,554	7,849,300	(728,746)
Bonds Payable-Green Liberty Bonds	28,761,000	31,553,000	(2,792,000)
Lease Liability, less current maturities	1,853,850	1,853,850	0
Pension Liability	17,457,556	17,457,556	0
OPEB Liability	23,770,649	23,770,649	0
Total Noncurrent Liabilities	104,084,427	110,576,504	(6,492,077)
Total Liabilities	**219,314,004**	**131,425,343**	**87,888,661**
Deferred Inflows of Resources			
Deferred Pension Inflow Liability	4,152,515	4,152,515	0
Deferred OPEB Inflow Liability	10,606,728	10,606,728	0
Deferred Lease Inflow Liability	13,737,708	13,737,708	0
Total Deferred Inflows of Resources	**28,496,951**	**28,496,951**	**0**
Net Position			
Net Investment in Capital Assets	66,867,455	69,517,800	(2,650,345)
Restricted-Energy Programs	30,793,822	27,782,421	3,011,401
Unrestricted Net Position	90,517,948	68,793,358	21,724,590
Total Net Position	**188,179,225**	**166,093,579**	**22,085,646**

Connecticut Green Bank
Statement of Revenues and Expenditures

	Fiscal YTD Mar 31 2025	Fiscal YTD Mar 31 2024	$ Change
Change in Net Position			
Operating Income (Loss)			
Operating Revenues			
Utility Remittances	19,424,557	19,057,216	367,341
Interest Income-Promissory Notes	7,275,710	6,328,842	946,868
RGGI Auction Proceeds	5,200,000	5,200,000	0
Energy System Sales	5,814,698	1,959,040	3,855,659
REC Sales	11,604,101	12,089,599	(485,499)
Lease Income	1,110,737	1,084,169	26,568
Other Income	5,989,843	3,170,827	2,819,016
Total Operating Revenues	56,419,646	48,889,693	7,529,953
Operating Expenses			
Cost of Goods Sold-Energy Systems	5,814,698	1,959,039	3,855,658
Provision for Loan Losses	873,845	1,194,252	(320,407)
Grants and Incentive Payments	6,208,029	4,581,488	1,626,542
Program Administration Expenses	16,460,715	15,461,157	999,558
General and Administrative Expenses	4,890,688	4,381,980	508,708
Total Operating Expenses	34,247,975	27,577,916	6,670,059
Operating Income (Loss)	22,171,671	21,311,777	859,894
Nonoperating Revenue (Expenses)			
Interest Income-Short Term Cash Deposits	1,943,108	1,015,257	927,851
Interest Expense-ST Debt	(47,294)	(41,380)	(5,914)
Interest Expense-LT Debt	(1,577,856)	(1,742,272)	164,416
Debt Issuance Costs	(2,500)	(7,500)	5,000
Distributions to Member	0	(22,802)	22,802
Unrealized Gain (Loss) on Interest Rate Swap	(109,939)	(134,175)	24,235
Net change in fair value of investments	(291,544)	(400,659)	109,115
Total Nonoperating Revenue (Expenses)	(86,025)	(1,333,531)	1,247,505
Change in Net Position	**22,085,646**	**19,978,246**	**2,107,399**

CT Green Bank
Budget to Actual Financial Analysis
March 2025

	CGB Total 07/01/2024 Through 3/31/2025			Incentive Programs 07/01/2024 Through 3/31/2025			Financing Programs 07/01/2024 Through 3/31/2025			Environmental Infrastructure 07/01/2024 Through 3/31/2025		
	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance	Actual	Budget	Variance
Revenue												
Operating Income												
Utility Customer Assessments	19,424,557	18,860,044	564,513	0	0	0	19,424,557	18,860,044	564,513	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	223,067	90,000	133,067	0	0	0	223,067	90,000	133,067	0	0	0
REC Sales	10,418,218	10,416,837	1,381	10,418,218	10,416,837	1,381	0	0	0	0	0	0
Sales Energy Systems	5,814,698	0	5,814,698	0	0	0	5,814,698	0	5,814,698	0	0	0
Grant Income-Federal Programs	372,085	5,530,000	(5,157,915)	0	0	0	371,397	5,530,000	(5,158,603)	688	0	688
Grant Income-Private Foundations	223,324	445,000	(221,676)	0	0	0	173,325	445,000	(271,675)	49,999	0	49,999
PPA Income	1,296,069	1,255,474	40,595	0	0	0	1,296,069	1,255,474	40,595	0	0	0
LREC/ZREC Income	1,185,883	1,254,205	(68,323)	0	0	0	1,185,883	1,254,205	(68,323)	0	0	0
Rental Income	1,110,736	1,054,953	55,784	0	0	0	1,110,736	1,054,953	55,784	0	0	0
Total Operating Income	45,268,637	44,106,513	1,162,124	10,418,218	10,416,837	1,381	34,799,732	33,689,676	1,110,056	50,687	0	50,687
Interest Income	8,653,929	7,130,759	1,523,170	598,335	23,400	574,935	8,055,594	7,107,359	948,235	0	0	0
Interest Income, Capitalized	537,455	67,500	469,955	0	0	0	537,455	67,500	469,955	0	0	0
Other Income	3,875,299	3,057,552	817,747	1,911,443	1,911,443	0	1,963,856	1,146,109	817,747	0	0	0
Total Revenue	**$ 58,335,320**	**$ 54,362,324**	**$ 3,972,996**	**$ 12,927,996**	**$ 12,351,680**	**$ 576,316**	**$ 45,356,637**	**$ 42,010,644**	**$ 3,345,993**	**$ 50,687**	**$ 0**	**$ 50,687**
Operating Expenses												
Compensation and Benefits	11,470,272	14,337,947	(2,867,675)	2,351,013	2,726,525	(375,512)	8,108,320	10,416,884	(2,308,564)	1,010,939	1,194,537	(183,598)
Program Development & Administration	2,481,039	4,320,839	(1,839,801)	1,169,350	1,790,643	(621,293)	1,311,689	2,342,697	(1,031,008)	0	187,500	(187,500)
Cost of Sales Energy Systems	5,814,698	0	5,814,698	0	0	0	5,814,698	0	5,814,698	0	0	0
Lease Origination Services	1,326	3,750	(2,424)	0	0	0	1,326	3,750	(2,424)	0	0	0
Marketing Expense	812,147	1,181,883	(369,735)	143,726	159,750	(16,024)	667,902	1,022,133	(354,230)	519	0	519
E M & V	144,201	438,750	(294,548)	65,015	187,500	(122,486)	79,187	251,250	(172,064)	0	0	0
Research and Development	132,218	495,000	(362,783)	0	0	0	106,845	450,000	(343,155)	25,372	45,000	(19,628)
Consulting and Professional Fees	1,399,922	1,957,575	(557,653)	171,097	393,750	(222,652)	1,223,825	1,552,575	(328,750)	5,000	11,250	(6,250)
Rent and Location Related Expenses	2,870,172	3,185,147	(314,976)	85,592	93,273	(7,682)	2,748,017	3,050,870	(302,853)	36,563	41,004	(4,441)
Office, Computer & Other Expenses	1,609,885	1,997,919	(388,032)	327,019	384,923	(57,903)	1,222,671	1,520,522	(297,851)	60,195	92,473	(32,279)
Warranty Management	199,836	193,939	5,895	0	0	0	199,836	193,940	5,896	0	0	0
Total Operating Expenses	**26,935,716**	**28,112,749**	**(1,177,034)**	**4,312,812**	**5,736,364**	**(1,423,552)**	**21,484,316**	**20,804,621**	**679,695**	**1,138,588**	**1,571,764**	**(433,177)**
Program Incentives and Grants	**$ 6,208,029**	**$ 6,421,787**	**$ (213,758)**	**$ 5,386,979**	**$ 5,706,787**	**$ (319,808)**	**$ 771,051**	**$ 715,000**	**$ 56,051**	**$ 49,999**	**$ 0**	**$ 49,999**
Operating Income/(Loss)	**$ 25,191,575**	**$ 19,827,787**	**$ 5,363,788**	**$ 3,228,205**	**$ 908,528**	**$ 2,319,676**	**$ 23,101,270**	**$ 20,491,023**	**$ 2,610,247**	**$ (1,137,900)**	**$ (1,571,764)**	**$ 433,865**
Non-Operating Expenses	**$ 3,105,929**	**$ 3,517,242**	**$ (411,313)**	**$ 1,262,654**	**$ 1,493,325**	**$ (230,670)**	**$ 1,843,275**	**$ 2,023,917**	**$ (180,642)**	**$ 0**	**$ 0**	**$ 0**
Net Revenues Over (Under) Expenses	**$ 22,085,646**	**$ 16,310,545**	**$ 5,775,101**	**$ 1,965,550**	**$ (584,796)**	**$ 2,550,347**	**$ 21,257,996**	**$ 18,467,106**	**$ 2,790,889**	**$ (1,137,900)**	**$ (1,571,764)**	**$ 433,865**

Connecticut Green Bank
March 2025 Financial Package
Analysis of Compensation and Benefits

	FY 2025 YTD Actual	FY 2025 YTD Budget	Budget Variance	FY 2024 YTD Actual	Prior Year Variance
Compensation:					
Full Time Employees	$ 6,659,318	$ 7,557,305	$ (897,987)	$ 5,223,735	$ 1,435,583
Interns	99,158	120,960	$ (21,803)	46,289	52,869
Temporary Employees	-	-	$ -	-	-
Overtime	11,175	-	$ 11,175	20,382	(9,207)
Total Compensation	**$ 6,769,650**	**$ 7,678,265**	**$ (908,615)**	**$ 5,290,406**	**$ 1,479,244**
Employee Benefits:					
State Retirement Plan Contributions	$ 3,333,731			$ 3,251,434	$ 82,297
Medical Dental Rx Premiums	866,164			690,149	176,016
Payroll and Unemployment Taxes	464,348			365,656	98,692
Life, Disability & WC Premiums	36,379			28,219	8,160
Total Employee Benefits	**4,700,622**	**6,659,682**	**(1,959,060)**	**4,335,458**	**365,164**
Total Compensation and Benefits	**$ 11,470,272**	**$ 14,337,947**	**$ (2,867,675)**	**$ 9,625,864**	**$ 1,844,408**
Benefits and Taxes as a % of Salary	69.44%	86.73%		81.95%	

Actual vs. Budget

Total Employee compensation and benefit costs were $2.9M under budget. Full time employee costs are $898k under budget mostly due to $717k of budgeted open positions and $132k due to timing of employee leaves compared to budget. Benefits and Taxes are approx. $2.0M less than budget due mostly to the favorable employee compensation variance due to open positions previously noted as well as an approx 17% rate variance compared to budget. This is due to the SERS recovery rate determined by the state of CT decreasing from 59.57% in FY24 to 47.48% in FY25 (note: CGB does not help to determine this actual rate). Additionally, this led to actual benefits and taxes being significantly lower than budget (69.44% actual vs a budgeted 86.73% of total compensation for the period to date as an estimated 64.50% SERS rate was used for budget purposes based on the 64.30% average of the prior three fiscal years).

Actual vs. Prior Year

Compensation costs increased $1.5M and benefit costs increased $365k, respectively over the same period of the prior year. This is mostly due to an increase in total employees (67 in March 2025 compared to 55 in March 2024). Actual benefit percentages decreased from 81.95% in the prior period, to 69.44% in the current period mostly due to the aforementioned decrease in SERS recovery rate from the prior year. Additionally, actual contributions to the State employee retirement plan decreased from 62.2% to 50.1% of full time employee compensation, year over year.

Connecticut Green Bank
March 2025 Financial Package
Historical Analysis of Compensation and Benefits

		FYTD 3/31/25 Actual	FYE 6/30/24 Actual	FYE 6/30/23 Actual	FYE 6/30/22 Actual	FYE 6/30/21 Actual	FYE 6/30/20 Actual
	Compensation:						
	Full Time Employees	$ 6,769,650	$ 7,655,056	$ 5,902,859	$ 4,813,293	$ 4,476,214	$ 3,929,354
	Temporary Employees	-	-	-	-	-	2,242
	Total Compensation	**$ 6,769,650**	**$ 7,655,056**	**$ 5,902,859**	**$ 4,813,293**	**$ 4,476,214**	**$ 3,931,596**
	Employee Benefits:						
	State Retirement Plan Contributions	$ 3,333,731	$ 4,547,141	$ 3,995,132	$ 3,317,054	$ 2,903,780	$ 2,411,864
	Medical Dental Rx Premiums	866,164	970,135	791,620	610,627	625,480	553,908
	Payroll and Unemployment Taxes	464,348	523,545	417,828	353,405	305,032	269,295
	Life, Disability & WC Premiums	36,379	40,884	35,115	28,223	23,840	27,567
	Total Employee Benefits	**4,700,622**	**6,081,705**	**5,239,695**	**4,309,308**	**3,858,132**	**3,262,634**
	Total Compensation and Benefits	**$ 11,470,272**	**$ 13,736,761**	**$ 11,142,554**	**$ 9,122,602**	**$ 8,334,346**	**$ 7,194,230**
	Medical Dental Rx Premiums as a % of Salary	12.79%	12.67%	13.41%	12.69%	13.97%	14.09%
*	**Retirement Plan Contributions as a % of Salary**	49.25%	59.40%	67.68%	68.91%	64.87%	61.35%
	Total Benefits and Taxes as a % of Salary	69.44%	79.45%	88.77%	89.53%	86.19%	82.98%
**	**State of CT Comptroller Employer SERS Rate**	47.48%	59.57%	67.40%	65.90%	64.14%	59.99%

* Retirement Plan Contributions include Pension & OPEB, included Employer contirbutions to the Tier IV Defined Contribution for employees in that plan.

** State of CT Comptroller Employer SERS Rate provided via the annual "Fringe Benefit Recover Rate" memo issued 7/1 of each year by the State Comptroller.

		FYTD 3/31/25	FYE 6/30/24	FYE 6/30/23	FYE 6/30/22	FYE 6/30/21	FYE 6/30/20
Total Benefits Cost @ Hypothetical Benefits Rate	35%	2,369,377	2,679,270	2,066,001	1,684,653	1,566,675	1,376,059
Actual Total Compensation and Benefits		11,470,272	13,736,761	11,142,554	9,122,602	8,334,346	7,194,230
Less Total Compensation and Benefits @ Hypothetical Rate		(9,139,027)	(10,334,325)	(7,968,860)	(6,497,946)	(6,042,889)	(5,307,655)
Incremental HR cost due to State Benefits Charge		2,331,245	3,402,435	3,173,694	2,624,656	2,291,457	1,886,575

Analysis:

As noted above, the cost of benefits per employee has been in excess of 79% of salary for every year since FYE 6/30/20 to 6/30/24, with retirement plan contributions making up 59-69% of the total cost of salary in each of these years. In the current year, the SERS rate decreased to 47.48%, the first year it's been below 59% in the analysis, leading to total benefits around 68% (lower than the 79% and higher of the past 5 fiscal years). It is noted that the medical/dental/Rx costs have remained fairly consistent over the period presented above (approx. 12-14%). The main driver of the benefits rate is the State of CT Comptroller Employer SERS rate that is a tool the state uses to allocate expenses accross all SERS employees. The allocation is done only based on salary of the employees, regardless of the demographic information or tier level of the benefit plans that each employee is eligible for. The Green Bank has a fairly young staff, with 18 Tier III and 41 Tier IV employees of the total 67 full-time employees of the Green Bank at 3/31/25 (where Tier III and Tier IV are lower cost pension arrangements than Tier IIa and Tier II where the Green Bank only has 8 employees). This rate is a cost of doing business to the Green Bank as a quasi-public agency of the state, and management of the Green Bank has no control to manage this rate provided to us. Due to the demographics of our staff, we also believe the rate charged to the Green Bank based on its broad allocation to not be representative of the Tier of employees, where the Green Bank would likely pay a lower rate than what is being charged if employee demographic information as it relates to what Tier SERS plan they are enrolled in was used in the allocation. As further noted above, if we were to apply a standard 35% benefits rate to our salaries over the time period presented, we would save approx. **$2 - 3M per year**.

Connecticut Green Bank
Summary of Unfunded Commitments
As of March 31, 2025
(In thousands)

	EPBB Balance 3/31/2025	PBI Balance 3/31/2025	CPACE Loans Balance 3/31/2025	Non CPACE Loans Balance 3/31/2025	All Projects Balance 3/31/2025	Balance 6/30/2024	Increase / (Decrease)
Solar - SHREC Eligible	626	3,590	0	0	4,216	9,850	(5,634)
Solar - Not SHREC Eligible	250	36	0	0	286	96	190
CPACE	0	0	9,415	0	9,415	9,630	(215)
Multifamily/LMI Solar PV & EE	0	0	0	13,510	13,510	5,883	7,627
SBEA	0	0	0	14,076	14,076	14,557	(481)
Solar PPAs/IPC	0	0	0	31,915	31,915	23,599	8,316
Shared Clean Energy Facility	0	0	0	5,000	5,000	0	5,000
Solar & Battery Storage	0	0	0	10,000	10,000	0	10,000
Fuel Cells	0	0	0	6,567	6,567	0	6,567
Total Unfunded Commitments	$ 876	$ 3,626	$ 9,415	$ 81,068	$ 94,985	$ 63,615	$ 31,370

Connecticut Green Bank
Summary of Loan Guarantees
As of March 31, 2025

Guarantor	Issuer	Beneficiary	Relationship of guarantor to Issuer	Type of obligation guaranteed	Maximum amount of guaranty	Obligations guaranteed as of 3/31/2025	Obligations guaranteed as of 6/30/2024
CT Green Bank	Owners of multifamily dwellings in Connecticut	Housing Development Fund	Issuers participate in program administered by CGB and the Housing Development Fund to install energy upgrades in multifamily dwellings	Commercial and consumer loan products with various terms	$ 5,000,000	$ 2,818,201	$ 2,892,171
CEFIA Holdings LLC	CEFIA Solar Services Inc.	CHFA	Holdings is the sole shareholder of Services and an affiliate of CGB	Promissory Note for funds received from CHFA upon their issuance of Qualified Energy Conservation Bonds (QECBs) for State Sponsored Housing Projects (SSHP)	1,895,807	1,105,886	1,176,979
CT Green Bank	Canton Hydro, LLC	Provident Bank	Issuer is the developer of hydropower project in Connecticut approved by the CGB Board of Directors.	Unfunded guaranty not to exceed $500,000.	500,000	-	500,000
					$ 7,395,807	**$ 3,924,087**	**$ 4,569,150**

Connecticut Green Bank
Program Loans, Notes and Loan Loss Reserve Analysis
As of March 31, 2025

Legal Entity	Loan Program	Project	Loan Portfolio Balance 7/1/2024	FY25 YTD Investments	FY25 YTD Repayments	Loan Portfolio Balance As of March 31, 2025	Loan Loss Reserve Balance 7/1/2024	FY25 YTD Increase / Decrease to Reserve	Loan Loss Reserve Balance As of March 31, 2025	Reserve as a % of Portfolio Balance	Loan Portfolio Carrying Value As of March 31, 2025
CGB	**CPACE Program**	Various	$ 45,412,640	$ -	$ (2,767,933)	$ 42,644,707	(4,541,269)	$ (725,475)	$ (5,266,744)	12.4%	$ 37,377,963
CGB	**Fuel Cell Projects**	FCE Corp-Master Refinance Facility	8,943,111	-	(714,627)	8,228,483	(894,311)		(894,311)	10.9%	7,334,172
		FCE Corp-Promissory Note	8,000,000	-	-	8,000,000	(800,000)		(800,000)	10.0%	7,200,000
		Charter Oak - Bridgeport Fuel Cell	-	3,332,883	-	3,332,883	-	-	-	0.0%	3,332,883
		FCE Corp- Derby Senior Loan	2,740,518	-	(192,193)	2,548,326	(274,052)		(274,052)	10.8%	2,274,274
		FCE Corp- Derby Junior Loan	3,500,000		-	3,500,000	(350,000)		(350,000)	10.0%	3,150,000
CGB	**CHP Pilot**	Bridgeport MicroGrid	358,651		(17,453)	341,198	(17,933)		(17,933)	5.3%	323,266
CGB	**Anaerobic Digester**	Quantum Biopower	987,605		(987,605)	-	(49,380)	49,380	-	0.0%	-
		Fort Hill Ag-Grid LLC	549,116		(45,537)	503,579	(27,456)		(27,456)	5.5%	476,123
CGB	**Other Loans**	Nu Power Thermal	427,000		(427,000)	-	(427,000)	427,000	-	0.0%	-
		Terrace Heights Condos	6,363		(6,363)	-	(636)		(636)	0.0%	(636)
CGB	**Multifamily / Affordable Housing / Credit Challenged / LMI**	Capital for Change	3,262,085		(160,549)	3,101,536	(326,209)		(326,209)	10.5%	2,775,328
		CEEFCo	15,000,000		(2,500,000)	12,500,000	(1,500,000)		(1,500,000)	12.0%	11,000,000
		Posigen	28,229,195	2,372,509	(7,879,359)	22,722,346	(2,822,920)		(2,822,920)	12.4%	19,899,426
CGB	**Energy Efficiency Financing**	RENEW Energy Efficiency Bridgeport	45,160		(29,603)	15,556	(4,516)		(4,516)	29.0%	11,040
CGB	**Wind Financing**	Wind Colebrook	1,230,922		(104,601)	1,126,321	(123,092)		(123,092)	10.9%	1,003,229
CGB	**Hydro Projects**	Canton Hydro	679,920		(19,818)	660,102	(33,996)		(33,996)	5.2%	626,106
CGB	**Sunwealth Note**	Sunwealth	739,894		(43,110)	696,784	(36,995)		(36,995)	5.3%	659,789
CGB	**IPC Note Receivable**	IPC	1,000,000		(150,000)	850,000	-		-	0.0%	850,000
CGB	**Budderfly**	Budderfly	4,249,032		(700,753)	3,548,279	(424,903)		(424,903)	12.0%	3,123,376
CGB	**Budgeted LLR Adj (to be adjusted at fiscal year end)**	Various	-			-	-	(624,750)	(624,750)	0.0%	(624,750)
CEFIA Holdings	**Sunwealth Note**	Sunwealth	629,357		(48,599)	580,758	(31,468)		(31,468)	5.4%	549,290
CEFIA Holdings	**Skyview Notes**	Skyview	7,022,729		(395,896)	6,626,833	(351,136)		(351,136)	5.3%	6,275,696
		Skyview Bantam	-	69,760		69,760	-		-	0.0%	69,760
CEFIA Holdings	**SBEA Loans**	SBEA	215	73		289	-		-	0.0%	289
CEFIA Holdings	**Inclusive Solar Manager**	IPC	4,532,255		(175,318)	4,356,936	(90,645)		(90,645)	2.1%	4,266,291
	Inclusive Solar CT	IPC	-	1,173,255		1,173,255	-		-	0.0%	1,173,255
		IPC-Tax Equity Bridge Loan	-	526,957		526,957	-		-	0.0%	526,957
CT Solar Loan 1	**Solar Loans**	CT Solar Loan 1	445,455		(109,757)	335,698	(22,273)		(22,273)	6.6%	313,425
CT Solar Lease 1	**Solar Lease Notes**	CT Solar Lease 1	1,313,291		(614,174)	699,117	(131,329)		(131,329)	18.8%	567,788
CGB CPACE	**CPACE Program**	Various	16,677,000	9,511,895	(386,021)	25,802,875	(398,879)		(398,879)	1.5%	25,403,996
CGB Green Liberty Notes	**SBEA Loans**	SBEA	5,243,218	2,087,031	(1,406,633)	5,923,616	-		-	0.0%	5,923,616
		Total:	$ 161,224,733	$ 19,074,362	$ (19,882,902)	$ 160,416,193	$ (13,680,397)	$ (873,845)	$ (14,554,242)	9.1%	$ 145,861,951
		CGB:									
		CPACE Loans	$ 45,412,640	$ -	$ (2,767,933)	$ 42,644,707	$ (4,541,269)	$ (725,475)	$ (5,266,744)	12.4%	$ 37,377,963
		Posigen	$ 28,229,195	$ 2,372,509	$ (7,879,359)	$ 22,722,346	$ (2,822,920)	$ -	$ (2,822,920)	12.4%	$ 19,899,426
		Sunwealth	$ 739,894	$ -	$ (43,110)	$ 696,784	$ (36,995)	$ -	$ (36,995)	5.3%	$ 659,789
		Program Loans	$ 50,979,483	$ 3,332,883	$ (6,056,102)	$ 48,256,263	$ (5,253,484)	$ (148,370)	$ (5,401,854)	11.2%	$ 42,854,410
		Total CGB:	$ 125,361,213	$ 5,705,392	$ (16,746,504)	$ 114,320,100	$ (12,654,667)	$ (873,845)	$ (13,528,512)	11.8%	$ 100,791,588
		CEFIA Holdings	$ 12,184,556	$ 1,770,045	$ (619,813)	$ 13,334,788	$ (473,249)	$ -	$ (473,249)	3.5%	$ 12,861,538
		CT Solar Loan 1	$ 445,455	$ -	$ (109,757)	$ 335,698	$ (22,273)	$ -	$ (22,273)	6.6%	$ 313,425
		CT Solar Lease 1	$ 1,313,291	$ -	$ (614,174)	$ 699,117	$ (131,329)	$ -	$ (131,329)	18.8%	$ 567,788
		CGB CPACE	$ 16,677,000	$ 9,511,895	$ (386,021)	$ 25,802,875	$ (398,879)	$ -	$ (398,879)	1.5%	$ 25,403,996
		CGB Green Liberty Notes	$ 5,243,218	$ 2,087,031	$ (1,406,633)	$ 5,923,616	$ -	$ -	$ -	0.0%	$ 5,923,616
											$ 145,861,951

Connecticut Green Bank
Consolidated Balance Sheet
As of March 31, 2025

	Connecticut Green Bank As of 3/31/2025	CGB Meriden Hydro LLC As of 3/31/2025	SHREC ABS 1 LLC As of 3/31/2025	SHREC Warehouse 1 LLC As of 3/31/2025	CT Solar Lease 1 LLC As of 3/31/2025	CGB C-PACE LLC As of 3/31/2025	CT Solar Loan I LLC As of 3/31/2025	CEFIA Holdings LLC As of 3/31/2025	CGB Green Liberty Notes LLC As of 3/31/2025	CT Solar Lease 2 LLC As of 3/31/2025	CT Solar Lease 3 LLC As of 3/31/2025	CEFIA Solar Services Inc. As of 3/31/2025	Eliminations As of 3/31/2025	Consolidated As of 3/31/2025	Consolidated As of 6/30/2024	Consolidated Variance
Assets																
Current Assets																
Cash and Cash Equivalents	37,341,538	8,402	3,103,627	11,311	-	484,384	71,344	1,201,593	2,543,787	980,752	433,331	406,533	-	46,586,601	26,065,154	20,521,448
Accounts Receivable	5,274,337	8,663	-	-	-	45,935	-	223,794	-	85,006	18,022	786	-	5,656,542	1,816,604	3,839,938
Current Portion of Program Loans, Net of Reserves	-	-	-	-	-	-	-	-	-	-	-	-	-	-	16,919,794	(16,919,794)
Utility Remittance Receivable	2,006,712	-	-	-	-	-	-	-	-	-	-	-	-	2,006,712	1,983,528	23,184
Current Portion of Solar Lease Notes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	753,842	(753,842)
Current Portion of SBEA Promissory Notes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,559,260	(1,559,260)
Current Portion of Lease Receivable	-	-	-	-	-	-	-	-	-	1,047,311	-	2,708	-	1,050,019	1,050,019	-
Interest Receivable	1,837,402	-	-	-	-	161,208	2,016	-	-	4,852	-	-	-	2,005,479	2,102,879	(97,400)
Other Receivables	78,903	-	-	-	78,232	-	-	1,294,761	-	547,014	199,610	408,498	-	2,607,020	7,763,672	(5,156,652)
Prepaid Expenses and Other Assets	335,748	4,432	4,167	-	-	-	-	970,381	-	357,913	45,693	141,160	-	1,859,494	2,319,852	(460,358)
Current Portion of Prepaid Warranty Management	-	-	-	-	-	-	-	-	-	-	-	-	-	-	258,586	(258,586)
Total Current Assets	46,874,640	21,497	3,107,794	11,311	78,232	691,527	73,360	3,690,529	2,543,787	3,022,848	696,656	959,686	-	61,771,867	62,593,190	(821,323)
Noncurrent Assets																
Restricted Assets																
Cash and Cash Equivalents	114,113,414	-	698,797	6,851,231	-	-	-	737,948	-	1,160,666	-	392,366	-	123,954,422	27,782,421	96,172,001
Investments	1,113,685	-	-	-	-	-	-	-	-	-	-	-	-	1,113,685	1,113,685	-
Program Loans, net of reserves	100,791,593	-	-	-	-	25,403,996	313,425	12,861,249	-	-	-	-	-	139,370,263	124,199,150	15,171,113
Solar Lease I Promissory Notes, net of reserves	-	-	-	-	567,788	-	-	-	-	-	-	-	-	567,788	428,120	139,668
Renewable Energy Certificates	31,042	-	-	-	-	-	-	-	-	-	-	-	-	31,042	31,042	-
SBEA Promissory Notes, net of reserves	-	-	-	-	-	-	-	289	5,124,561	-	-	-	-	5,124,849	3,030,663	2,094,186
Lease Receivable, less current portion	-	-	-	-	-	-	-	-	-	13,658,846	-	60,932	-	13,719,779	13,719,779	-
Due From Component Units	83,129,001	-	30,565,204	8,078,455	-	-	-	5,483,096	-	-	-	7,174,610	(134,430,366)	-	-	-
Investment in Component Units	100,100	-	-	-	-	-	-	100	-	-	-	27,578,253	(27,678,453)	-	-	-
Prepaid Warranty Management, less current portion	-	-	-	-	-	-	-	-	-	2,732,204	-	-	-	2,732,204	2,673,454	58,751
Fair Value - Interest Rate Swap	-	-	-	-	-	-	-	-	-	102,249	-	-	-	102,249	212,188	(109,939)
Capital Assets, net	10,399,217	3,395,549	-	-	-	-	-	803,944	-	42,943,150	8,690,819	361,721	273,056	66,867,455	69,517,800	(2,650,344)
Total Noncurrent Assets	309,678,051	3,395,549	31,264,001	14,929,686	567,788	25,403,996	313,425	19,886,626	5,124,561	60,597,116	8,690,819	35,567,882	(161,835,762)	353,583,737	242,708,301	110,875,435
Total Assets	**356,552,691**	**3,417,046**	**34,371,795**	**14,940,997**	**646,020**	**26,095,523**	**386,786**	**23,577,154**	**7,668,348**	**63,619,964**	**9,387,475**	**36,527,567**	**(161,835,762)**	**415,355,604**	**305,301,491**	**110,054,113**
Deferred Outflows of Resources																
Deferred Amount for Pensions	7,216,342	-	-	-	-	-	-	-	-	-	-	-	-	7,216,342	7,216,342	-
Deferred Amount for OPEB	11,631,046	-	-	-	-	-	-	-	-	-	-	-	-	11,631,046	11,631,046	-
Deferred Amount for Asset Retirement Obligations	-	-	-	-	-	-	-	-	-	1,444,478	342,711	-	-	1,787,189	1,866,994	(79,805)
Total Deferred Outflows of Resources	**18,847,388**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,444,478**	**342,711**	**-**	**-**	**20,634,577**	**20,714,382**	**(79,805)**
Liabilities																
Current Liabilities																
Accounts Payable	502,263	-	-	2,014	-	-	1,253	0	500	-	-	6,222	-	512,252	877,981	(365,729)
Accrued payroll and related liabilities	1,469,244	-	-	-	-	-	-	-	-	-	-	-	-	1,469,244	1,469,244	-
Accrued Expenses	11,141,869	-	38,385	-	-	-	-	112,271	29,004	11,838	-	17,457	-	11,350,824	9,847,925	1,502,899
Notes Payable-Green L berty Notes	-	-	-	-	-	-	-	-	1,050,000	-	-	-	-	1,050,000	1,400,000	(350,000)
Current Maturities of Long-Term Debt	3,755,312	-	1,835,000	-	-	-	-	-	-	1,145,950	-	94,791	-	6,831,053	6,452,484	378,569
Custodial Liability	-	-	-	-	-	-	-	640,837	-	-	-	6,383	-	647,219	748,583	(101,364)
Deferred Revenue	93,407,317	-	-	-	-	-	-	-	-	(38,332)	-	-	-	93,368,985	52,622	93,316,363
Total Current Liabilities	110,276,005	-	1,873,385	2,014	-	-	1,253	753,108	1,079,504	1,119,456	-	124,852	-	115,229,577	20,848,839	94,380,738
Noncurrent Liabilities																
Due to Component Units	38,643,659	6,209,180	-	-	470,446	24,246,000	-	7,315,000	6,262,678	16,246,929	3,672	35,032,802	(134,430,366)	-	-	-
Asset Retirement Obligation	-	-	-	-	-	-	-	-	-	3,747,049	669,254	-	-	4,416,303	4,345,686	70,617
Long-term debt	37,735,404	-	14,791,550	-	-	-	-	-	-	4,901,870	-	1,011,095	-	58,439,919	65,002,613	(6,562,694)
Pension Liability	17,457,556	-	-	-	-	-	-	-	-	-	-	-	-	17,457,556	17,457,556	-
OPEB Liability	23,770,649	-	-	-	-	-	-	-	-	-	-	-	-	23,770,649	23,770,649	-
Total Noncurrent Liabilities	117,607,268	6,209,180	14,791,550	-	470,446	24,246,000	-	7,315,000	6,262,678	24,895,848	672,926	36,043,897	(134,430,366)	104,084,427	110,576,504	(6,492,077)
Total Liabilities	**227,883,273**	**6,209,180**	**16,664,935**	**2,014**	**470,446**	**24,246,000**	**1,253**	**8,068,108**	**7,342,182**	**26,015,304**	**672,926**	**36,168,749**	**(134,430,366)**	**219,314,004**	**131,425,343**	**87,888,661**
Deferred Inflows of Resources																
Deferred Pension Inflow Liability	4,152,515	-	-	-	-	-	-	-	-	-	-	-	-	4,152,515	4,152,515	-
Deferred OPEB Inflow Liability	10,606,728	-	-	-	-	-	-	-	-	-	-	-	-	10,606,728	10,606,728	-
Deferred Lease Inflow Liability	-	-	-	-	-	-	-	-	-	13,675,772	-	61,937	-	13,737,708	13,737,708	-
Total Deferred Inflows of Resources	**14,759,243**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**13,675,772**	**-**	**61,937**	**-**	**28,496,951**	**28,496,951**	**-**
Net Position																
Net Investment in Capital Assets	10,399,217	3,395,549	-	-	-	-	-	803,944	-	42,943,150	8,690,819	361,721	273,056	66,867,455	69,517,800	(2,650,344)
Restricted-Energy Programs	20,952,814	-	698,797	6,851,231	-	-	-	737,948	-	1,160,666	-	392,366	-	30,793,822	27,782,421	3,011,401
Unrestricted Net Position	101,405,532	(6,187,683)	17,008,063	8,087,752	175,575	1,849,523	385,533	13,967,155	326,165	(18,730,450)	366,441	(457,205)	(27,678,453)	90,517,948	68,793,359	21,724,589
Total Net Position	**132,757,563**	**(2,792,134)**	**17,706,860**	**14,938,983**	**175,575**	**1,849,523**	**385,533**	**15,509,047**	**326,165**	**25,373,366**	**9,057,260**	**296,882**	**(27,405,396)**	**188,179,225**	**166,093,579**	**22,085,646**

Connecticut Green Bank
Consolidated Statement of Revenues and Expenditures
For the Period July 1, 2024 to March 31, 2025

	Connecticut Green Bank Fiscal YTD 3/31/2025	CGB Meriden Hydro LLC Fiscal YTD 3/31/2025	SHREC ABS 1 LLC Fiscal YTD 3/31/2025	SHREC Warehouse 1 LLC Fiscal YTD 3/31/2025	CT Solar Lease 1 LLC Fiscal YTD 3/31/2025	CGB C-PACE LLC Fiscal YTD 3/31/2025	CT Solar Loan I LLC Fiscal YTD 3/31/2025	CEFIA Holdings LLC Fiscal YTD 3/31/2025	CGB Green Liberty Notes LLC Fiscal YTD 3/31/2025	CT Solar Lease 2 LLC Fiscal YTD 3/31/2025	CT Solar Lease 3 LLC Fiscal YTD 3/31/2025	CEFIA Solar Services Inc. Fiscal YTD 3/31/2025	Eliminations Fiscal YTD 3/31/2025	Consolidated Fiscal YTD 3/31/2025	Consolidated Fiscal YTD 3/31/2024	Consolidated Variance
Operating Income (Loss)																
Operating Revenues																
Utility Remittances	19,424,557	-	-	-	-	-	-	-	-	-	-	-	-	19,424,557	19,057,216	367,341
Interest Income-Promissory Notes	5,797,838	-	-	-	42,238	834,703	19,067	431,241	150,623	-	-	-	-	7,275,710	6,328,842	946,868
RGGI Auction Proceeds	5,200,000	-	-	-	-	-	-	-	-	-	-	-	-	5,200,000	5,200,000	-
Energy System Sales	-	-	-	-	-	-	-	5,814,698	-	-	-	-	-	5,814,698	1,959,040	3,855,658
REC Sales	4,034,593	-	4,086,451	2,662,622	-	-	-	37,013	-	470,262	302,726	10,433	-	11,604,101	12,089,600	(485,499)
Lease Income	-	-	-	-	-	-	-	-	-	1,107,299	-	3,438	-	1,110,737	1,084,168	26,568
Other Income	3,957,137	-	-	-	-	177,837	129	497,463	-	637,313	267,284	570,769	(118,088)	5,989,843	3,170,827	2,819,016
Total Operating Revenues	38,414,125	-	4,086,451	2,662,622	42,238	1,012,540	19,196	6,780,416	150,623	2,214,874	570,010	584,640	(118,088)	56,419,646	48,889,693	7,529,953
Operating Expenses																
Cost of Goods Sold-Energy Systems	-	-	-	-	-	-	-	5,814,698	-	-	-	-	-	5,814,698	1,959,040	3,855,658
Provision for Loan Losses	873,845	-	-	-	-	-	-	-	-	-	-	-	-	873,845	1,194,252	(320,407)
Grants and Incentive Payments	6,208,029	-	-	-	-	-	-	-	-	-	-	-	-	6,208,029	4,581,487	1,626,542
Program Administration Expenses	12,823,069	306,009	38,500	94,028	34,878	-	10,323	(55,851)	19,875	2,448,794	386,836	627,310	(273,056)	16,460,715	15,461,157	999,558
General and Administrative Expenses	4,613,881	5,750	2,675	1,868	-	696	3,656	259	12,674	289,242	49,712	28,362	(118,088)	4,890,688	4,381,980	508,708
Total Operating Expenses	24,518,824	311,759	41,175	95,895	34,878	696	13,979	5,759,106	32,549	2,738,036	436,549	655,673	(391,144)	34,247,975	27,577,916	6,670,059
Operating Income (Loss)	13,895,301	(311,759)	4,045,276	2,566,727	7,360	1,011,843	5,217	1,021,309	118,074	(523,162)	133,461	(71,032)	273,056	22,171,671	21,311,777	859,894
Nonoperating Revenue (Expenses)																
Interest Income-Short Term Cash Deposits	1,649,631	-	63,376	136,469	-	-	-	1,347	90,529	718	128	909	-	1,943,108	1,015,256	927,851
Interest Income-Component Units	56,130	-	-	-	-	-	-	-	-	-	-	41,730	(97,860)	-	-	-
Interest Expense-Component Units	-	-	-	-	-	-	-	-	-	(97,860)	-	-	97,860	-	-	-
Interest Expense-ST Debt	-	-	-	-	-	-	-	-	(47,294)	-	-	-	-	(47,294)	(41,380)	(5,914)
Interest Expense-LT Debt	(622,877)	-	(696,999)	-	-	-	-	-	-	(236,652)	-	(21,328)	-	(1,577,855)	(1,742,272)	164,416
Debt Issuance Costs	-	-	-	-	-	-	-	-	(2,500)	-	-	-	-	(2,500)	(7,500)	5,000
Distributions to Member	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(22,801)	22,801
Unrealized Gain (Loss) on Investments	-	-	-	-	-	-	-	(115,252)	-	(176,291)	-	-	-	(291,543)	(400,659)	109,115
Total Nonoperating Revenue (Expenses)	1,082,884	-	(633,623)	136,469	-	-	-	(113,905)	40,735	(620,024)	128	21,311	-	(86,024)	(1,333,530)	1,247,506
Change in Net Position	**14,978,185**	**(311,759)**	**3,411,653**	**2,703,196**	**7,360**	**1,011,843**	**5,217**	**907,404**	**158,810**	**(1,143,186)**	**133,589**	**(49,721)**	**273,056**	**22,085,646**	**19,978,247**	**2,107,399**

Connecticut Green Bank
Consolidated Statement of Cash Flows
For the Period July 1, 2024 to March 31, 2025

	Connecticut Green Bank Fiscal YTD 3/31/2025	CGB Meriden Hydro LLC Fiscal YTD 3/31/2025	SHREC ABS 1 LLC Fiscal YTD 3/31/2025	SHREC Warehouse 1 LLC Fiscal YTD 3/31/2025	CT Solar Lease 1 LLC Fiscal YTD 3/31/2025	CGB C-PACE LLC Fiscal YTD 3/31/2025	CT Solar Loan I LLC Fiscal YTD 3/31/2025	CEFIA Holdings LLC Fiscal YTD 3/31/2025	CGB Green Liberty Notes LLC Fiscal YTD 3/31/2025	CT Solar Lease 2 LLC Fiscal YTD 3/31/2025	CT Solar Lease 3 LLC Fiscal YTD 3/31/2025	CEFIA Solar Services Inc. Fiscal YTD 3/31/2025	Eliminations Fiscal YTD 3/31/2025	Consolidated Fiscal YTD 3/31/2025
Operating Activities														
Change in Net Position	14,978,185	(311,759)	3,411,653	2,703,196	7,360	1,011,843	5,217	907,404	158,810	(1,143,186)	133,589	(49,721)		21,812,590
Adjustments to reconcile change in net position														
to net cash provided by (used in) operating activites														
Depreciation	356,555	114,030	-	-	-	-	-	20,732	-	66,616	330,584	11,435		899,951
Accretion	-	-	-	-	-	-	-	-	-	59,916	10,701	-		70,617
Provision for Loan Losses	873,845	-	-	-	-	-	-	-	-	-	-	-		873,845
Loss on Fixed Asset Disposals/Solar Lease Buyouts	-	-	-	-	-	-	-	-	-	176,291	-	-		176,291
Gain (Loss) on FV of Interest Rate Swap	-	-	-	-	-	-	-	-	-	109,939	-	-		109,939
Changes in operating assets and liabilities:						-								
Accounts Receivable	(3,635,686)	(8,663)	-	-	-	(44,641)	-	(213,683)	-	13,842	10,641	38,251		(3,839,938)
Utility Remittance Receivable	(23,184)	-	-	-	-	-	-	-	-	-	-	-		(23,184)
Interest Receivables	145,541	-	-	-	-	(52,001)	406	-	-	3,454	-	-		97,400
Other Receivables	64,888	-	-	-	-	-	956	96,394	199,896	244,388	111,371	4,438,758		5,156,652
Due from Component Units	1,150,982	-	-	(2,294,000)	-	-	-	5,317,047	-	-	-	58,270	(4,232,299)	-
Prepaid Expenses and Other Assets	(179,333)	33,326	37,500	-	-	-	-	(32,743)	-	146,361	(12,953)	668,034		660,193
Accounts Payable and Accrued Expenses	1,628,484	-	(1,045)	69	-	-	160	(10,513)	(7,533)	(100,627)	(16,568)	(355,258)		1,137,170
Due to Component Units	2,294,000	150,000	-	-	(621,534)	6,811,000	(413,729)	(6,104,642)	-	(498,936)	3,672	(5,852,130)	4,232,299	-
Custodial Liability	(40,000)	-	-	-	-	-	-	(61,364)	-	-	-	-		(101,364)
Deferred Revenue	93,354,695	-	-	-	-	-	-	-		(38,332)	-	-		93,316,363
Net cash provided by (used in) operating activities	110,968,971	(23,067)	3,448,108	409,265	(614,174)	7,726,202	(406,990)	(81,368)	351,173	(960,273)	571,038	(1,042,360)	-	120,346,526
Investing Activities														
Purchase of Capital Assets	21,442	-	-	-	-	-	-	-	-	1,815,556	-	-		1,836,998
Proceeds from sale of Capital Assets/Solar Lease Buyouts	-	-	-	-	-	-	-	-	-	89,965	-	-		89,965
Program Loan Disbursements	(5,705,392)	-	-	-	-	(9,511,895)	-	(1,769,972)	(1,941,476)	-	-	-		(18,928,735)
Return of Principal on Program Loans	16,746,504	-	-	-	614,174	386,021	109,757	619,730	1,406,633	-	-	-		19,882,819
Net cash provided by (used in) investing activities	11,062,554	-	-	-	614,174	(9,125,874)	109,757	(1,150,242)	(534,843)	1,905,521	-	-	-	2,881,048
Financing Activities														
Proceeds from Green Liberty Notes	-	-	-	-	-	-	-	-	1,050,000	-	-	-		1,050,000
Repayments of Debt	(3,517,663)	-	(1,592,114)	-	-	-	-	-	(1,400,000)	(1,003,255)	-	(71,093)		(7,584,125)
Distributions to Member	-	-	-	-	-	-	-	-	-	-	(950,000)	950,000		-
Net cash provided by (used in) financing activities	(3,517,663)	-	(1,592,114)	-	-	-	-	-	(350,000)	(1,003,255)	(950,000)	878,907	-	(6,534,125)
Net increase (decrease) in cash and cash equivalents	118,513,862	(23,067)	1,855,994	409,265	-	(1,399,673)	(297,232)	(1,231,610)	(533,670)	(58,006)	(378,962)	(163,453)	-	116,693,449
Cash and Cash Equivalents, Beginning of Period														
Unrestricted	14,906,338	31,468	1,219,975	56,009	-	1,884,057	368,576	2,440,919	3,077,457	697,168	812,292	570,894		26,065,154
Restricted	18,034,752	-	726,455	6,397,268	-	-	-	730,232	-	1,502,256	-	391,458		27,782,421
Cash and Cash Equivalents, Beginning of Period	32,941,090	31,468	1,946,430	6,453,277	-	1,884,057	368,576	3,171,150	3,077,457	2,199,424	812,292	962,352	-	53,847,574
Cash and Cash Equivalents, End of Period														
Unrestricted	37,341,538	8,402	3,103,627	11,311	-	484,384	71,344	1,201,593	2,543,787	980,752	433,331	406,533		46,586,601
Restricted	114,113,414	-	698,797	6,851,231	-	-	-	737,948	-	1,160,666	-	392,366		123,954,422
Cash and Cash Equivalents, End of Period	151,454,952	8,402	3,802,424	6,862,542	-	484,384	71,344	1,939,541	2,543,787	2,141,418	433,331	798,899	-	170,541,023

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INCLUSIVE PROSPERITY CAPITAL™

Memo

To: Connecticut Green Bank Senior Team

From: Inclusive Prosperity Capital Staff

Date: May 15, 2025

Re: IPC Quarterly Reporting – Q3 FY25 (January 1, 2025 – March 31, 2025)

Progress to targets for Fiscal Year 2025, as of 3/31/2025

Product	Number of Projects	Projects Target	% to goal	Total Financed Amount	Financed Target	% to goal	MW Installed	MW Target	% to goal
Smart-E Loan	636	1325	48%	$15,783,577	$26,812,195	59%	2.75	2.12	130 %
Solar PPA	1	4	25%	$485,248	$3,060,000	15.9%	0.2	0.0	0%

PSA 5410 – Smart-E Loan

The Smart-E loan program experienced a slowdown in activity during the third quarter. In the third quarter specifically, 155 loans were closed for $3,425,736 (50 in January, 47 in February and 58 in March). This is a direct result of the sunsetting of the EnergizeCT Heat Loan. A significant number of HVAC contractors focused on their remaining Heat Loan financed projects as they needed to be installed by the end of the third quarter FY25. Towards the end of the quarter, project volume began to pick up and we expect this trend to continue in the fourth quarter with the change in weather for solar installations and air conditioning installation season.

PSA 6074 - Investments

- The ECT H&S RLF Loan Fund and low-income loans through CT DEEP are closed out as of August 3, 2024.
- One solar PPA project closed in Q1 of FY25.
- IPC staff continues to support CTGB PPA pricing requests and shepherd acquisition of Solar MAP and other projects, including the Bridgeport Libraries – Broad Street project.
- IPC staff continues to survey and monitor pricing competitiveness across installer and developer channels. General feedback is that our current pricing offering remains

competitive/may be more competitive as other small C&I owners exit various market segments and/or revise pricing to reflect current market conditions.
- IPC staff continues to enhance its use of IPC Salesforce Platform to provide formatted installer/developer pricing responses.

General Updates

Below are updates for the second quarter of FY25:

- **Capital raising**:
    - No investment capital raising in this quarter, focus was on operationalizing SFA award (IPC-led multi-state $249.3M coalition award) and monitoring CCIA (IPC part of OFN's program as a lender, and part of JCF's program for lender TA services for our multifamily/nonprofit lending platform with Housing Partnership Network). Pausing evaluation of NCIF opportunities for strategic partnerships .
    - IPC has begun raising investment and general operating capital, though GGRF defense is the focus for many philanthropic funders.
    -
- **Business/Product Development/Initiatives of interest to Connecticut**:
    - Smart-E/NGEN technical partner discussions
        - Evaluating various technology for strategic partnerships to offer additional functionality around instant pre-approval to contractors and better integration into lender origination systems. Each would be a non-exclusive arrangement and come with different cost structures. IPC expects to ultimately work with a number of potential tech providers on the front-end interface with contractors and consumers, as options offered to lenders and contractors for a fee.
    - Software licensing agreement for the NGEN platform
        - Colorado/Collective Clean Energy Fund decided not to move forward with NGEN. We believe, but have not yet confirmed, that they are using Banyan.
        - Now working with Energy Trust of Oregon on NGEN licensing and some program support for a solar loan program they are managing.
    - Full Smart-E Program Implementation
        - Working with Inclusiv, Smart-E has launched in NM (public launch event on 4/22/2023) and AZ (public launch event on 5/19/2023) with TX followed in spring 2024 (signed first lenders in TX) with funding provided by Wells Fargo Foundation. This is for a lender-led model, meaning no green bank or state energy office sponsoring the program, and with IPC being compensated to manage the program. IPC closed a $2.5M guarantee with the Community Investment Guarantee Program for a credit enhancement for participating lenders.
        - Working with Indiana Energy Independence Fund to launch a co-branded Smart-E program in the state, scheduled to launch June 1, 2025.
        - Continue to work on potential Smart-E programs in various geographies, many led by lender interest, some by green bank or state/local government interest. Discussions ongoing with partners in over 20 states.

Most are waiting for GGRF funding to flow, though a few might be in a position to launch ahead of that.

- Continue to work with a number of green banks, state energy offices, local governments, community-based lenders (including CDFIs), etc. on leveraging IPC's products and financing strategies.

Administrative:

Below are changes to staff and our updates on our talent acquisition process:

Additions and Departures:

Additions:

None at this time

Departures:

Current Vacancies:

None at this time

***Recruiting & Staff Updates*:**

During this quarter, IPC made the difficult decision to conduct a Reduction in Force (RIF) to address non-SFA funded roles and improve organizational focus. This effort streamlined positions that were not directly tied to our core grant-funded activities or service/consulting contracts (including our contact with CGB). Following the RIF, significant staff resources have been reassigned to concentrate on advancing the SFA program. The Smart-E team is focused on maintaining its regional operations, including supporting CGB, under a refined structure for greater efficiency. There are no changes to specific Smart-E staff assigned to CGB.

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CONNECTICUT GREEN BANK

Memo

To: Connecticut Green Bank Board of Directors

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

Date: June 13, 2025

Re: Proposed FY2026 Targets and Budget

The green economy is still at a point of both continued growth and uncertainty. At the federal level, tax policy (including the future of the tax credits for clean energy) and agency seizures of obligated and disbursed Inflation Reduction Act ("IRA") funds (e.g., Green House Gas Reduction Fund's ("GGRF") National Clean Investment Fund ("NCIF")), present a level of uncertainty to local markets here in Connecticut that the Green Bank has to successfully navigate. At the state level, energy affordability issues have surfaced as a result of last summer's outcry against the public benefit charges on electric bills driven largely from nuclear energy procurement and arrearages from hardship customers, causing legislators to revisit key public policies on clean energy. Despite all these headwinds, as of the date of this memo, bipartisan legislation was passed in Connecticut through the support of Governor Lamont's resilience strategy, including enabling private investment through Resilience Improvement Districts ("RID") and the inclusion of the Connecticut Green Bank ("Green Bank").

As we mentioned at the last meeting, our team is staying grounded and planning for all eventualities. We still see opportunities for growth in CPACE and our PPA products and we are looking to jump start our Smart-E program. We are eager to launch our Project Sunbridge effort as part of the EPA's GGRF Solar for All award to Connecticut through DEEP. Further, our Fleet Electrification Accelerator is ramping up to start partnering with local school districts by providing technical assistance, and eventually financial assistance on their school bus electrification efforts in support of Public Act 22-25. Our pipeline for bespoke projects coming in through the Capital Solutions RFP is strong and includes new opportunities in environmental infrastructure.

Between these undertakings, along with our continued efforts to increase investment in and reduce energy burden on vulnerable communities, we are looking at many exciting developments this upcoming fiscal year. After careful consideration, stakeholder engagement, and reflection staff have constructed the below targets and supporting budget for the upcoming fiscal year. These have been reviewed by and recommended by the Budget, Operations, & Compensation Committee for consideration by the full board.

I. Targets

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

Table 1: Financing Programs Targets

Segment	Product	Channel	Targets: Number of Projects	Total Capital Deployed	CGB Capital Committed	NCIF Committed	SFA Committed	Capacity Installed
Financing Programs	CPACE	Total CPACE	24	$ 42,246,153	$ 10,246,153	$ 2,500,000	$ -	-
	Marketplace Assistance Program	*Municipal MAP PPAs/Loans*	6	$ 4,050,000		$ 7,500,000		1.800
		State MAP PPAs/Loans	8	$ 22,526,155				12.176
		Multifamily MAP PPAs/Leases/Loans	6	$ 2,159,190	$ 2,159,190	$ 5,000,000		0.768
		Total MAP	20	$ 28,735,345	$ 2,159,190	$ 12,500,000	$ -	14.744
	PPA	Total PPA	11	12,605,288	$ 5,181,906			10.101
	Tariff Backed Loan							
	SBEA		436	$ 14,490,000	$ 2,898,000			
	Multi-Family Pre-Dev							
	Multi-Family Term (LIME)							
	Financing Programs Total		491	98,076,786	20,485,249	15,000,000	0	24.85

Table 2: Incentive Programs Targets

Segment	Program		Targets: Number of Projects	Total Capital Deployed	CGB Capital Committed	NCIF Committed	SFA Committed	Capacity Installed/ Nameplate Capacity
Incentive Programs	ESS (Residential)	*Residential Storage Incentives Total*	500	$ 15,000,000	$ 3,750,000		$ 440,000	5.000
	ESS (C&I)	*C&I Storage Incentives Total*	5	$ 15,000,000	$ 2,500,000			10.000
	Smart-E	Total Smart-E	915	$ 23,135,000	$ -	$ 5,000,000	$ -	2.000
	Incentive Programs Total		1,420	$ 53,135,000	$ 6,250,000	$ 5,000,000	$ 440,000	17.000

Table 3: Environmental Infrastructure Targets

Segment	Program		Targets: Number of Projects	Total Capital Deployed	CGB Capital Committed	NCIF Committed	SFA Committed	Capacity Installed/ Nameplate Capacity
Environmental Infrastructure	**Capital Solutions**	*Total Capital Solutions (EI)*	2	5,000,000	2,500,000	5,000,000		
	Environmental Infrastructure Total		2	5,000,000	2,500,000	5,000,000	0	0

Table 4: Investment Targets

Segment	Program		Targets: Number of Projects	Total Capital Deployed	CGB Capital Committed	NCIF Committed	SFA Committed	Capacity Installed/ Nameplate Capacity
Investments	Solar For All	*Leases (SF)*	18	$ 600,000	$ 600,000		$ 600,000	4.000
		PPA (MF)	3	1,079,595	1,079,595	$ -	$ 1,079,595	0
		Solar for All Total	21	$ 1,679,595	$ 1,679,595	$ -	$ 1,679,595	4
	Innovation	*Fleet Electrification Accelerator*	6					
		Innovation Total	6	0	0	0	0	0
	Capital Solutions	*Capital Solutions (Transportation)*	4	$ 20,163,174	$ 20,163,174			
		Capital Solutions (Clean Energy DER)	4	$ 29,575,288	$ 20,581,906	$ 15,000,000	$ -	-
		Capital Solutions (EI)	2	$ 5,000,000	$ 2,500,000	$ 5,000,000		
		Total Strategic Investments	10	$ 54,738,462	$ 43,245,080	$ 20,000,000	$ -	-
	Total Investments		37	$ 56,418,057	$ 44,924,675	$ 20,000,000	$ 1,679,595	4.350

Table 5: Organizational Targets

Segment	Business Segment	Targets: Number of Projects	Total Capital Deployed	CGB Capital Committed	NCIF Committed	SFA Committed	Capacity Installed
CGB	Financing Programs Total	491	$ 98,076,786	$ 20,485,249	$ 15,000,000	$ -	24.845
	Incentive Programs Total	1,420	$ 53,135,000	$ 6,250,000	$ 5,000,000	$ 440,000	17.000
	Environmental Infrastructure Total	17	$ 5,075,000	$ 2,500,000	$ 5,000,000	$ -	-
	Total Investments	37	$ 56,418,057	$ 44,924,675	$ 20,000,000	$ 1,679,595	4.350
	Green Bank Total	1,945	$ 198,554,555.00	$ 66,412,673.00	$ 40,000,000.00	$ 2,119,595.00	45.85

Please note that a larger version of these targets is included in the Targets PDF.

II. Proposed Green Bank FY 2026 Operating and Program Budget

Enclosed is the proposed Green Bank's FY 2026 budget for review and discussion at the June 20th meeting.

Revenues:
Revenue for the FY 2026 budget is forecast to be $160,097,999. This estimate includes public revenues (utility customer assessments and RGGI auction proceeds) and earned revenues (interest income, REC sales, grants, and closing fees). The public revenues are $29,592,700, or 19% of total revenues – while the earned revenues are $130,505,299, or 81% of total revenues. This is a significant increase in earned revenues, marking our highest forecast earned revenues yet. Year on year, revenues are increasing by 106%.

On the Revenue Schedules, please note the following items:

- **Utility Customer Assessments** – This is money that comes from the 1 mil that ratepayers pay into the Clean Energy Fund. The YOY increase of 1% is based on a 5-year average of income with demand decreases built in.

- **RGGI Auction Proceeds** – The Green Bank receives 23% of the proceeds from the Regional Green House Gas Initiative Auctions for tradeable discharge permits each quarter. While overall proceeds will increase, there was a statutorily emplaced cap on the Green Bank's proceeds at $5.2 million and the overage will go to fund electric vehicle rebates through the CHEAPR program.

- **Interest Income** – This comes from the repayment to the Green Bank from borrowers for our projects such as CPACE, project finance loans, etc. The 18% increase YOY is due to increased loan volumes closed in FY25.

- **Grant Income** – The Green Bank expects various grants in FY26 including ones from the Department of Economic and Community Development and from the Environmental Protection Agency's Greenhouse Gas Reduction Fund. We are planning to deploy our entire National Clean Investment Fund subaward in FY26 (including the pass-throughs to New Hampshire and Puerto Rico) and start to deploy funds awarded to Connecticut as part of the GGRF's Solar for All competition.[1]

- **REC Sales** – The Green Bank produces approximately 60,000 Renewable Energy Certificates from pre-SHREC, yet to be tranched RSIP projects, and RSIP projects that were part of the RSIP-Extension annually and is subject to the market price for the certificates. Staff actively follow the REC markets and enter into contracts to sell these RECs in order to optimize the income from them. Current market demand for RECs is robust and we are monetizing our REC Inventory.

[1] It should be noted that despite the Green Bank receiving $93.5 million from the Coalition for Green Capital through the EPA's GGRF-NCIF, funds continue to be frozen at Citibank while the lawsuit against the EPA proceeds through the federal courts.

- **REC Sales (SHREC)** – The SHRECs are Solar Home Renewable Energy Certificates owned by the Green Bank and designed to recoup the cost of the RSIP incentive and the administration of the RSIP program. The Green Bank sets the price for these with the utilities who have agreed to buy them under our Master Purchase Agreement. We have a YOY decrease in SHREC income due to modeled degradation of systems.

- **PPA Income** – The Green Bank originates and owns a portfolio of commercial solar arrays where we have offtakers for the electricity through power purchase agreements. This bucket is from the payment for this power sold to the offtakers. Year on year there is a 4% increase.

- **LREC/ZREC Income** – this comes from the credits earned by systems owned by the Green Bank. We are forecasting a 7% increase YOY.

- **Rental Income –** This is from payments on the residential solar portfolio owned by the Green Bank as part of SL2 and leased to homeowners (there are also a handful of commercial leases in this bucket too). We are forecasting a YOY increase of 3% over FY25.

- **Other Income** – This includes other streams of income to the Green Bank from forward capacity markets sales and electric vehicle carbon credits.

Expenses

Projected operating expenses for FY2026 are forecast at $ 44,723,833– or $24,050,062 for personnel (i.e., 76% Financing Programs, 15% Incentive Programs, and 9% Environmental Infrastructure Programs) and $20,673,772 for non-personnel (i.e., 77% Financing Programs, 17% Incentive Programs, and 6% Environmental Infrastructure Programs) related operating expenses. Year on year, expenses are increasing by 16%. The noteworthy year-on-year budget differences are:

- **Compensation and Benefits** – increase of $1,094,396 representative of 4 new positions (2 new team members in Environmental Infrastructure programs, an additional member of the Investments team, and a new position to support the bringing in house of the Smart-e Loan Program). The other large driver here ($2.1 million) is the previously discussed incentive compensation pool that is contingent upon receipt and investment of the NCIF monies from the EPA.

- **Program Administration** – is due to increase by $1,886,956 due entirely to our now having to include the expenses of the subsidiaries in this budget. This represents the operations and maintenance costs for the solar systems owned by the Green Bank.

- **Program Administration (IPC Fee)** – will decrease by 50% as per our agreements with Inclusive Prosperity Capital, this is the last year within the eight-year commitment.

- **Marketing** – we are forecasting a decrease of $84,850 as we have found ways to be more efficient.

- **Evaluation, Measurement & Verification** – The decrease of $85,000 is primarily due to our new partner for EMV for ESS.

- **Research and Development** – will decrease by $85,000. This year's initiatives will help spark new efforts in Environmental Infrastructure, community engagement, and resilience (including support for RIDs).

- **Consulting and Professional Fees** – This is proposed to increase by $681,866., The majority of this is due to bond issuance costs ($500K) as we are intending to issue our last SHREC-backed bond to support the RSIP program. Of the remainder, we are budgeting an additional $75k for potential legal expenses related to the GGRF NCIF litigation.

- **Grants and Incentives** – Grants and Incentives are projected to be $13,388,779 (36% increase YOY) primarily due to a $4.2 million grant administration expense that nets with our grant income. Non-operating expenses (e.g., interest expense, provision for loan losses) are projected to be $4,281,158, or a decrease of 6% due to decreased borrowing costs due to our bond issuance.

Investments
This budget includes committing $66.4 million of Green Bank capital to financing activity. This activity will deliver $15.5 M in interest income, or a weighted average return of 5% over 10 years.

We look forward to discussing this budget.

RESOLUTION 3:
WHEREAS, Section 5.2.2 of the Bylaws of the Connecticut Green Bank's ("Green Bank") requires the recommendation of the Budget, Operations, and Compensation Committee of the annual budget to the Connecticut Green Bank Board of Directors;

WHEREAS, on June 4, 2025, the Committee recommended the adoption of these targets and budget for FY2026 and the professional services agreements (PSAs) listed below;

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

I. New Charter Technologies, LLC
II. Nexus Dynamics Group
III. Alter Domus (formerly Cortland)
IV. Inclusive Prosperity Capital
V. DNV GL (DNV Energy and ENV Energy Insights USA Inc.)
VI. Guidehouse (formerly Navigant)
VII. Customized Energy Solutions LTD
VIII. PKF O'Connor Davies
IX. CliftonLarsonAllen
X. C-TEC Solar, LLC

XI. GO, LLC
XII. Craftsman Technologies
XIII. Strategic Environmental Associates
XIV. Carahsoft Technology Corporation
XV. DCS Energy LLC
XVI. AlsoEnergy, Inc

For fiscal year 2026 with the amounts of each PSA not to exceed the applicable approved budget line item.

NOW, therefore be it:

RESOLVED, that the Board of Directors approves the FY2026 Targets and Budget and authorizes staff to enter into the PSAs with the strategic partners set forth above.

Segment	Product	Channel	Category	Targets: Number of Projects	Total Capital Deployed	CGB Capital Committed	NCIF Committed	SFA Committed	Capacity Installed
Financing Programs	CPACE	Total CPACE	BOD Approved Target	24	$ 42,246,153	$ 10,246,153	$ 2,500,000	$ -	-
	Marketplace Assistance Program	*Municipal MAP PPAs/Loans*	BOD Approved Target	6	$ 4,050,000		$ 7,500,000		1.800
		State MAP PPAs/Loans	BOD Approved Target	8	$ 22,526,155				12.176
		Multifamily MAP PPAs/Leases/Loans	BOD Approved Target	6	$ 2,159,190	$ 2,159,190	$ 5,000,000		0.768
		Total MAP	BOD Approved Target	20	$ 28,735,345	$ 2,159,190	$ 12,500,000	$ -	14.744
	PPA	Total PPA	BOD Approved Target	11	12,605,288	$ 5,181,906			10.101
	Tariff Backed Loan		BOD Approved Target						
	SBEA		BOD Approved Target	436	$ 14,490,000	$ 2,898,000			
	Multi-Family Pre-Dev		BOD Approved Target						
	Multi-Family Term (LIME)		BOD Approved Target						
	Financing Programs Total		BOD Approved Target	491	98,076,786	20,485,249	15,000,000	0	24.85

Segment	Program		Category	Targets: Number of Projects	Total Capital Deployed	CGB Capital Committed	NCIF Committed	SFA Committed	Capacity Installed/ Nameplate Capacity
Incentive Programs	ESS (Residential)	***Residential Storage Incentives Total***	***BOD Approved Target***	500	$ 15,000,000	$ 3,750,000		$ 440,000	5.000
	ESS (C&I)	***C&I Storage Incentives Total***	***BOD Approved Target***	5	$ 15,000,000	$ 2,500,000			10.000
	Smart-E	Total Smart-E	BOD Approved Target	915	$ 23,135,000	$ -	$ 5,000,000	$ -	2.000
	Incentive Programs Total		BOD Approved Target	1,420	$ 53,135,000	$ 6,250,000	$ 5,000,000	$ 440,000	17.000

Segment	Program		Category	Targets: Number of Projects	Total Capital Deployed	CGB Capital Committed	NCIF Committed	SFA Committed	Capacity Installed/ Nameplate Capacity
Environmental Infrastructure	CPACE	*Total Resilience Linked CPACE*	*For tracking purposes only*						
	Smart-E	*Total EI linked Smart-E*	*For tracking purposes only*	15	75,000				
	Capital Solutions	*Total Capital Solutions (EI)*	*BOD Approved Target*	2	5,000,000	2,500,000	5,000,000		
	Environmental Infrastructure Total		BOD Approved Target	17	$ 5,075,000	$ 2,500,000	$ 5,000,000	$ -	-

Segment	Program		Category	Targets: Number of Projects	Total Capital Deployed	CGB Capital Committed	NCIF Committed	SFA Committed	Capacity Installed/ Nameplate Capacity
Investments	Solar For All	*Leases (SF)*		18	$ 600,000	$ 600,000		$ 600,000	4.000
		PPA (MF)		3	1,079,595	1,079,595	$ -	$ 1,079,595	0
		Solar for All Total	BOD Approved Target	21	$ 1,679,595	$ 1,679,595	$ -	$ 1,679,595	4
	Innovation	*Fleet Electrification Accelerator*		6					
		Innovation Total	BOD Approved Target	6	0	0	0	0	0
	Capital Solutions	***Capital Solutions (Transportation)***		4	$ 20,163,174	$ 20,163,174			
		Capital Solutions (Clean Energy DER)		4	$ 29,575,288	$ 20,581,906	$ 15,000,000	$ -	-
		Capital Solutions (EI)	BOD Approved Target	2	$ 5,000,000	$ 2,500,000	$ 5,000,000		
		Total Strategic Investments	BOD Approved Target	10	$ 54,738,462	$ 43,245,080	$ 20,000,000	$ -	-
	Total Investments		BOD Approved Target	37	$ 56,418,057	$ 44,924,675	$ 20,000,000	$ 1,679,595	4.350

Segment	Business Segment	Category	Targets: Number of Projects	Total Capital Deployed	CGB Capital Committed	NCIF Committed	SFA Committed	Capacity Installed
CGB	Financing Programs Total		491	$ 98,076,786	$ 20,485,249	$ 15,000,000	$ -	24.845
	Incentive Programs Total		1,420	$ 53,135,000	$ 6,250,000	$ 5,000,000	$ 440,000	17.000
	Environmental Infrastructure Total		17	$ 5,075,000	$ 2,500,000	$ 5,000,000	$ -	-
	Total Investments		37	$ 56,418,057	$ 44,924,675	$ 20,000,000	$ 1,679,595	4.350
	Green Bank Total		1,945	$ 198,554,555.00	$ 66,412,673.00	$ 40,000,000.00	$ 2,119,595.00	45.85

Connecticut Green Bank
FY 2026 Operating and Program Budget
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Presented to the Board of Directors on June 20, 2025

Presented to BOC Committee on June 4, 2025

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

	Total CT Green Bank			Financing Programs			Incentive Programs			Environmental Infrastructure		
	FY26	FY25	YOY	FY26	FY25	YOY	FY26	FY25	YOY	FY26	FY25	YOY
	Budget	Budget	Variance	Budget	Budget	Variance	Budget	Budget	Variance	Budget	Budget	Variance
Revenue												
Operating Income	144,359,609	64,584,336	79,775,273	131,808,394	51,881,964	79,926,430	12,051,215	12,202,372	(151,157)	500,000	500,000	0
Interest Income	11,006,537	9,346,409	1,660,128	10,934,537	9,316,109	1,618,428	72,000	30,300	41,700	0	0	0
Interest Income, Capitalized	150,000	90,000	60,000	150,000	90,000	60,000	0	0	0	0	0	0
Other Income	4,581,852	3,884,587	697,265	1,399,000	1,208,972	190,028	3,182,852	2,675,615	507,237	0	0	0
Total Revenue	**$ 160,097,998**	**$ 77,905,332**	**82,192,666**	**$ 144,291,931**	**$ 62,497,045**	**81,794,886**	**$ 15,306,067**	**$ 14,908,287**	**397,780**	**$ 500,000**	**$ 500,000**	**0**
Operating Expenses												
Compensation and Benefits												
Employee Compensation	13,930,358	10,581,285	3,349,073	10,630,105	7,677,165	2,952,941	2,111,534	2,023,935	87,600	1,188,718	880,186	308,532
Employee Benefits	10,119,704	9,214,340	905,364	7,725,400	6,691,110	1,034,289	1,538,334	1,764,863	(226,530)	855,970	758,365	97,605
Total Compensation and Benefits	24,050,062	19,795,625	4,254,437	18,355,505	14,368,275	3,987,230	3,649,868	3,788,798	(138,930)	2,044,688	1,638,551	406,137
Program Development & Administration	7,177,026	5,290,069	1,886,956	4,950,450	3,105,070	1,845,380	1,945,500	1,935,000	10,500	281,076	250,000	31,076
Program Administration-IPC Fee	341,554	683,110	(341,555)	115,293	230,586	(115,293)	226,262	452,524	(226,262)	0	0	0
Lease Origination Services	5,000	5,000	0	5,000	5,000	0	0	0	0	0	0	0
Marketing Expense	1,483,220	1,568,070	(84,850)	1,343,220	1,355,070	(11,850)	140,000	213,000	(73,000)	0	0	0
E M & V	500,000	585,000	(85,000)	250,000	335,000	(85,000)	250,000	250,000	0	0	0	0
Research and Development	625,000	710,000	(85,000)	625,000	650,000	(25,000)	0	0	0	0	60,000	(60,000)
Consulting and Professional Fees	3,410,000	2,728,134	681,866	2,409,000	2,188,134	220,866	1,001,000	525,000	476,000	0	15,000	(15,000)
Rent and Location Related Expenses	4,294,001	4,346,304	(52,303)	4,157,767	4,167,268	(9,501)	87,163	124,364	(37,201)	49,070	54,671	(5,601)
Office, Computer & Other Expenses	2,569,970	2,659,982	(90,012)	2,079,778	2,023,454	56,324	368,953	513,231	(144,278)	121,240	123,298	(2,058)
Warranty Management	268,000	258,586	9,414	268,000	258,586	9,413	0	0	0	0	0	0
Total Operating Expenses	**44,723,833**	**38,629,880**	**6,093,953**	**34,559,013**	**28,686,443**	**5,872,569**	**7,668,746**	**7,801,917**	**(133,171)**	**2,496,074**	**2,141,520**	**354,554**
Program Incentives and Grants												
Program Expenditures-State/Other Grants	940,000	855,000	85,000	940,000	795,000	145,000	0	60,000	(60,000)	0	0	0
Program Expenditures-Federal Grants	4,213,779	40,000	4,173,779	4,213,779	40,000	4,173,779	0	0	0	0	0	0
RSIPI Incentives	3,000,000	6,939,391	(3,939,391)	0	0	0	3,000,000	6,939,391	(3,939,391)	0	0	0
Battery Storage Incentives	5,235,000	2,000,000	3,235,000	0	0	0	5,235,000	2,000,000	3,235,000	0	0	0
Total Program Incentives and Grants	**$ 13,388,779**	**$ 9,834,391**	**3,554,388**	**$ 5,153,779**	**$ 835,000**	**4,318,779**	**$ 8,235,000**	**$ 8,999,391**	**(764,391)**	**$ 0**	**$ 0**	**0**
Operating Income/(Loss)	**$ 101,985,387**	**$ 29,441,061**	**72,544,326**	**$ 104,579,139**	**$ 32,975,602**	**71,603,537**	**$ (597,678)**	**$ (1,893,021)**	**1,295,343**	**$ (1,996,074)**	**$ (1,641,520)**	**(354,554)**
Non-Operating Expenses												
Interest Expense	2,065,558	2,288,076	(222,518)	547,158	641,321	(94,163)	1,518,400	1,646,755	(128,355)	0	0	0
Realized (Gain) Loss	0	65,160	(65,161)	0	65,160	(65,161)	0	0	0	0	0	0
Provision for Loan Loss	1,973,600	1,800,300	173,300	1,973,600	1,800,300	173,300	0	0	0	0	0	0
Interest Rate Buydowns-ARRA	242,000	242,000	0	0	0	0	242,000	242,000	0	0	0	0
Taxes	0	145,854	(145,853)	0	145,854	(145,853)	0	0	0	0	0	0
Total Non-Operating Expenses	**$ 4,281,158**	**$ 4,541,390**	**(260,232)**	**$ 2,520,758**	**$ 2,652,635**	**(131,877)**	**$ 1,760,400**	**$ 1,888,755**	**(128,355)**	**$ 0**	**$ 0**	**0**
Net Revenues Over (Under) Expenses	**97,644,229**	**24,899,671**	**72,744,558**	**101,998,382**	**30,322,967**	**71,675,415**	**(2,358,078)**	**(3,781,776)**	**1,423,698**	**(1,996,074)**	**(1,641,520)**	**(354,554)**

Connecticut Green Bank
FY 2026 Operating and Program Budget - DRAFT
Revenue Summary

	FY26 Budget			FY25 Budget			FY25 Mar YTD Actuals
	General Operations	Programs	Total Operations & Programs	Total Operations & Programs	$ Incr / (Decr)	% Incr / (Decr)	Total Operations & Programs
Revenues-Total							
Utility customer assessments	$ 24,392,700	$ -	$ 24,392,700	$ 24,188,144	$ 204,556	1 %	$ 19,424,557
Utility customer assessments - Sweep	-	-	-	-	-	0 %	-
RGGI auction proceeds	5,200,000	-	5,200,000	5,200,000	-	0 %	5,200,000
Interest Income, cash received	1,715,200	9,291,337	11,006,537	9,346,410	1,660,127	18 %	8,653,929
Interest Income, capitalized	-	150,000	150,000	90,000	60,000	67 %	537,455
Grant income (Federal Programs)	-	40,000	40,000	40,000	-	0 %	2,685
Grant income (State / Other)	-	740,000	740,000	475,000	265,000	56 %	223,324
Grant income (SFA)		2,119,595	2,119,595	-	2,119,595	0 %	-
Grant income (NCIF) [1]	-	93,160,599	93,160,599	16,000,000	77,160,599	482 %	369,400
REC sales, general	-	1,665,000	1,665,000	1,714,750	(49,750)	(3)%	-
REC Sales, SHREC program	-	12,051,215	12,051,215	12,202,372	(151,157)	(1)%	10,418,218
CPACE Loan closing fees	-	120,000	120,000	120,000	-	0 %	223,067
PPA Income	-	1,718,000	1,718,000	1,644,024	73,976	4 %	1,296,069
LREC/ZREC Income	-	1,708,000	1,708,000	1,601,947	106,053	7 %	1,185,883
Rental Income	-	1,444,500	1,444,500	1,398,099	46,401	3 %	1,110,737
Other income	970,000	3,611,852	4,581,852	3,884,587	697,265	18 %	3,875,299
Total Revenues:	$ 32,277,900	$ 127,820,098	$ 160,097,999	$ 77,905,333	$ 82,192,665	106 %	$ 52,520,623
Revenues - Financing Programs							
Utility customer assessments	$ 24,392,700	$ -	$ 24,392,700	$ 24,188,144	$ 204,556	1 %	$ 19,424,557
RGGI auction proceeds - renewables	5,200,000	-	5,200,000	5,200,000	-	0 %	5,200,000
Interest Income, cash received	1,715,200	9,279,337	10,994,537	9,316,110	1,678,427	18 %	8,055,594
Interest Income, capitalized	-	150,000	150,000	90,000	60,000	67 %	537,455
Grant income (Federal Programs)	-	40,000	40,000	40,000	-	0 %	1,997
Grant income (State / Other)	-	740,000	740,000	475,000	265,000	56 %	173,325
Grant income (SFA)	-	2,119,595	2,119,595	-	2,119,595	0 %	-
Grant income (NCIF)	-	92,660,599	92,660,599	15,500,000	77,160,599	498 %	369,400
REC sales, general	-	-	-	1,714,750	(1,714,750)	(100)%	-
CPACE Loan closing fees	-	120,000	120,000	120,000	-	0 %	223,067
PPA Income	-	1,718,000	1,718,000	1,644,024	73,976	4 %	1,296,069
LREC/ZREC Income	-	1,708,000	1,708,000	1,601,947	106,053	7 %	1,185,883
Rental Income	-	1,444,500	1,444,500	1,398,099	46,401	3 %	1,110,737
Other income	970,000	429,000	1,399,000	1,208,972	190,028	16 %	1,963,856
Total Revenues - Financing Programs:	$ 32,277,900	$ 110,409,031	$ 142,686,931	$ 62,497,046	$ 80,189,885	128 %	$ 39,541,940
Revenues - Incentive Programs							
Interest Income, cash received	$ -	$ 12,000	$ 12,000	$ 30,300	$ (18,300)	(60)%	$ 598,335
REC sales, general	-	1,665,000	1,665,000	-	1,665,000	0 %	
REC Sales, SHREC program	-	12,051,215	12,051,215	12,202,372	(151,157)	(1)%	10,418,218
Other income	-	3,182,852	3,182,852	2,675,615	507,237	19 %	1,911,443
Total Revenues - Incentive Programs:	$ -	$ 16,911,067	$ 16,911,067	$ 14,908,287	$ 2,002,780	13 %	$ 12,927,996
Revenues - Environmental Infrastructure							
Grant income (NCIF)	$ -	$ 500,000	$ 500,000	$ 500,000	$ -	0 %	$ -
Total Revenues - Environmental Infrastructure:	$ -	$ 500,000	$ 500,000	$ 500,000	$ -	0 %	$ 50,687

[1] These funds are currently frozen pending ongoing litigation.

FY 2026 Operating and Program Budget - DRAFT
Revenue Detail

	FY26 Budget	FY25 Budget	$ Increase / (Decrease)
Revenues			
Utility customer assessments	$ 24,392,700	$ 24,188,144	$ 204,556
RGGI auction proceeds - renewables	5,200,000	5,200,000	-
Total Public Revenue:	$ 29,592,700	$ 29,388,144	$ 204,556
Interest Income - Cash Intercompany	73,200	73,200	-
Interest Income - Cash Intercompany (ELIM)	(73,200)	-	(73,200)
Interest Income - SSHP Sub Debt	55,000	55,380	(380)
Interest Income - SSHP Sub Debt (ELIM)	(55,000)	-	(55,000)
Interest Income - Cash deposits	1,715,200	242,216	1,472,984
Interest Income - Delinquent CPACE payments	-	-	-
Interest Income - Capitalized construction interest	150,000	90,000	60,000
Interest Income - Residential PV Solar Loans (Solar Loan 1)	18,000	30,000	(12,000)
Interest Income - CPACE Warehouse, benefit assessments	3,759,749	3,403,548	356,201
Interest Income - Loan portfolio, other programs	5,455,028	5,475,766	(20,738)
Interest Income - CPACE Selldown Bonds	46,560	36,000	10,560
Interest Income - Solar lease I promissory notes, net	12,000	30,300	(18,300)
CPACE closing fees	120,000	120,000	-
Grant income (federal programs)	40,000	40,000	-
Grant income (SFA/federal)	2,119,595	-	2,119,595
Grant Income (NCIF [1])	93,160,599	16,000,000	77,160,599
Grant income (DECD)	240,000	355,000	(115,000)
Grant income (other)	500,000	120,000	380,000
REC sales	1,665,000	1,714,750	(49,750)
REC sales to utilities under SHREC program	12,051,215	12,202,372	(151,157)
Rental Income	1,444,500	1,398,099	46,401
PPA Income	1,718,000	1,644,024	73,976
LREC/ZREC Income	1,708,000	1,601,947	106,053
Other income - Programs [2]	3,611,852	3,036,587	575,265
Other income - General [3]	970,000	848,000	122,000
Total Earned Revenue:	$ 130,505,299	$ 48,517,189	$ 81,988,109
Total Sources of Revenue:	$ 160,097,999	$ 77,905,333	$ 82,192,665

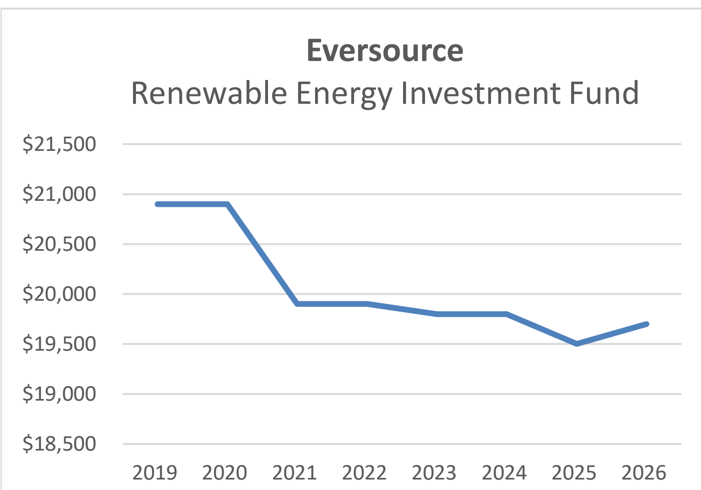
[1] Assumes full spend of NCIF funds awarded as subrecipient from Coalition for Green Capital

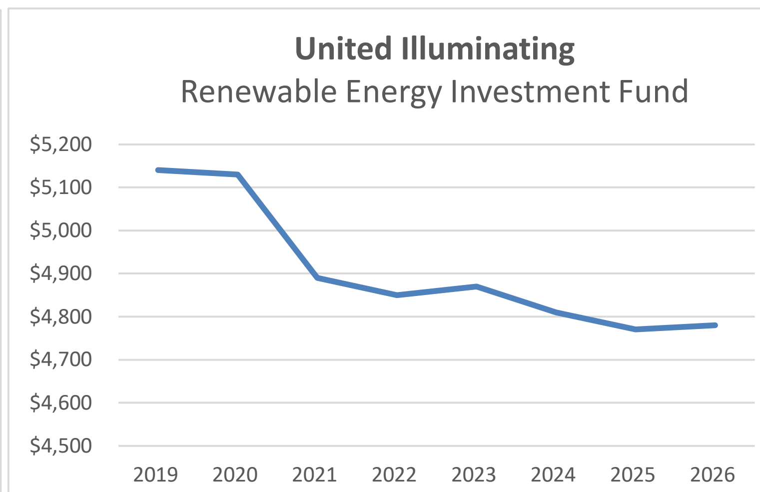
[2] Mostly made up of ESS reimbursement of program costs from the utilities. In the 2025 RAM filing, the Green Bank was able to request 2024 actual true-ups as well as 2025 estimates due to the delay between incurring expenses and receiving cash flow reimbursements under the program. These will be received monthly beginning in September 2025.

[3] Of the $970,000 in Other Income - General, $750,000 is from EV Carbon Offsets.

Connecticut Green Bank
FY 2026 General Operations Budget - DRAFT
Utility Customer Assessment Projections

	FY26 Budget	FY25 Budget	FY25 Projected [1]	YOY Budget Incr / (Decr)	FY26 Budget vs. FY25 Projected	FY25 Budget vs. FY25 Projected
July	$ 2,384,200	$ 2,581,365	$ 2,581,365	$ (197,165)	$ (197,165)	$ -
August	2,515,200	2,571,054	2,571,054	(55,854)	(55,854)	-
September	2,239,700	2,113,455	2,113,455	126,245	126,245	-
October	1,772,600	1,738,599	1,738,599	34,001	34,001	-
November	1,737,900	1,746,671	1,746,671	(8,771)	(8,771)	-
December	2,022,800	2,001,600	2,069,860	21,200	(47,060)	68,260
January	2,201,200	2,141,900	2,341,179	59,300	(139,979)	199,279
February	2,119,600	2,046,400	2,255,662	73,200	(136,062)	209,262
March	1,977,900	1,919,000	2,006,712	58,900	(28,812)	87,712
April	1,839,600	1,802,700	1,828,200	36,900	11,400	25,500
May	1,659,400	1,644,300	1,681,600	15,100	(22,200)	37,300
June	1,922,600	1,881,100	1,887,200	41,500	35,400	6,100
Total assessments:	$ 24,392,700	$ 24,188,144	$ 24,821,557	$ 204,556	$ (428,857)	$ 633,413
				0.8%	(1.7%)	2.6%





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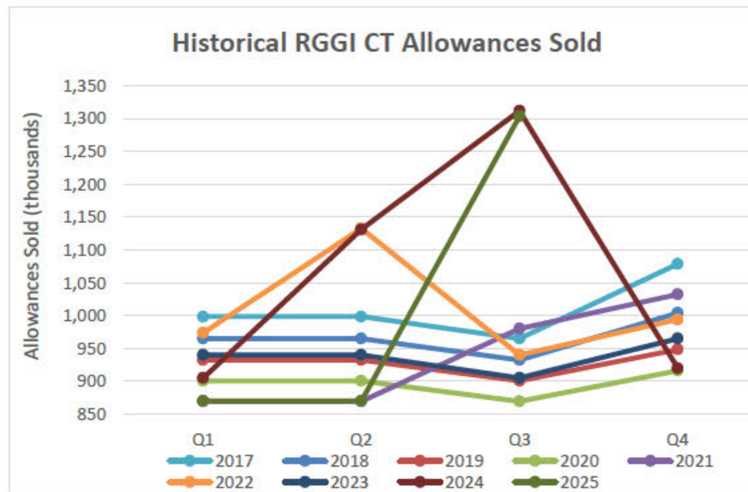
[1] Actual data through Mar 2025 and estimated data beyond.

Connecticut Green Bank
FY 2026 General Operations Budget - DRAFT
RGGI Auction Receipts

	FY25 Action #	Price	Allowances	FY26 Budget	FY25 Budget	FY25 Projected	YOY Budget Incr / (Decr)	FY25 Budget vs. Projected
September Auction	69	$ 19.00	940,000	$ 4,107,800	$ 2,810,600	$ 5,152,791	$ 1,297,200	$ 2,342,191
December Auction	70	$ 19.00	980,000	$ 4,282,600	2,870,400	$ 4,012,176	1,412,200	1,141,776
March Auction	71	$ 19.00	980,000	$ 4,282,600	2,780,700	$ 5,925,401	1,501,900	3,144,701
June Auction	72	$ 19.00	980,000	$ 4,282,600	2,960,100	$ 2,960,100	1,322,500	-
September ESB Support (1) / Ratepayer Relief (2)				(3,107,800)		(4,126,122)	(3,107,800)	(4,126,122)
December ESB Support (1) / Ratepayer Relief (2)				(4,282,600)	(481,000)	(4,012,176)	(3,801,600)	(3,531,176)
March ESB Support (1) / Ratepayer Relief (2)				(82,600)	(2,780,700)	(1,752,071)	2,698,100	1,028,629
June ESB Support (1) / Ratepayer Relief (2)				(4,282,600)	(2,960,100)	(2,960,100)	(1,322,500)	-
Total auction receipts:				$ 5,200,000	$ 5,200,000	$ 5,200,000	$ -	$ -
Auction Proceeds				$ 16,955,600	$ 11,421,800	$ 18,050,468	$ 5,533,800	$ 6,628,668
ESB Support / Ratepayer Relief				(11,755,600)	(6,221,800)	(12,850,468)	(5,533,800)	(6,628,668)
Total auction receipts:				$ 5,200,000	$ 5,200,000	$ 5,200,000	$ -	$ -



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

(2) Per Section 22a-174-31(j)(3) of the Regulations of Connecticut State Agencies, if proceeds for any calendar year exceed a threshold ($45.9M for 2025, of which CGB gets a 23% allocation or $10.56M), the excess proceeds are returned to Connecticut ratepayers through PURA.

Connecticut Green Bank
FY 2026 RSIP Budget - DRAFT
REC Revenue

Tranche	Description	FY26 Budget - DRAFT Fiscal Q1 2025	Fiscal Q2 2025	Fiscal Q3 2026	Fiscal Q4 2026	Total Fiscal 2026 Budget	Total Fiscal 2025 Budget	YOY Budget Incr / (Decr)	FY25 Actual	FY25 Budget vs. Actual
	Generation Month	**Calendar Q1 2025**	**Calendar Q2 2025**	**Calendar Q3 2025**	**Calendar Q4 2025**	**Total Calendar Year 2025**	**Total Calendar Year 2024**	**YOY Budget Incr / (Decr)**	**Total Calendar Year 2024**	**Calendar 2024 Budget vs. Actual**
SHREC T1	P90 Generation (mWh)	8,194	14,158	13,676	6,227	42,255	42,896	(641)	45,069	2,173
SHREC T1	Revenue @ $50 / mWh	$ 409,700	$ 707,900	$ 683,800	$ 311,350	$ 2,112,750	$ 2,144,800	$ (32,050)	$ 2,253,450	$ 108,650
SHREC T2	P90 Generation (mWh)	10,527	17,919	17,336	8,011	53,793	54,541	(748)	55,565	1,024
SHREC T2	Revenue @ $49 / mWh	$ 515,823	$ 878,031	$ 849,464	$ 392,539	$ 2,635,857	$ 2,672,509	$ (36,652)	$ 2,722,685	$ 50,176
SHREC T3	P90 Generation (mWh)	6,708	11,767	11,385	5,065	34,925	35,254	(329)	37,459	2,205
SHREC T3	Revenue @ $48 / mWh	$ 321,984	$ 564,816	$ 546,480	$ 243,120	$ 1,676,400	$ 1,692,192	$ (15,792)	$ 1,798,032	$ 105,840
SHREC T4	P90 Generation (mWh)	10,340	18,316	17,687	7,849	54,192	54,769	(577)	56,835	2,066
SHREC T4	Revenue @ $47 / mWh	$ 485,980	$ 860,852	$ 831,289	$ 368,903	$ 2,547,024	$ 2,574,143	$ (27,119)	$ 2,671,245	$ 97,102
SHREC T5	P90 Generation (mWh)	9,003	17,770	20,231	11,688	58,692	59,476	(784)	61,491	2,015
SHREC T5	Revenue @ $35 / mWh	$ 315,105	$ 621,950	$ 708,085	$ 409,080	$ 2,054,220	$ 2,081,660	$ (27,440)	$ 2,152,185	$ 70,525
SHREC T6	P90 Generation (mWh)	4,657	9,119	10,367	6,003	30,146	30,502	(356)	32,075	1,573
SHREC T6	Revenue @ $34 / mWh	$ 158,338	$ 310,046	$ 352,478	$ 204,102	$ 1,024,964	$ 1,037,068	$ (12,104)	$ 1,090,550	$ 53,482
	Total SHREC Revenue	$ 2,206,930	$ 3,943,595	$ 3,971,596	$ 1,929,094	$ 12,051,215	$ 12,202,372	$ (151,157)	$ 12,688,147	$ 485,775
	Generation Month	**Calendar Q1 2025**	**Calendar Q2 2025**	**Calendar Q3 2025**	**Calendar Q4 2025**	**Total Calendar Year 2025**	**Total Calendar Year 2024**	**YOY Budget Incr / (Decr)**	**Total Calendar Year 2024**	**Calendar 2024 Budget vs. Actual**
Non-SHREC	Actual Generation (mWh)	-	-	-	60,000	60,000	61,000	(1,000)	-	(61,000)
Non-SHREC	Revenue @ $28.00[*] / mWh	$ -	$ -	$ -	$ 1,680,000	$ 1,680,000	$ 1,729,750	$ (49,750)	$ -	$ (1,729,750)
	Commission Expense	-	-	-	(15,000)	(15,000)	(15,000)	-	-	15,000
	Total Non-SHREC Revenue	$ -	$ -	$ -	$ 1,665,000	$ 1,665,000	$ 1,714,750	$ (49,750)	$ -	$ (1,714,750)
	Total REC Revenue	$ 2,206,930	$ 3,943,595	$ 3,971,596	$ 3,594,094	$ 13,716,215	$ 13,917,122	$ (200,907)	$ 12,688,147	$ (1,228,975)

Notes:

[*] The Green Bank manages its price risk by selling its Non-SHREC RECs in advance to buyers, however no FY26 non-SHREC RECs have been sold yet for FY26 in advance.

Connecticut Green Bank
FY 2026 Operations and Program Budget - DRAFT
Staffing Plan

		Staffing Budget Hours			Staffing Budget FTEs			Staffing Budget $s		
Position / Department	**Name**	**FY26**	**FY25**	**YOY Variance**	**FY26**	**FY25**	**YOY Variance**	**FY26**	**FY25**	**YOY Variance**
Employees Employed Year Over Year										
Associate Manager, Transaction Management & C-PACE Adminstration - Financing Programs	Attruia, Stephanie	2,080	2,080		1.00	1.00				
Corporate Paralegal	Backman, Blaire	2,080	2,080		1.00	1.00				
Associate Director, Financing Programs - Solar MAP	Basham, Emily	1,664	1,664		0.80	0.80				
Senior Manager, Investments	Beech, David	2,080	2,080		1.00	1.00				
Associate Director, Investments	Bhakta, Priyankkumar	2,080	2,080		1.00	1.00				
Associate, Data Analytics & Compliance	Boccuzzi, Joseph	2,080	2,080		1.00	1.00				
Associate Manager, Portfolio Management	Boutin, Dawn	2,080	2,080		1.00	1.00				
Associate Director, Operations	Buonannata, Giuseppe	2,080	2,080		1.00	1.00				
Associate Director, Investments	Campana, Lawrence	2,080	2,080		1.00	1.00				
Managing Director, Incentive Programs	Carrillo, Sergio	2,080	2,080		1.00	1.00				
Controller	Cartelli, Shawne	2,080	2,080		1.00	1.00				
Associate Director, Data and Impact	Charpentier, Lucy	2,080	2,080		1.00	1.00				
Associate Director, Homeowner Engagement	Colonis, William	2,080	2,080		1.00	1.00				
Director, Legislative & Regulatory Affairs	DeSantos, James	2,080	2,080		1.00	1.00				
Solar Project Manager - Solar MAP	Dow, Nicole	2,080	2,080		1.00	1.00				
Director, Transacation Management & C-PACE Administration, Financing Programs	Duncan, Catherine	2,080	2,080		1.00	1.00				
Executive Vice President, Financing Programs	Dykes, Mackey	2,080	2,080		1.00	1.00				
Counsel	Ellis, Emma	2,080	2,080		1.00	1.00				
General Counsel and Chief Legal Officer	Farnen, Brian	2,080	2,080		1.00	1.00				
Associate, Marketing & Outreach	Ganon, Emily	2,080	2,080		1.00	1.00				
President and CEO	Garcia, Bryan	2,080	2,080		1.00	1.00				
Director, Innovation	Harari, Sara	2,080	2,080		1.00	1.00				
Executive Vice President and Chief Investment Officer	Hunter, Bert	2,080	2,080		1.00	1.00				
Office Manager	Johnson, Barbara	2,080	2,080		1.00	1.00				
Senior Associate, Energy Storage	King, Matthew	2,080	1,664		1.00	0.80				
Director and Deputy General Counsel	Kovtunenko, Alex	2,080	2,080		1.00	1.00				
Senior Manager, Energy Storage	Kranich, Ed	2,080	2,080		1.00	1.00				
Senior Associate, Transaction Management & C-PACE Adminstration - Financing Programs	Layman, Stephanie	2,080	2,080		1.00	1.00				
Director, Program Development & Origination - Financing Programs	Lembo-Buzzelli, Alysse	2,080	2,080		1.00	1.00				
Associate Director, Portfolio Management	Lesniak, Corey	2,080	2,080		1.00	1.00				
Associate, Incentive Programs	Lewis, Lynne	2,080	2,080		1.00	1.00				
Senior Manager, Outreach	Ludwig, Peter N.	2,080	2,080		1.00	1.00				
Executive Assistant to the President and CEO	Lumpkin, Cheryl	2,080	2,080		1.00	1.00				
Associate Manager, Portfolio Management	Maiolo, Stephanie	2,080	2,080		1.00	1.00				
Associate Manager, Inspections	McCarthy, Neil	2,080	2,080		1.00	1.00				
Executive Vice President, Finance and Administration	Murphy, Jane	2,080	2,080		1.00	1.00				
Associate Director, Incentive Programs	Pyne, Sara	2,080	2,080		1.00	1.00				
Senior Accountant	Rubega, Tyler	2,080	2,080		1.00	1.00				
Associate Director, Marketing & Outreach	Schmitt, Robert	2,080	2,080		1.00	1.00				
Senior Accountant	Schneider, Ariel	2,080	2,080		1.00	1.00				
Senior Manager, Market Engagement	Shelton, Kathleen	2,080	2,080		1.00	1.00				
Vice President, Operations	Shrago, Eric	2,080	2,080		1.00	1.00				
Manager, Data & Impact	Smith, Caleb	2,080	2,080		1.00	1.00				
Director of Accounting and Reporting	Smith, Dan	2,080	2,080		1.00	1.00				
Senior Accountant	Soares, Natalia	2,080	2,080		1.00	1.00				
Manager, Community Engagement - Environmental Infrastructure Programs	Stewart, Ashley	2,080	2,080		1.00	1.00				
Senior Manager, Investments	Stewart, Fiona	2,080	2,080		1.00	1.00				
Director, Marketing & Communications	Sturk, Rudy	2,080	2,080		1.00	1.00				
Senior Associate, Energy Storage	Taylor Jr, Lawrence	2,080	2,080		1.00	1.00				
Director, Investments	Trief, Mariana	1,664	1,664		0.80	0.80				
Senior Transactions Analyst, Investments	Tsitso, Christina	2,080	2,080		1.00	1.00				
Senior Administrative Coordinator - Operations	Vigil, Marycruz	2,080	2,080		1.00	1.00				
Associate Director, Contractor Engagement	Waters, Barbara	2,080	2,080		1.00	1.00				
Director, Environmental Infrastructure Programs	Whelpton, Leigh	2,080	2,080		1.00	1.00				
	Subtotal	111,488	111,072	416	53.60	53.40	0.20	$ 9,144,198	$ 8,291,646	$ 852,552

Connecticut Green Bank
FY 2026 Operations and Program Budget - DRAFT
Staffing Plan

Position / Department	Name	Staffing Budget Hours FY26	Staffing Budget Hours FY25	Staffing Budget Hours YOY Variance	Staffing Budget FTEs FY26	Staffing Budget FTEs FY25	Staffing Budget FTEs YOY Variance	Staffing Budget $s FY26	Staffing Budget $s FY25	Staffing Budget $s YOY Variance
Employees Hired for Open Positions										
Associate Manager, Portfolio Management	Basile III, Louis	2,080	2,080		1.00	1.00				
Project Associate, Financing Programs - Solar MAP	Burt, Connor	2,080	1,440		1.00	0.69				
Associate Manager, Contractor Outreach	Cabrera, Julio	2,080	2,080		1.00	1.00				
Associate, Marketing & Communications	Campbell, Jennifer	2,080	-		1.00	-				
Associate, Environmental Infrastructure Programs	Cheng, Janice	2,080	2,080		1.00	1.00				
Senior Manager, Environmental Infrastructure Programs	Dziki, Austin	2,080	2,080		1.00	1.00				
Associate Director, GGRF Implementation	Keohane, Stefanie	2,080	2,080		1.00	1.00				
Senior Manager, Clean Transportation	Moss, Kevin	2,080	2,080		1.00	1.00				
Manager, Energy Storage	Smith, Brendan	2,080	1,600		1.00	0.77				
Corporate Paralegal	Smith, Julie	2,080	1,040		1.00	0.50				
Staff Accountant	Steller, Mia	2,080	2,080		1.00	1.00				
Senior Associate, Program Development & Origination - Financing Programs	Stokes, Heather	2,080	2,080		1.00	1.00				
Manager, Community Outreach	Velazquez, Jayson	2,080	2,080		1.00	1.00				
	Subtotal	27,040	22,800	4,240	13.00	10.96	2.04	$ 1,409,167	$ 1,268,888	$ 140,279
Open Positions - Vacancies										
Open - Senior Manager - EV Carbon Credits		2,080	2,080		1.00	1.00				
Open - Assoc Director - Investments		2,080	2,080		1.00	1.00				
Open - Sr Associate - Financing Programs		2,080	2,080		1.00	1.00				
Open - Assoc Manager - Outreach		2,080	960		1.00	0.46				
Open - Senior Assoc - Battery Storage		2,080	880		1.00	0.42				
Open - Associate Manager - Smart-E		2,080	-		1.00	-				
Open - Senior Associate - Investments		2,080	-		1.00	-				
Open - Manager-Environmental Infrastructure		2,080	-		1.00	-				
Open - Manager-Environmental Infrastructure		1,040	-		0.50	-				
	Subtotal	17,680	8,080	9,600	8.50	3.88	4.62	$ 932,000	$ 530,050	$ 401,950
Departing										
Associate Director, Investments	Miller, Desiree	-	1,664		-	0.80				
Associate, Marketing & Outreach	Gustavsen, Abby	-	2,080		-	1.00				
	Subtotal	-	3,744	(3,744)	-	1.80	(1.80)	$ -	$ 222,323	$ (222,323)
	Total Employees	156,208	145,696	10,512	75.10	70.05	5.05	11,485,365	10,312,907	$ 1,172,458
Interns										
Intern - Investments 1		560	560		0.27	0.27				
Intern - Investments 2		560	560		0.27	0.27				
Intern - Legal 1		560	560		0.27	0.27				
Intern - EDF Fellow 1		560	560		0.27	0.27				
Intern - EDF Fellow 2		560	560		0.27	0.27				
Intern - Data & Impact 1		560	-		0.27	-				
Intern - Data & Impact 2		560	-		0.27	-				
Intern - EM&V		560	-		0.27	-				
Intern - AI-focused		560	560		0.27	0.27				
	Total Interns	5,040	3,360	1,680	2.42	1.62	0.81	$ 180,880	$ 120,960	$ 59,920
	Total Employees and Interns	161,248	149,056	12,192	77.52	71.66	5.86			

Compensation Dollars	FY26	FY25	YOY Variance
Employees	$ 10,648,082	$ 9,553,686	$ 1,094,396
Merit Pool - 5.0%	544,541	485,019	59,522
COLA - 3.0% (1)	292,742	274,202	18,541
Promotion Pool - 1.5%	164,112	147,418	16,694
GGRF Incentive Comp (2)	2,100,000	-	2,100,000
Subtotal Compensation Employees:	13,749,478	10,460,326	3,289,152
Intern Pool	180,880	120,960	59,920
Total Compensation Employees and Interns:	13,930,358	10,581,286	3,349,072

(1) COLA determined per BLS data and compensation consultant for FY26.

(2) Contingent upon NCIF funds being unfrozen and deployed.

Connecticut Green Bank
FY 2026 Operations and Program Budget - DRAFT
Compensation - Job Grades

		Salary Ranges				
Job Grade	Job Titles	Min	25th Percentile	Mid	75th Percentile	Max
22	President	229,107	263,473	297,839	332,205	366,571
21	Executive Vice Presidents	210,015	241,517	273,019	304,521	336,023
20	Officers	190,922	219,561	248,199	276,837	305,476
19	Managing Director, Vice President	159,102	182,967	206,833	230,698	254,563
18	Director	132,585	152,473	172,360	192,248	212,136
17	Associate Director, Sr. Manager-Clean Energy Finance, Controller	126,528	145,507	164,487	183,466	202,445
16	Sr. Manager-Programs/Corporate, Sr. Administrator	105,440	121,256	137,072	152,888	168,704
15	Manager, Administrator	87,867	101,047	114,227	127,407	140,587
14	Senior Associate, Associate Manager, Senior Accountant	76,406	87,867	99,328	110,789	122,249
13	Associate, Executive Assistant, Office Manager	66,440	76,406	86,372	96,338	106,304
12	Senior Assistant, Staff Accountant	57,774	66,440	75,106	83,772	92,438
11	Assistant	50,238	57,774	65,310	72,845	80,381

Notes:
- The salary bands above were adjusted by 3.0% per BLS and compensation consultant for FY26.
- The Compensation Philosophy of the Connecticut Green Bank is to be "internally equitable and externally market competitive."

Connecticut Green Bank
FY 2026 Program Budget - DRAFT
Credit Enhancements

Credit Enhancements - Additions to Loan Loss Reserves - CGB Funds

Dept	Prg Code	Prg Name	Description	FY26 Budget Q1	FY26 Budget Q2	FY26 Budget Q3	FY26 Budget Q4	FY26 Budget Total	FY25 Budget
Resi	52210	SmartE	CGB/Smart E loans	$ 60,000	$ 60,000	$ 60,000	$ 60,000	$ 240,000	$ 300,000
				-	-	-	-	-	-
				$ 60,000	$ 60,000	$ 60,000	$ 60,000	$ 240,000	$ 300,000

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

Dept	Prg Code	Prg Name	Description	FY26 Budget Q1	FY26 Budget Q2	FY26 Budget Q3	FY26 Budget Q4	FY26 Budget Total	FY25 Budget
Resi	52211	SmartE ARRA IRB	CGB/Smart E loans			$ -	$ 242,000	$ 242,000	$ 242,000
				-	-	-	-	-	-
				$ -	$ -	$ -	$ 242,000	$ 242,000	$ 242,000

Connecticut Green Bank
FY 2026 Program Budget - DRAFT
Financial Incentives - Grants and Rebates

Program Name	Description	FY26 Budget Q1	Q2	Q3	Q4	FY26 Budget	FY25 Budget	FY25 YTD Actuals
RSIP	PBI Incentives	$ 1,103,702	$ 703,937	$ 530,354	$ 662,007	$ 3,000,000	$ 6,000,000	$ 3,892,604
RSIP	EPBB Incentives	-	-	-	-	-	900,000	10,129
Battery Storage (PURA)	Battery Storage Incentives - Residential	258,750	258,750	258,750	258,750	1,035,000	500,000	1,283,300
Battery Storage (PURA)	Battery Storage Incentives - Commercial (1)	1,050,000	1,050,000	1,050,000	1,050,000	4,200,000	848,100	231,800
Federal Programs	Other Federal Grants	10,000	10,000	10,000	10,000	40,000	40,000	-
Federal Programs	NCIF	-	4,173,779	-	-	4,173,779	40,000	-
GenOps	DECD grant to CT Sustainable Business Council	60,000	60,000	60,000	60,000	240,000	355,000	115,000
GenOps	Sustainable CT Grant	50,000	50,000	50,000	50,000	200,000	200,000	170,000
GenOps	CGC Municipal Investment Fund	125,000	125,000	125,000	125,000	500,000	-	-
LMI Programs- RWJF	RWJF Grant	-	-	-	-	-	240,000	116,651
Env Infrastructure	RWJF Grant - Blue Hills Civic Assoc						-	50,000
Battery Storage (PURA)	Battery Storage Grants (CEG, Operation Fuel)	-	-	-	-	-	60,000	-
		$ 2,657,452	$ 6,431,466	$ 2,084,104	$ 2,215,757	$ 13,388,779	$ 9,183,100	$ 5,869,484

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

Connecticut Green Bank
FY 2026 General Operations Budget - DRAFT
Research and Development Expenditures

Project	Purpose	FY26 Budget	FY25 Budget	FY25 Actuals
Gen Ops	Community Campaign	$ 200,000	$ 50,000	
Gen Ops	Solar & Storage End of Life Technology	25,000	150,000	25,373
Gen Ops	BREP Work on CBA in Bridgeport	50,000	-	12,500
Gen Ops	Resilience	250,000	-	
Gen Ops	Vehicle to Grid	50,000	-	
Gen Ops	Artificial Intelligence	50,000	50,000	60,723
Gen Ops	Clean Transportation		150,000	33,623
Gen Ops	Tax Incentive CPA Guidance	-	50,000	
Gen Ops	Clean Energy Group	-	50,000	
Gen Ops	Building Electrification Carbon Credits		100,000	
Gen Ops	Brownfields	-	50,000	
Environmental Infrastructure	Connecticut Hospital Association	-	50,000	
Environmental Infrastructure	Duke/Conservation Finance Network		10,000	
		$ 625,000	$ 710,000	$ 132,218

Connecticut Green Bank
FY 2026 General Operations Budget - DRAFT
Capital Expenditure Budget

	FY26 Budget	FY25 Budget	FY25 Actuals YTD
IT Hardware & Software			
New/Replacement Desktops & Laptops	$ 50,000	$ 50,000	$ 31,733
Other IT/Network Hardware	$ 20,000	$ -	$ 5,185
	$ 70,000	$ 50,000	$ 36,918
Office Furniture & Equipment			
Office Furniture	$ 50,000	$ 50,000	$ -
	$ 50,000	$ 50,000	$ -
Leasehold Improvements			
Office Redesign	$ 120,000	$ 100,000	
	$ 120,000	$ 100,000	$ -
Total Capital Expenditures	$ 240,000	$ 200,000	$ 36,918

Connecticut Green Bank
FY 2026 General Operations Budget - DRAFT
Strategic Partners

Partner	Department	RFP	Year of RFP	Work Performed	FY26 Budget	FY25 Budget
New Charter Technologies, LLC	General Operations	Y	2024	IT Outsourcing	$ 100,000	$ 525,000
Nexus Dynamics Group	General Operations	Y	2024	IT Outsourcing	$ 320,000	286,575
Alter Domus (formerly Cortland)	Financing Programs	Y	2024	CPACE - Loan Servicing	180,000	173,650
Inclusive Prosperity Capital	Multiple	N [1]		Program Execution and Investment Management	341,555	683,110
DNV	Multiple	Y	2023	CPACE Technical Administrator; SHREC Due Diligence	164,420	225,000
Guidehouse (formerly Navigant)	Incentive Programs	Y	2025	Battery storage Technical Support	200,000	600,000
CES	Incentive Programs	Y	2025	Battery storage EM&V	250,000	-
PKF O'Connor Davies	General Operations	Y	2025	Auditing Services - CGB Annual Audit, CGB Green Liberty Notes Annual Audit	115,000	100,200
CliftonLarsonAllen	General Operations		various	Auditing Services/Consulting - SOC2 Audit, CT Solar Lease 2 Audit	104,000	150,000
C-TEC Solar, LLC	Multiple	Y	2024, 2023	Servicing PPA systems from a technical perspective (operations & maintenance)	3,950,000	3,698,000
GO, LLC	Marketing	Y	2023	Marketing, Paid Media	625,000	600,000
Craftsman Technologies	General Operations	Y	2023	Salesforce Development	225,000	200,000
Strategic Environmental Associates	Financing Programs	Y	2023	Consulting on Carbon Markets and Facilitation of EVCCC	150,000	400,000
Carahsoft	Multiple	N [2]		Salesforce and Pardot licensing	200,000	175,000
DCS	Multiple	Y	2024	Servicing PPA systems (operations & maintenance)	500,000	700,000
AlsoEnergy	Multiple	Y	2023	Monitoring for PPA and RSIP systems	1,000,000	1,300,000
					$ 8,424,975	$ 9,816,535

[1] The Board of Directors of the Green Bank, per the Sustainability Strategy Pathway which was approved on December 15, 2017, reviewed and approved a series of agreements between the Green Bank and Inclusive Prosperity Capital on July 27, 2018, July 18, 2019, June 26, 2020, July 2, 2021, July 1, 2022, and July 1, 2023, September 27, 2024. Per the Comprehensive Plan of the Green Bank, IPC is a strategic partner of the organization.

[2] We are licensing Salesforce and Pardot from Carahsoft under a State of Connecticut agreement that expires on 9/15/2026

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CONNECTICUT GREEN BANK

Memo

To: Board of Directors of the Connecticut Green Bank

From: Dan Smith (Director of Accounting and Reporting) and Jane Murphy (EVP Finance and Administration)

Date: June 13, 2025

Re: Audit RFP Process

The Connecticut Green Bank ("Green Bank") recently issued a Request for proposals ("RFP") for Professional Audit Services for fiscal years ending June 30th 2025 through 2027 as required by our Operating Procedures. We are required to issue an RFP every three years, and per Section 1-127 of the Connecticut General Statutes, a Quasi- Public Agency is prohibited from contracting with the same audit firm for a period greater than six consecutive years. Our current audit firm, PKF O'Connor Davies just finished their first 3-year term, so we are able to select them again if chosen. We posted the RFP on our website and posted to the State of CT Department of Administrative Services "CT Source" website, where all public accounting vendors that perform government audits were notified directly through this process (13 firms were selected). We received responses from the following five firms:

1. PKF O'Connor Davies
2. BerryDunn
3. Whittlesey
4. CliftonLarsonAllen LLP
5. Crowe LLP

We have formed a staff working group to review the proposals and will present a recommended audit firm to the Committee at its meeting on May 13, 2025.

The following is a brief statistical summary of each firm extracted from "The 2025 Top 100 Firms" published by *Accounting Today*, an industry publication. Also indicated is the local office that will be performing the audit services and enclosed is each firm's proposal.

PKF O'Connor Davies

1. Revenues: $410 million
2. Offices: 19
3. Headquarters: New York City
4. Offices(s) performing CGB audits: Wethersfield, CT (from proposal)
5. Partners: 214
6. Total Professionals: 1225
7. Total employees: 1,704
8. National ranking – 2025 Accounting Today: 25

BerryDunn

1. Revenues: $181.3 million
2. Offices: 9
3. Headquarters: Portland, Maine
4. Office (s) performing CGB audits: Manchester, NH
5. Partners: 62
6. Total Professionals: 630
7. Total employees: 858
8. National ranking – 2025 Accounting Today: 45

Whittlesey

1. Revenues: $40.2 million
2. Offices: 3
3. Headquarters: Hartford, CT
4. Office (s) performing CGB audits: Hartford, CT
5. Partners: 18
6. Total employees: 175
7. National ranking – 2025 Accounting Today: Beyond the top 100

CliftonLarsonAllen

1. Revenues: $2,045 million
2. Offices: 130
3. Headquarters: N/A
4. Office (s) performing CGB audits: West Hartford, CT
5. Partners: 1,348
6. Total Professionals: 5,391
7. Total employees: 8,076
8. National ranking – 2025 Accounting Today: 10

Crowe

1. Revenues: $1,306 million
2. Offices: 40
3. Headquarters: Chicago, IL
4. Office (s) performing CGB audits: West Hartford, CT
5. Partners: 554
6. Total Professionals: 4,153
7. Total employees: 5,773
8. National ranking – 2025 Accounting Today: 13

RESOLVED, that the Green Bank Board of Directors hereby approves the Audit, Compliance and Governance Committee recommendation for [selected auditor] to perform professional audit services for the Connecticut Green Bank for the fiscal years 2025, 2026, and 2027.

Second. Discussion. Vote

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CONNECTICUT GREEN BANK

Memo

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

From: Mariana Trief, (Director, Investments), Alex Kovtunenko (Deputy General Counsel), Dan Smith (Director of Accounting)

CC: Bryan Garcia (President and CEO), Jane Murphy (EVP of Finance), Bert Hunter (EVP and CIO), Eric Shrago (Managing Director of Operations), Mackey Dykes (VP of Financing Programs), Brian Farnen (General Counsel and CLO)

Date: ~~May 14~~June 13, 2025

Re: Loan Loss Approval Policy Updated – Write-offs for cancelled commercial solar projects

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Introduction

On June 13, 2018 the Connecticut Green Bank ("Green Bank") Board of Directors ("Board") authorized and approved a framework and process for funding the provision for loan loss reserve, restructuring, and writing-off transactions held on the Green Bank balance sheet. The process was later amended by the Board on April 24, 2020, June 26, 2020 and March 25, 2022 to include transactions on the balance sheet of Green Bank's subsidiaries and clarify default interest, penalties or fees (taken together, all such Board approvals being the "Loan Loss Decision Process").

The Bylaws of the Green Bank serve as the foundation to establish the Loan Loss Decision Process. Any revisions to the Loan Loss Decision Process should be reviewed by the Audit, Compliance, and Governance (ACG) Committee and the Deployment Committee, and recommended by both Committees for approval by the Board.

The staff conducted a review and revision of the Loan Loss Decision Process which it presented to the ACG and Deployment Committee ~~-~~for review and approval and is now presenting it to the ~~Deployment Committee before bringing the updated process to the full~~ Board for approval. The revisions primarily address the following:

- General clean ups to improve consistency, clarity and flow. The document contained items that read more like a report out instead of a process document, which has now been refined for clarity and purpose. Redundancies were streamlined, the program list and reserve percentages were updated, and more relevant, practical examples were added.
- While the Loan Loss Decision Process addresses Capital Assets and Loans (among others), it does not specifically address situations in which a commercial solar PV

project developed by the Green Bank or its subsidiaries needs to be terminated before construction has been completed. The revised version defines the process for handling projects terminated during development before they are sold or placed in service, outlines the approach for allocating and approving an annual budget for such terminations, and includes clear examples of terminated projects to guide implementation. To address the fact that losses are not limited to loans, but also include capital assets as well as these pre-completion losses, staff determined that the word “loan” should be removed from the name of the process.

The following additional revision was added to the Loss Decision process after it was approved by ACG and Deployment Committees:

- Added a section to address forbearance by Green Bank in transactions. Staff approval is recommended in these cases, as the counterparty is seeking a temporary arrangement, and Green Bank is not waiving any rights at the time of forbearance. Forbearance does not constitute a restructuring or waiver unless it is accompanied by amendments beyond the scope of the original approval. Any further restructuring or modification associated with a transaction under forbearance would require approval in accordance with the Loss Decision framework. Staff has approval to issue forbearance for transactions with a principal outstanding of no more than $5M and for a period of no more than 1 year before having to go to the Board.

Attached to this memorandum is (1) a redline draft of the Loss Decision Process compared to the current Board approved version of the Loan Loss decision Process, (2) a redline draft of the Loss Decision Process compared to the version of the Loan Loss decision Process approved by the ACG and Deployment Committee and (3~~2~~) a clean draft of the updated Loss Decision Process inclusive of all staff recommended edits.

The ACG Committee agreed to proceed with submitting this for approval by the Deployment Committee and the Board, subject to the following considerations:

1. Present historic Project Terminations – a table is presented below.

Project Name	EPC funds spent	Performance Assurance	Total Termination Amount	Date Terminated	Reason terminated
Robinson C	$83,411	$18,038	$101,449	11/18/2022	Wetlands
Robinson D	$50,461	$8,422	$58,882	11/18/2022	Wetlands
165 Capitol AveP		$2,357	$2,357	2/9/2021	Interconnection
Sharon	$39,162	$3,568	$42,730	7/30/2024	Can not absorb costs for equipment needed because of heat pumps
Total	**$173,033**	**$32,385**	**$205,418**		

2. Discuss with auditors if the Project Termination Budget should also have a reserve. The Accounting team will be discussing this with Auditors once these have been

chosen pursuant to the Request for Proposals for auditors that needs to be approved by the Board. Auditors' recommendations will be incorporated.

Recommendation

Staff recommends that the Board ~~ACG and Deployment Committee~~ approve the revised Loan Loss Decision Process (henceforth to be named the "Loss Decision Process") attached to this memorandum and recommend the same for approval by the Board per the Green Bank's bylaws.

Resolution

WHEREAS, On June 13, 2018 the Connecticut Green Bank ("Green Bank") Board of Directors ("Board") approved a framework and process for funding provisional loss reserves, restructuring, and writing-off transactions on the balance sheet of Green Bank and its subsidiaries, the process was subsequently amended by the Board on April 24, 2020, June 26, 2020, and March 25, 2022 (taken together, being the "Loan Loss Decision Process"); and,

WHEREAS, the staff of the Green Bank proposes certain revisions and clarifications to the Loss Decision Process, as described in the memorandums to the Audit, Compliance, and Governance ("ACG") Committee dated May 6, 2025; ~~and~~ the Deployment Committee dated May 14, 2025, and the Board of Directors ("Board") dated June 13, 2025 ~~and~~ along the revised Loss Decision Process attached thereto (the "Revised Loss Decision Process").

NOW, therefore be it:

RESOLVED, that the ~~Deployment Committee~~Board has reviewed and approved the Revised Loss Decision Process~~ and recommends that the Board approve the Revised Loss Decision Process~~.

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~~Loan~~ Loss Decision Process

Last updated: ~~March 25, 2022~~ [ ]

This document incorporates the Connecticut Green Bank ("Green Bank") Board of Directors ("~~BOD~~Board") approved framework and process for funding the provisional loss reserve, restructuring, and writing-off of transactions, as approved by the ~~BOD~~Board on June 13, 2018 for transaction on Green Bank's balance sheet, amended by the ~~BOD~~Board on April 24, 2020, approved by the ~~BOD~~Board on June 26, 2020 for transactions on the balance sheet of Green Bank's subsidiaries, and amended by the ~~BOD~~Board on March 25, 2022 and [date] (taken together, all such ~~BOD~~Board approvals being the "~~Loan~~ Loss Decision Process").

1. Governance

The bylaws of the Green Bank provide guidance in terms of managing transactions, and their potential restructuring or write-off. Specifically, the Deployment Committee of the Board of Directors, as outlined in Section 5.3.3 is responsible for:

- "(ii) with respect to loans, loan guarantees, loan loss reserves, credit enhancements… between three hundred thousand dollars ($300,000) and two million five hundred thousand dollars ($2,500,000), evaluation and approval of such requests on behalf of the Board so long as such approval is within the Green Bank's approved Operations and Program Budget,"

- "(iv) oversight of policies and practices relating to the evaluation and recommendation of initial investments, follow-on investments, *investment modifications and restructurings*, and the sale or other disposition of investments by the Authority's professional investment staff,"

- "(v) oversight of policies and practices relating to investment management by the Authority's professional investment staff, including implementation of investment exit strategies,"

- (vi) except to the extent of any investment powers expressly reserved to the Board itself in any resolution of the Board, to approve on behalf of the Board investments, follow-on investments, investment modifications and restructurings, and the sale or other disposition of investments," and

- (viii) the exercise of such authority as may from time to time be delegated by the Board to the Deployment Committee within its areas of cognizance.[1]

The bylaws of the Green Bank serve as the foundation to establishing the ~~Loan~~ Loss Decision Process, not only for the organization, but also its subsidiaries. Such ~~Loan~~ Loss Decision Process should be reviewed, revised (as appropriate) by the Deployment Committee~~,~~ (DC), reviewed and recommended for approval by the Audit, Compliance, and Governance (ACG) Committee, and approved by the Board ~~of Directors of the Green Bank~~.

2. Provisional Loss Reserve and Accounting

On an annual basis, the accounting team prepares a detailed analysis of portfolio loans and other transactions by program. This analysis includes a historical analysis of prior year ~~loan~~ write-offs, if any, organized by program, repayment delinquencies, and inquiries ~~of~~with program and finance staff ~~as to~~regarding current developments ~~with borrowers~~related customers that could affect future repayments.[2] Based upon these ~~inquires~~inquiries, the accounting team assigns a ~~loan~~ loss reserve percentage to the balance of ~~loans~~transactions for each program to arrive at a total ~~loan~~ loss reserve for the ~~loan~~ portfolio~~.~~ (each being a “Loss Reserve” for a program). Currently these percentages range from ~~5-20~~0-10% based on the project, product, or program.

The annual ~~loan~~ loss reserve calculation is approved by the Budget and Operations Committee (BOC), and subsequently by the Board, through the annual budget and targets process and reported in the annual audited financial statements. It is also reviewed for reasonableness by the Green Bank’s audit firm as part of the annual audit process.

~~Here are a few examples for how loan losses are reserved for specific products and programs on the balance sheet of the Green Bank and its subsidiaries:~~

Current loss reserves for existing programs are set forth below, as may be updated from time to time:

- **C-PACE** – ~~through~~secured by a benefit assessment on a property in a C-PACE participating community, ~~capital providers~~Green Bank may finance ~~clean energy~~ projects on commercial, industrial, multifamily, and nonprofit buildings for measures consistent with the Comprehensive Energy Strategy~~. These assessments average~~ and C-PACE guidelines. ~~$300,000, with interest rates up to 6.5 percent, and terms up to 25 years.~~

  Loan losses are reserved for C-PACE transactions by ~~currently~~ allocating **10%** of the principal value outstanding of the C-PACE portfolio at the end of the fiscal year.

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[1] The Board of Directors may also delegate certain responsibilities to the President and the other officers of the Green Bank as they believe are desirable to permit the timely performance of the functions of the Green Bank and to carry out the policies of the Board – See Green Bank Bylaws Sections 2.5 (Delegation of Powers) and 3.2 (President). For example, on October 20, 2017, per the memo dated October 13, 2017, the Board of Directors delegated the power for officers to approve transactions up to $500,000 in value as long as they are consistent with the Comprehensive Plan and Budget.

[2] It should also be noted that the Comprehensive Annual Financial Review (CAFR) also includes a “high level” breakdown of delinquencies and defaults by financing product or program.

- **Project Finance**~~ – there ~~**/Capital Solutions Loans** – These loans are ~~transaction opportunities for ~~provided to owners of clean energy ~~investment in specific~~portfolios or projects~~ that the Green Bank provides a loan for~~, including solar, fuel cells, wind, hydro, and anaerobic digesters~~ to name a few~~.

  Loan losses are reserved for ~~special projects ~~by allocating a range of **5%-~~20~~10%** of the principal value outstanding of the various project loans at the end of the fiscal year, depending on the technology and credit of the borrower.

- **Smart-E Loan** – through the Energize CT initiative with Eversource Energy and Avangrid, in collaboration with Connecticut's community banks, credit unions, and community development financial institutions, the Green Bank provides a second loan loss reserve of up to 7.5~~ percent~~% of principal for residential loans in projects that support the Green Bank's Comprehensive Energy Strategy~~. These loans are up to $40,000 in principal, with interest rates not to exceed 6.99 percent, and terms of up to 20 years~~.

  In the Smart-E Loan program, loan losses are reserved for~~ the Smart-E Loan~~ by setting aside 7.5% of the original principal value of the Smart-E Loan portfolio as restricted cash.~~ Also, when~~ When 1.5% of ~~losses are~~the original principal value of a lender's portfolio is exceeded ~~with the program partner lenders, then the Green Bank accesses the restricted cash~~in losses, losses will be paid to ~~pay~~that lender up to the 7.5% ~~of additional losses within their portfolio~~maximum that was previously set aside.

- **SBEA** – through an on-bill loan program administered by Eversource Energy, capital provided by Amalgamated Bank (i.e., 80-90% of the capital structure) and the Green Bank (i.e., 10-20% of the capital structure), small businesses are provided 0% interest rate loans (i.e., interest rate bought down to zero to the customer). ~~Through FY 2019, there were 4,339 loans totaling $43.2 million (i.e., of which $4.5 million is from the Green Bank), with an average loan size of about $10,000 with up to 4-year terms.~~

  These loans are protected from losses by the Conservation and Load Management Plan~~.~~, therefore no loan losses are reserved by Green Bank.

- **Commercial Solar Loan:** these are loans to non-residential property owners (commercial, non-profit, municipal, affordable multi family) for the deployment of onsite solar systems that will sell all the energy and environmental attributes generated by the solar to the utility through the Non-Residential Renewable Energy Solutions or Residential Renewable Energy Solutions programs.

  Loan losses are reserved for Commercial Solar Loan transactions by allocating **10%** of the principal value outstanding of the Commercial Solar Loan portfolio at the end of the fiscal year.

- **Residential Solar Loan** – through a residential solar loan product in partnership with Sungage Financial, the Green Bank ~~provided~~provides low-cost and long-term debt to financial residential rooftop solar PV. ~~Of the $6.0 million in assets supported through this product on nearly 300 homes, $3.6 million have been sold to various third parties (i.e., Mosaic and The Reinvestment Fund).~~

  ~~These loans have no loan loss reserve.~~

  Loan losses are reserved for Residential Solar **~~PPA~~** ~~– through a power purchase agreement (PPA),~~ Loan transactions by allocating 5-10% of the principal value outstanding of the portfolio, depending on the portfolio, at the end of the fiscal year.

- **Solar Lease or PPAs –** the Green Bank ~~provides debt into the capital structures for~~ owns residential and commercial-scale solar PV projects (e.g., municipal, schools, nonprofits, etc.). ~~The PPA price for these projects is typically~~ These projects have a customer offtake agreement such as a site leases or a power purchase agreements (PPA) where the customer host saves (or receives equivalent financial benefit) about 20-30% ~~less than the~~ of their retail ~~rate of electricity paid by the end-use customers. Through FY 2019, there were 123~~ electric cost. Operational projects ~~totaling $102.6 million (i.e., of which $28.0 million is from~~ are classified as capital assets in the Green Bank~~), with an average investment of $835,000 for 20-year PPAs~~ financials.

  ~~These~~ Solar Lease or PPAs have no loan loss reserve.

3. Budget for Project Terminations

On an annual basis ~~**Loan Loss**~~, the Accounting team, in collaboration with the Investments and Financing Programs teams, determines a budget allocation—referred to as the "Budget for Project Terminations"—for projects developed by the Green Bank that may be terminated during development prior to the project either being sold to another entity or finalized, placed in service, and recorded as capital assets in Green Bank's balance sheet (such project being a "Terminated Project").

As with the Loan Loss Reserves, the annual determination of the Budget for Project Terminations is approved by the BOC, and subsequently by the Board, through the annual budget and targets process.

The current programs for which a Budget for Project Terminations is allocated are listed below and may be updated from time to time:

- **Solar Development** - The Green Bank and its subsidiaries develop commercial solar projects at municipal, state, business, nonprofit, and affordable multifamily properties (each being a Commercial PPA/Lease Project). As part of the development process, Green Bank enters into offtake agreements, such as a PPA or a site lease, with utility customer hosts. Additionally, an Engineering, Procurement, and Construction (EPC) agreement is executed with a solar installation company. A Commercial PPA/Lease Project may be terminated after incurring EPC or project-specific costs due to factors like high interconnection costs, permitting issues, or unfavorable site conditions. In such cases, incurred development costs are usually non-recoverable, and the project is classified as a Terminated Project.

An expense budget category for Terminated Projects is established and approved annually through the budget process.

~~3.~~4. Loss Decision Process

~~In order to develop processes for~~ In determining how losses ~~will be determined with regards to~~should be processed for any transactions on the Green Bank balance sheet and the balance sheets of its subsidiaries, there are two ~~(2)~~ key components ~~–~~:(1) the value of the modification and, (2) the type of loss anticipated ~~that help formulate the process~~or incurred.

~~In assessing the threshold~~**Value of Loss/Modification**

Green Bank senior staff (Staff) shall determine the value of the loss/modification~~,~~ based on the underlying facts, circumstances and characteristics of the ~~Green Bank staff identified~~asset, the following ~~options~~are potential considerations:

- **Principal Outstanding** – the type of loss anticipated should apply to only the amount of the principal outstanding of the transaction and lost interest revenue;
- **~~Original Principal Value~~ Valuation** – the type of loss ~~anticipated~~ should apply to the ~~original principal value~~valuation of the ~~transaction~~capital asset; or
- **~~Value of the~~ Modification Amount** – the type of loss anticipated should apply only to the proposed ~~value of the~~ modification amount of the transaction~~.~~

~~To be consistent with the Loan Loss Decision Process, the Green Bank staff recommends that the value of the modification to assets should apply to the principal outstanding of the transaction as opposed to the (i) value of the original principal, or (ii) value of the modification.~~

~~The Green Bank staff has identified three different types of losses anticipated, including:~~

- ~~**Provisional Loss Reserve** – as determined by the Budget and Operations Committee through the annual budget and targets process and reported in the annual audited financial statements;~~

Types of Losses/Modifications

Staff shall determine the type of loss/modification based on the underlying facts, circumstances and characteristics of the asset. The categories of losses/modifications are as follows:

- **Restructuring** ~~–~~: a ~~unique action or decision to modify the~~ modification of principal, interest, term, and/or other ~~relevant~~material component of a transaction~~; and/or~~ beyond the scope of the original transaction approval authorization. For the avoidance of doubt, any amendment of a transaction within the original approval authorization is not considered a restructuring (e.g. amendment of C-PACE loan terms within standard rate and term schedule, or EPC amendment for increased project cost);

- **Write-Off** ~~– a policy or procedural~~: a determination that an asset is impaired ~~as~~(may be a result of ~~it being delinquent and subsequently in~~ongoing delinquency, default ~~where it is~~, or Terminated Project) and deemed that it is unlikely for a material recovery of the principal~~.~~, or intended return on the receivable or capital asset; and

- **Default Penalty Waiver**: a modification or waiver of default interest, fees or other default penalties which may be due to Green Bank arising from a default by a Green Bank counterparty. For the avoidance of doubt, an amendment of a transaction which may have the effect of reducing default interest, fees, or other penalties which is within the original approval authorization and not considered a default penalty waiver.

- **Forbearance:** a temporary measure by which Green Bank agrees not to enforce certain rights or remedies (such as acceleration, foreclosure, or legal action) arising from a counterparty's breach or default, for a defined period of time, without waiving such rights. Forbearance may include suspension or deferral of payments, but does not modify the underlying terms of the transaction. It does not constitute a restructuring or waiver unless accompanied by amendments to the original agreement.

Each of these types of losses/modifications should be handled in a specific manner depending upon the value of the ~~principal outstanding amount of the transaction, as well as whether or not the transaction was restructured as a result of the COVID-19 pandemic –~~loss/modification, see Table ~~2~~1.

Table ~~2. Loan~~1. Process to determine Loss Decision ~~Process~~ or Project Termination based on ~~Principal Amount Outstanding vs.~~Value and Type of Loss ~~Anticipated~~/Modification

Type of Loss ~~Anticipated~~/Modification/Termination	~~Amount~~Value of ~~Principal Outstanding~~Modification		
	<$100,000	**$100,000 – $1,000,000**	**>$1,000,000**
Determining Amount of Provisional Loss Reserve	Staff (with review and reporting from the Auditor) and approval from BOC		
Determining Amount of Project Termination Budget	Staff (with review and reporting from the Auditor) and approval from BOC		
~~Restructuring~~Restructurings	Staff	Deployment	Board of Directors
~~Restructuring COVID-19~~Default Penalties	Staff	Deployment	~~(1) Staff for certain program transactions (see below)~~ ~~(2)~~ Board of Directors ~~for all other transactions~~
~~Write-Off~~All Write-Offs. For Project Terminations: if, in aggregate, exceed Project Termination Budget allocation	Staff	~~ACG~~Deployment	Board of Directors

Only Write-Offs for Project Terminations: if, in aggregate, DO NOT exceed Project Termination Budget allocation	Staff
Forbearance	Staff up to $5M

~~The proposed amount of principal outstanding value for Staff approval of provisional, restructuring, and write-offs is intended to be overly conservative with respect to Staff authority, while appropriately reporting out any unusual activity or trends to the Deployment Committee and Board of Directors.~~

Staff will review and approve any modifications within the Staff approval limited set forth above, ensuring proper documentation and approval through the standardized Approval Release Slip (ARS) internal process. Any such ARS will include a memo detailing the project/asset, the proposed loss/modification, the calculation of the loss/modification, any mitigation actions, and any preventative measures for avoiding such issues in the future. Additionally, Staff will report out on any losses/modifications approved pursuant to staff authority to DC or Board.

In between report outs~~, staff~~ to the Board or DC, Staff will only be able to review and approve in aggregate up to $500,000 of ~~adjustments.~~ the following loss/modifications: Restructurings, Default Penalties, and Write-Offs. In other words, the ~~Loan~~ Loss Decision Process allows staff to review and approve ~~of transaction~~ losses/modifications "Up to $100,000 and No More in Aggregate than $500,000" between report outs to ~~the~~ DC or Board. For Project Terminations, staff will be able to review and approve write offs which, in aggregate, do not exceed~~Deployment Committee. Given that the Deployment Committee approves of transactions greater than $500,000 and less than $2,500,000, and the ACG Committee oversees the accounting and auditing of assets on the financial statements of the Green Bank, transactions requiring a write-off would be thro ugh the ACG Committee after legal remedies have been pursued by staff on the impaired asset in question.~~ Staff has approval to issue forbearance for transactions with a principal outstanding of no more than $5M and for a period of no more than 1 year before having to go to the Board.

~~It should be noted, that as a result of~~ the ~~COVID-19 pandemic, that transactions requiring restructuring, follow this process:~~Project Termination Budget.
~~Notwithstanding~~

a) **Applying the** ~~proposed $1,000,000 staff approval limit above, given the strength and security of the asset class, staff approvals specific to the following programs can be for any amount of principal outstanding:~~

- ~~C-PACE~~
- ~~C-PACE with Green Bank PPA~~
- ~~Green Bank Solar PPA projects for municipality, housing authority or school district~~

b) ~~All COVID-19 staff restructurings are limited to a maximum of 6-month deferrals except in rare cases of certain towns where C-PACE assessments are collected annually – the accommodation in such cases would be for one year.~~

~~Modification or waiver of default interest, penalties or fees for any transaction should be handled in a manner depending upon the value of the modified or waived amount of such default interest, penalties or fees, as set forth in the table below.~~

~~Table 3. Loan~~ *Loss Decision Process* ~~for Modification or Waiver of Default Interest, Penalties or Fees~~

~~**Amount of Default Interest, Penalties and Fees Modified or Waived**~~		
~~**<$100,000**~~	~~**$100,000 – $1,000,000**~~	~~**>$1,000,000**~~
~~Staff~~	~~Deployment~~	~~Board of Directors~~

~~This is the :Staff proposed Loan Loss Decision Process for the transaction of Green Bank and its subsidiaries for consideration by the Deployment Committee, Audit Compliance and Governance Committee, and the Board of Directors.~~

~~Example~~ Transaction ~~Application to the Loan Loss Decision Process~~ Examples

~~To apply the Loan Loss Decision Process, here are a few~~ The following example transactions illustrate how the Loss Decision Process is applied.

Example Transaction #1 – Smart-E Loan

The first example transaction is a residential loan through the Smart-E Loan Program that is in default – see Table ~~4~~3.

Table ~~4.~~3. Smart-E Loan – Write-Off

Program	Smart-E Loan
Original Principal	$34,000
Outstanding Principal	$25,000
Value of Modification/Loss	$25,000
Type of Modification/Loss ~~Anticipated~~	Write-Off
Loss Reserve	7.5% of the original principal value of the Smart-E Loan portfolio
Approving Authority	Staff

~~Since the amount of the principal outstanding is less than $100,000, then the Staff would be approving this type of loss.~~ In this situation, with regards to the Smart-E Loan, as long as the partner lender has exceeded their 1.5% of losses within their loan portfolio and is seeking to access the 7.5% second loss from the Green Bank per our agreement, then the Staff can write-off the outstanding principal amount of the transaction by paying off the loss through the use of restricted cash in the loan loss reserve account set aside for the Smart-E Loan program.

Example Transaction #2 – C-PACE

The second example transaction is a C-PACE benefit assessment that requires restructuring – see Table ~~5~~3.

Table ~~5~~3. C-PACE – Restructure

Program	C-PACE
Original Principal	$1,250,000
Outstanding Principal	$1,100,000
Value of Modification/Loss	$1,100,000
Type of Modification/Loss ~~Anticipated~~	Restructuring
Approving Authority	~~Deployment Committee~~Board

Since ~~the amount of principal outstanding is~~it's a restructuring with a value greater than $1,000,000, ~~then~~ this ~~transaction~~restructuring would have to be reviewed and approved by the Board of Directors.

Example Transaction #3 – Onsite Distributed Generation Grant by the Connecticut Clean Energy Fund

The third example transaction is a grant provided by the Green Bank predecessor, the Connecticut Clean Energy Fund. In this example, a project host has committed to onsite clean energy for a contractual period of time, however, it may seek to modify that preexisting agreement. There are no assets on the balance sheet from this transaction – see Table ~~6~~4.

Table ~~6~~4. Onsite Distributed Generation Grant Program – Restructuring

Program	Onsite DG Program
Original ~~Principal~~Grant	$250,000
Outstanding ~~Principal~~Grant Obligation	$75,000
Value of Modification/Loss	$75,000

Type of Modification/Loss ~~Anticipated~~	Restructuring
Approving Authority	Staff

Since the project is not an asset on the balance sheet of the Green Bank, and the principal outstanding value is less than $100,000, then the staff could review and approve of this transaction modification. Had the principal value of the outstanding principal in the contract exceeded the Staff authority to restructure, the proposed revision would have had to have been approved by the Deployment Committee or the Board of Directors.

Example Transaction #4 – Fuel Cell Project

The fourth example transaction is a loan for a fuel cell project that is a write-off – see Table ~~7~~5.

Table ~~7~~5. Fuel Cell Project – Write-Off

Program	Fuel Cell
Original Principal	$5,000,000
Outstanding Principal	$2,750,000
Value of Modification/Loss	$2,750,000
Type of Modification/Loss ~~Anticipated~~	Write-Off
Approving Authority	Board of Directors

~~Given that all projects greater than $1,000,000 have to be reviewed and approved the Board of Directors, the write-off of this transaction, whose principal balance outstanding is~~As a write-off with a loss value of $2,750,000, this would have to go to the Board of Directors for review and approval.

Example Transaction #5 – Multifamily Predevelopment Loans

The fifth example transaction is a predevelopment loan for a multifamily project that is a restructuring or write-off – see Table ~~8~~6.

Table ~~8~~6. Multifamily Predevelopment Loan Project – Restructuring or Write-Off

Program	Multifamily
Original Principal	$50,000
Outstanding Principal	$50,000

Value of Modification/Loss	$50,000
Type of Modification/Loss ~~Anticipated~~	Restructuring or Write-Off
Approving Authority	Staff

The Multifamily predevelopment programs lend funds to identify and build out project plans. The funds are typically not repaid until a term loan to cover the actual project is in place and the predevelopment loan is repaid with the proceeds of the term loan. On some occasions, the outstanding balance of the predevelopment loan is written off or restructured as the term loan is agreed to ensure that the economics of a project work by staff. Given the size of the loan, the restructuring and loan forgiveness is handled by staff.

Example Transaction #6 – CT Solar Loan

The first example transaction is a residential loan through the CT Solar Loan Program that is in default – see Table ~~9~~7.

Table ~~9~~7. CT Solar Loan – Write-Off

Program	CT Solar Loan
Original Principal	$30,000
Outstanding Principal	$22,500
Value of Modification/Loss	$22,500
Type of Modification/Loss ~~Anticipated~~	Write-Off
Approving Authority	Staff

Since the ~~amount~~value of the ~~principal outstanding~~loss is less than $100,000, then the Staff would be approving this type of loss. In this situation, with regards to the CT Solar Loan, as long as all legal remedies have been pursued to collect the loan, then the Staff can write-off the outstanding principal amount of the transaction by paying off the loss through the use of restricted cash in the loan loss reserve account set aside for the CT Solar Loan.

Example Transaction #7 – Solar PPA Project ~~during COVID-19~~ Secured by C-PACE

The second example transaction is a Solar PPA (i.e., secured by C-PACE~~), that~~). A portion of the system suffered damage and will need to be removed, therefore the transaction t requires restructuring ~~as a result of the COVID-19 pandemic~~ – see Table ~~10.~~8. The value of the modification is calculated as the cost to remove a portion of the system and the decrease in revenue associated with portion of the system that was removed.

Table ~~10~~8. Solar PPA – Restructure

Program	Solar PPA
Original ~~Principal~~Capital Asset Value	$~~1~~3,250,000
Gross Expected Revenue	$600,000
Cost to remove	$500,000

~~Outstanding Principal~~Value of Modification/Loss	$1,100,000
Type of Modification/Loss ~~Anticipated~~	Restructuring ~~– COVID-19~~
Approving Authority	~~Staff~~Board

~~Since this transaction has been adversely impacted by the COVID-19 pandemic, and~~Since the PPA is secured by C-PACE, then this transaction would be reviewed and approved by the ~~Staff (i.e., instead of the~~ Board of Directors~~) and reported out to the Board of Directors.~~.

~~Had this transaction restructuring not been secured by C-PACE, then the review and approval of the Board of Directors would have been required.~~

Example Transaction #8 – Hydroelectric PPA ~~during COVID-19~~

The third example transaction is the issuance of a Clean Renewable Energy Bond (CREB) to finance a 193-kW hydroelectric facility. In this example, the purchaser of the power is unable to pay its PPA ~~due to the impact of COVID-19~~ – see Table ~~11~~9.

Table ~~11~~9. Hydroelectric Facility PPA with Bond Financing – Restructuring

Program	Project Finance – Bond
Original Principal	$3,000,000
Outstanding Principal	$2,798,331
Value of Modification/Loss	$2,798,331
Type of Modification/Loss ~~Anticipated~~	Restructuring~~ – COVID-19~~
Approving Authority	Board

~~Despite the town being adversely impacted by COVID-19, since the principal outstanding on the bond~~Since the value of the modification is greater than $1,000,000, any restructuring of the transaction would require the review and approval of the Board of Directors. And since the bond uses the Special Capital Reserve Fund (SCRF) of the State of Connecticut, additional steps will be required to support self-sufficiency if the PPA payment is forgiven ~~due to COVID-19~~.

Example Transaction #9 – ~~State of Connecticut PPA~~Site Lease with an Affordable Multifamily property

~~The fourth example transaction is the issuance of a CREB to finance a portfolio of solar PV projects on state facilities. In this example, the purchaser of the power is unable to pay its PPA – see Table 12.~~

This example involves a Commercial PPA/Lease Project in which a site lease was executed with an affordable multifamily property owner and an EPC agreement was signed with the installer. The installer conducted preliminary work, including design and structural assessments. However, the project was ultimately unable to proceed due to a failure to meet structural requirements. As a result, both the PPA and the EPC agreement were terminated while the project is in development and is considered a receivable asset. For further details, refer to Table 10.

Table ~~12~~10. Solar ~~PV Facilities PPA with Bond Financing – Restructuring~~Site Lease Project Terminated

Program	~~Project Finance – Bond~~Solar PPA/Lease Development
Original ~~Principal~~EPC Contract Sum	$~~9,350~~500,000
~~Outstanding Principal~~Value of Modification/Loss	$~~9,101,729~~25,000
FY approved Project Termination Budget	$300,000
Previously approved Terminated Projects in the FY	$100,000
Type of Modification/Loss ~~Anticipated~~	~~Restructuring~~Terminated Project
Approving Authority	~~Board of Directors~~Staff

~~Since the principal outstanding on~~
As the aggregate amount of Terminated Projects for the ~~bond is greater than $1,000,000, any restructuring of~~ fiscal year, including the ~~transaction~~value of this Terminated Project, remains below the Project Termination Budget allocation for the fiscal year, this termination would require ~~the~~staff review and approval~~ of the Board of Directors. And since~~.

Example Transaction #10 – Solar PPA with a Municipality

This example involves a Commercial PPA/Lease Project in which a PPA was executed with a municipality, and an EPC agreement was signed with the ~~bond uses the Special Capital Reserve Fund (SCRF) of the State of Connecticut, additional steps will be~~installer. The installer completed initial designs and prepared drawings required for the interconnection application. However, the project could not move forward due to ~~support self-sufficiency if~~interconnection costs that were not economically feasible for the ~~PPA payment is forgiven~~project. Consequently, both the PPA and the EPC agreement were terminated while the project is in development and considered a receivable asset. For additional information, refer to Table 11.

~~Applying Loan Loss Decision Process~~

~~The following is a breakdown of~~

Table 11. Solar Site Lease Project Terminated

Program	Solar PPA/Lease Development
Original EPC Contract Sum	$700,000
Value of Modification/Loss	$40,000
FY approved Project Termination Budget	$300,000
Previously approved Terminated Projects in the FY	$280,000
Type of Modification/Loss	Termination
Approving Authority	Deployment

As the aggregate amount of Terminated Projects for the fiscal year, including the value of this Terminated Project, is greater than the approved Project Termination Budget allocation for the fiscal year, this termination would require review and approval by the Deployment Committee.

Example Transaction #12 – Solar PPA with damage

This example involves a Commercial PPA/Lease Project that after being finalized and in operation during 5 years suffered damage and costs to restore and reinstall were cost prohibitive. Therefore the project which is a capital asset under Green Bank's balance sheet. The value of the modification include the amount in gross expected revenue along with any cost associated with removing the system. For additional information, refer to Table 13.

Table 13. Solar Site Lease Project Terminated

Program	Solar PPA/Lease Development
Original EPC Contract Sum	$500,000
Gross Expected Revenue	$250,000
Cost to remove	$100,000
Value of Modification/Loss	$350,000
Type of Modification/Loss	Write-off
Approving Authority	Deployment

Since the write off amount is more than $100,000 but less than $350,000, then the Staff would require approval from the Deployment committee to approve this type of loss.

Example Transaction #13 – Forbearance to a CPACE Loan

This example involves a C-PACE benefit assessment that, due to complications with the property owner which have impacted their ability to make payments and led to a request for a temporary suspension of payments – see Table 14.

Table 3. C-PACE – Restructure

Program	C-PACE
Original Principal	$5,500,000
Outstanding Principal	$4,500,000
Value of Modification/Loss	$4,500,000
Type of Modification/Loss	Forbearance
Approving Authority	Staff

Since the proposed ~~processes for using the Loan Loss Decision Process for Green Bank and its subsidiaries:~~

~~**Process #1 – Provisional Loss Reserve**~~

path is to forbear for a defined period without waving

~~On an annual basis the accounting team prepares a detailed analysis of portfolio loans by program. This analysis includes a historical analysis of prior year loan write offs, if any, by program, repayment delinquencies and inquiries of program and finance staff as to current developments with borrowers that could affect future repayments. Based upon these inquires the accounting team assigns a loan loss reserve percentage to the balance of loans for each program to arrive at a total loan loss reserve for the loan portfolio. Currently these percentages range from 0-20% based on the project, product, or program.~~

~~The annual loan loss reserve calculation is reviewed for reasonableness by the~~ Green Bank's ~~audit firm as part of the annual audit process.~~

~~On a quarterly basis, with the assistance of Program and Finance Staff, the Accounting Team would make appropriate interim adjustments to the provisional loss reserve.~~

~~**Process #2 – Restructuring Transactions**~~
~~A transaction undergoing a restructuring would undergo the following process:~~

~~1. **Restructuring Calculation** – staff requesting a change in a previously approved transaction, must calculate the following:~~

   ~~a. **Original Investment** – show the cash flow of expected principal and interest payments over the term~~rights or modifying the underlying terms of the transaction, ~~including the calculation of the net present value of the transaction;~~

   ~~b. **Proposed Restructured Investment** – show the cash flow of expected principal and interest payments over the term of the transaction, including the calculation of the net present value of the transaction; and~~

   ~~c. **Comparison** – compare the original to the restructured investment to document any changes in cash flow and net present value.~~

~~2. **Documentation** – staff requesting a change must document in a memo the reason for the proposed modification (i.e. COVID-19), a description of the project, the calculation showing the original and restructured investment and their comparisons, and preventative measures for avoiding such issues in the future (for COVID 19 related restructurings, rather than a description of preventative measures for avoiding such issues in the future, the staff includes a signed letter from the borrower requesting the restructuring due to COVID-19);.~~

~~3. **Review and Approval** – the~~staff may exercise discretion to approve the forbearance, subject to proper documentation ~~must be reviewed and approved by the appropriate authority, including:~~

   ~~a.~~ and approval **Staff** ~~– for principal balances less than $100,000 (unless a COVID-19 related transaction, then up to $1,000,000 for specific types of transactions), senior staff would review and approve and documented~~ through the ARS ~~process;~~

b. ~~**Deployment Committee** – for principal balances greater or equal to $100,000 and less than $1,000,000, Deployment Committee would review and approve the transaction; or~~

c. ~~**Board of Directors** – for principal balances greater than $1,000,000, the Board of Directors would review and approve the transaction.~~

4. ~~**Reporting** – if a transaction receives the approval from the appropriate authority to be restructured, then the details should be reported in a quarterly memo and made available on an ongoing basis to the Deployment Committee and/or the Board of Directors. If the restructured transaction was related to COVID-19, then staff would specifically breakout the transactions in the quarterly memo that were restructured as a result of COVID-19 for reporting and tracking purposes, and staff will report out more frequently to the Board of Directors on COVID-19 related transaction restructurings.~~

~~**Process #3 – Write Off Transactions**~~

~~A transaction undergoing a write-off would undergo the following process:~~

1. ~~**Write-Off Calculation** – staff requesting a write-off in a previously approved transaction, must calculate the following:~~

   a. ~~**Project Finance** – the amount of outstanding principal and lost interest revenue from the original transaction.~~

   b. ~~**Smart-E Loan** – the amount of first losses (i.e., up to 1.5% of their portfolio) incurred by the participating lender, and the amount of second loan loss reserves (i.e., up to 7.5% of their portfolio) available through the Green Bank.~~

2. ~~**Documentation** – staff requesting a write-off must document the reason for the write-off including a description of the project, the calculation showing the value of the write-off, and preventative measures for avoiding such issues in the future.~~

3. ~~**Review and Approval** – the documentation must be reviewed and approved by the appropriate authority, including:~~

   a. ~~**Staff** – for principal balances less than $100,000, senior staff would review and approve and documented through the ARS process;~~

   b. ~~**Audit, Compliance and Governance Committee** – for principal balances greater or equal to $100,000 and less than $1,000,000, ACG Committee would review and approve the transaction; or~~

   c. ~~**Board of Directors** – for principal balances greater than $1,000,000, the Board of Directors would review and approve the transaction.~~

4. ~~**Reporting** – if a transaction receives the approval from the appropriate authority to be written off, then the details should be reported in a quarterly memo and made available on an ongoing basis to the Deployment Committee and/or the Board of Directors, and~~

~~staff will report out more frequently to the Board of Directors on COVID-19 related transaction restructurings.~~

~~**Modification or Waiver of Default Interest, Penalties or Fees**~~

~~A transaction undergoing a modification or waiver of any default interest, penalties or fees should undergo the following process:~~

5. ~~**Modification or Waiver Calculation** – staff requesting a modification or waiver of default interest, penalties or fees in a previously approved transaction, must calculate the amount of default interest, penalties and fees being modified or waived (the "Modified/Waived Amount").~~

6. ~~**Documentation** – staff requesting a modification or waiver must document the reason for the modification or waiver including a description of the project, the calculation showing the value of the modification or waiver, and preventative measures for mitigating the likelihood of occurrence of such issues in the future.~~

7. ~~**Review and Approval** – the documentation must be reviewed and approved by the appropriate authority, including:~~

~~**Staff** – for Modified/Waived Amounts less than $100,000, senior staff would review and approve modification or waiver and document through its~~ standardized ~~approval release statement~~Approval Release Slip (ARS) internal process~~;~~.

   d. ~~**Audit, Compliance and Governance Committee** – for Modified/Waived Amounts greater or equal to $100,000 and up to $1,000,000, Deployment Committee would review and approve the modification or waiver; or~~

   e. ~~**Board of Directors** – for Modified/Waived Amounts greater than $1,000,000, the Board of Directors would review and approve the modification or waiver~~

8. ~~**Reporting** – if a transaction receives the approval from the appropriate authority to modify or waive default interest, penalties or fees, then the details should be reported in a quarterly memo and made available on an ongoing basis to the Deployment Committee and/or the Board of Directors, and staff will report out more frequently to the Board of Directors on COVID-19 related transactions.~~

~~**Process for Reporting**~~

~~Above and beyond applying the Loan Loss Decision Process to various transactions of the Green Bank and its subsidiaries, there is a need to frequently report out to the Deployment Committee and/or the Board of Directors. The following reporting on loan losses should begin in FY 2019 for Green Bank transactions and FY 2021 subsidiary transactions:~~

- ~~**Monthly Financial Statements** – within the monthly financial statements provided to the Board of Directors, there should be a separate section that provides an overview of the provisional loan loss reserves noted for the fiscal year, along with any transactions that have been restructured or written-off through this Loan Loss Decision Process; and~~

- ~~**Quarterly Reports** – provided to the Deployment Committee on a quarterly basis, this memo should provide further detail on loss transactions by program or product to assess trends, including:~~

    - ~~Number of transactions lost;~~
    - ~~Amount of loss;~~
    - ~~Frequent of losses;~~
    - ~~Percentage of losses; and~~
    - ~~Thresholds of losses reached consistent with the provisional loss reserve.~~

~~Reporting is an essential aspect of the Loan Loss Decision Process.~~

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CONNECTICUT GREEN BANK

Loss Decision Process

Last updated: [ ]

This document incorporates the Connecticut Green Bank ("Green Bank") Board of Directors ("Board") approved framework and process for funding the provisional loss reserve, restructuring, and writing-off of transactions, as approved by the Board on June 13, 2018 for transaction on Green Bank's balance sheet, amended by the Board on April 24, 2020, approved by the Board on June 26, 2020 for transactions on the balance sheet of Green Bank's subsidiaries, and amended by the Board on March 25, 2022 and [date] (taken together, all such Board approvals being the "Loss Decision Process").

1. Governance

The bylaws of the Green Bank provide guidance in terms of managing transactions, and their potential restructuring or write-off. Specifically, the Deployment Committee of the Board of Directors, as outlined in Section 5.3.3 is responsible for:

- "(ii) with respect to loans, loan guarantees, loan loss reserves, credit enhancements… between three hundred thousand dollars ($300,000) and two million five hundred thousand dollars ($2,500,000), evaluation and approval of such requests on behalf of the Board so long as such approval is within the Green Bank's approved Operations and Program Budget,"

- "(iv) oversight of policies and practices relating to the evaluation and recommendation of initial investments, follow-on investments, *investment modifications and restructurings*, and the sale or other disposition of investments by the Authority's professional investment staff,"

- "(v) oversight of policies and practices relating to investment management by the Authority's professional investment staff, including implementation of investment exit strategies,"

- (vi) except to the extent of any investment powers expressly reserved to the Board itself in any resolution of the Board, to approve on behalf of the Board investments, follow-on investments, investment modifications and restructurings, and the sale or other disposition of investments," and

- (viii) the exercise of such authority as may from time to time be delegated by the Board to the Deployment Committee within its areas of cognizance.[1]

The bylaws of the Green Bank serve as the foundation to establishing the Loss Decision Process, not only for the organization, but also its subsidiaries. Such Loss Decision Process should be reviewed, revised (as appropriate) by the Deployment Committee (DC), reviewed and recommended for approval by the Audit, Compliance, and Governance (ACG) Committee, and approved by the Board.

2. Provisional Loss Reserve and Accounting

On an annual basis, the accounting team prepares a detailed analysis of portfolio loans and other transactions by program. This analysis includes a historical analysis of prior year write-offs, if any, organized by program, repayment delinquencies, and inquiries with program and finance staff regarding current developments related customers that could affect future repayments.[2] Based upon these inquiries, the accounting team assigns a loss reserve percentage to the balance of transactions for each program to arrive at a total loss reserve for the portfolio (each being a "Loss Reserve" for a program). Currently these percentages range from 0-10% based on the project, product, or program.

The annual loss reserve calculation is approved by the Budget and Operations Committee (BOC), and subsequently by the Board, through the annual budget and targets process and reported in the annual audited financial statements. It is also reviewed for reasonableness by the Green Bank's audit firm as part of the annual audit process.

Current loss reserves for existing programs are set forth below, as may be updated from time to time:

- **C-PACE** – secured by a benefit assessment on a property in a C-PACE participating community, Green Bank may finance projects on commercial, industrial, multifamily, and nonprofit buildings for measures consistent with the Comprehensive Energy Strategy and C-PACE guidelines.

  Loan losses are reserved for C-PACE transactions by allocating **10%** of the principal value outstanding of the C-PACE portfolio at the end of the fiscal year.

- **Project Finance/Capital Solutions Loans** – These loans are provided to owners of clean energy portfolios or projects, including solar, fuel cells, wind, hydro, and anaerobic digesters.

[1] The Board of Directors may also delegate certain responsibilities to the President and the other officers of the Green Bank as they believe are desirable to permit the timely performance of the functions of the Green Bank and to carry out the policies of the Board – See Green Bank Bylaws Sections 2.5 (Delegation of Powers) and 3.2 (President). For example, on October 20, 2017, per the memo dated October 13, 2017, the Board of Directors delegated the power for officers to approve transactions up to $500,000 in value as long as they are consistent with the Comprehensive Plan and Budget.

[2] It should also be noted that the Comprehensive Annual Financial Review (CAFR) also includes a "high level" breakdown of delinquencies and defaults by financing product or program.

Loan losses are reserved for by allocating a range of **5%-10%** of the principal value outstanding of the various project loans at the end of the fiscal year, depending on the technology and credit of the borrower.

- **Smart-E Loan** – through the Energize CT initiative with Eversource Energy and Avangrid, in collaboration with Connecticut's community banks, credit unions, and community development financial institutions, the Green Bank provides a second loan loss reserve of up to 7.5% of principal for residential loans in projects that support the Green Bank's Comprehensive Energy Strategy.

  In the Smart-E Loan program, loan losses are reserved for by setting aside 7.5% of the original principal value of the Smart-E Loan portfolio as restricted cash. When 1.5% of the original principal value of a lender's portfolio is exceeded in losses, losses will be paid to that lender up to the 7.5% maximum that was previously set aside.

- **SBEA** – through an on-bill loan program administered by Eversource Energy, capital provided by Amalgamated Bank (i.e., 80-90% of the capital structure) and the Green Bank (i.e., 10-20% of the capital structure), small businesses are provided 0% interest rate loans (i.e., interest rate bought down to zero to the customer).

  These loans are protected from losses by the Conservation and Load Management Plan, therefore no loan losses are reserved by Green Bank.

- **Commercial Solar Loan:** these are loans to non-residential property owners (commercial, non-profit, municipal, affordable multi family) for the deployment of onsite solar systems that will sell all the energy and environmental attributes generated by the solar to the utility through the Non-Residential Renewable Energy Solutions or Residential Renewable Energy Solutions programs.

  Loan losses are reserved for Commercial Solar Loan transactions by allocating **10%** of the principal value outstanding of the Commercial Solar Loan portfolio at the end of the fiscal year.

- **Residential Solar Loan** – through a residential solar loan product in partnership with Sungage Financial, the Green Bank provides low-cost and long-term debt to financial residential rooftop solar PV.

  Loan losses are reserved for Residential Solar Loan transactions by allocating 5-10% of the principal value outstanding of the portfolio, depending on the portfolio, at the end of the fiscal year.

- **Solar Lease or PPAs** –the Green Bank owns residential and commercial-scale solar PV projects (e.g., municipal, schools, nonprofits, etc.). These projects have a customer offtake agreement such as a site leases or a power purchase agreements (PPA) where the customer host saves (or receives equivalent financial benefit) about 20-30% of their retail electric cost. Operational projects are classified as capital assets in the Green Bank financials.

Solar Lease or PPAs have no loan loss reserve.

3. Budget for Project Terminations

On an annual basis, the Accounting team, in collaboration with the Investments and Financing Programs teams, determines a budget allocation—referred to as the "Budget for Project Terminations"—for projects developed by the Green Bank that may be terminated during development prior to the project either being sold to another entity or finalized, placed in service, and recorded as capital assets in Green Bank's balance sheet (such project being a "Terminated Project").

As with the Loan Loss Reserves, the annual determination of the Budget for Project Terminations is approved by the BOC, and subsequently by the Board, through the annual budget and targets process.

The current programs for which a Budget for Project Terminations is allocated are listed below and may be updated from time to time:

- **Solar Development** - The Green Bank and its subsidiaries develop commercial solar projects at municipal, state, business, nonprofit, and affordable multifamily properties (each being a Commercial PPA/Lease Project). As part of the development process, Green Bank enters into offtake agreements, such as a PPA or a site lease, with utility customer hosts. Additionally, an Engineering, Procurement, and Construction (EPC) agreement is executed with a solar installation company. A Commercial PPA/Lease Project may be terminated after incurring EPC or project-specific costs due to factors like high interconnection costs, permitting issues, or unfavorable site conditions. In such cases, incurred development costs are usually non-recoverable, and the project is classified as a Terminated Project.

  An expense budget category for Terminated Projects is established and approved annually through the budget process.

4. Loss Decision Process

In determining how losses should be processed for any transactions on the Green Bank balance sheet and the balance sheets of its subsidiaries, there are two key components:(1) the value of the modification and, (2) the type of loss anticipated or incurred.

Value of Loss/Modification

Green Bank senior staff (Staff) shall determine the value of the loss/modification based on the underlying facts, circumstances and characteristics of the asset, the following are potential considerations:

- **Principal Outstanding** – the type of loss anticipated should apply to only the amount of the principal outstanding of the transaction and lost interest revenue;

- **Valuation –** the type of loss should apply to the valuation of the capital asset; or

- **Modification Amount** – the type of loss anticipated should apply only to the proposed modification amount of the transaction

Types of Losses/Modifications

Staff shall determine the type of loss/modification based on the underlying facts, circumstances and characteristics of the asset. The categories of losses/modifications are as follows:

- **Restructuring**: a modification of principal, interest, term, and/or other material component of a transaction beyond the scope of the original transaction approval authorization. For the avoidance of doubt, any amendment of a transaction within the original approval authorization is not considered a restructuring (e.g. amendment of C-PACE loan terms within standard rate and term schedule, or EPC amendment for increased project cost);

- **Write-Off**: a determination that an asset is impaired (may be a result of ongoing delinquency, default, or Terminated Project) and deemed that it is unlikely for a material recovery of the principal, or intended return on the receivable or capital asset; and

- **Default Penalty Waiver**: a modification or waiver of default interest, fees or other default penalties which may be due to Green Bank arising from a default by a Green Bank counterparty. For the avoidance of doubt, an amendment of a transaction which may have the effect of reducing default interest, fees, or other penalties which is within the original approval authorization and not considered a default penalty waiver.

- **Forbearance:** a temporary measure by which Green Bank agrees not to enforce certain rights or remedies (such as acceleration, foreclosure, or legal action) arising from a counterparty's breach or default, for a defined period of time, without waiving such rights. Forbearance may include suspension or deferral of payments, but does not modify the underlying terms of the transaction. It does not constitute a restructuring or waiver unless accompanied by amendments to the original agreement.

Each of these types of losses/modifications should be handled in a specific manner depending upon the value of the loss/modification, see Table 1.

Table 1. Process to determine Loss Decision or Project Termination based on Value and Type of Loss/Modification

Type of Loss/Modification/Termination	Value of Modification		
	<$100,000	$100,000 – $1,000,000	>$1,000,000
Determining Amount of Provisional Loss Reserve	Staff (with review and reporting from the Auditor) and approval from BOC		
Determining Amount of Project Termination Budget	Staff (with review and reporting from the Auditor) and approval from BOC		

Restructurings	Staff	Deployment	Board of Directors
Default Penalties	Staff	Deployment	Board of Directors
All Write-Offs. For Project Terminations: if, in aggregate, exceed Project Termination Budget allocation	Staff	Deployment	Board of Directors
Only Write-Offs for Project Terminations: if, in aggregate, DO NOT exceed Project Termination Budget allocation	Staff		
Forbearance	Staff up to $5M		

Staff will review and approve any modifications within the Staff approval limited set forth above, ensuring proper documentation and approval through the standardized Approval Release Slip (ARS) internal process. Any such ARS will include a memo detailing the project/asset, the proposed loss/modification, the calculation of the loss/modification, any mitigation actions, and any preventative measures for avoiding such issues in the future. Additionally, Staff will report out on any losses/modifications approved pursuant to staff authority to DC or Board.

In between report outs to the Board or DC, Staff will only be able to review and approve in aggregate up to $500,000 of the following loss/modifications: Restructurings, Default Penalties, and Write-Offs. In other words, the Loss Decision Process allows staff to review and approve losses/modifications "Up to $100,000 and No More in Aggregate than $500,000" between report outs to DC or Board. For Project Terminations, staff will be able to review and approve write offs which, in aggregate, do not exceed the Project Termination Budget. Staff has approval to issue forbearance for transactions with a principal outstanding of no more than $5M and for a period of no more than 1 year before having to go to the Board.

Applying the Loss Decision Process: Transaction Examples

The following example transactions illustrate how the Loss Decision Process is applied.

Example Transaction #1 – Smart-E Loan

The first example transaction is a residential loan through the Smart-E Loan Program that is in default – see Table 3.

Table 3. Smart-E Loan – Write-Off

Program	Smart-E Loan
Original Principal	$34,000
Outstanding Principal	$25,000
Value of Modification/Loss	$25,000
Type of Modification/Loss	Write-Off

Loss Reserve	7.5% of the original principal value of the Smart-E Loan portfolio
Approving Authority	Staff

In this situation, with regards to the Smart-E Loan, as long as the partner lender has exceeded their 1.5% of losses within their loan portfolio and is seeking to access the 7.5% second loss from the Green Bank per our agreement, then the Staff can write-off the outstanding principal amount of the transaction by paying off the loss through the use of restricted cash in the loan loss reserve account set aside for the Smart-E Loan program.

Example Transaction #2 – C-PACE

The second example transaction is a C-PACE benefit assessment that requires restructuring – see Table 3.

Table 3. C-PACE – Restructure

Program	C-PACE
Original Principal	$1,250,000
Outstanding Principal	$1,100,000
Value of Modification/Loss	$1,100,000
Type of Modification/Loss	Restructuring
Approving Authority	Board

Since it's a restructuring with a value greater than $1,000,000, this restructuring would have to be reviewed and approved by the Board of Directors.

Example Transaction #3 – Onsite Distributed Generation Grant by the Connecticut Clean Energy Fund

The third example transaction is a grant provided by the Green Bank predecessor, the Connecticut Clean Energy Fund. In this example, a project host has committed to onsite clean energy for a contractual period of time, however, it may seek to modify that preexisting agreement. There are no assets on the balance sheet from this transaction – see Table 4.

Table 4. Onsite Distributed Generation Grant Program – Restructuring

Program	Onsite DG Program
Original Grant	$250,000

Outstanding Grant Obligation	$75,000
Value of Modification/Loss	$75,000
Type of Modification/Loss	Restructuring
Approving Authority	Staff

Since the project is not an asset on the balance sheet of the Green Bank, and the principal outstanding value is less than $100,000, then the staff could review and approve of this transaction modification. Had the principal value of the outstanding principal in the contract exceeded the Staff authority to restructure, the proposed revision would have had to have been approved by the Deployment Committee or the Board of Directors.

Example Transaction #4 – Fuel Cell Project

The fourth example transaction is a loan for a fuel cell project that is a write-off – see Table 5.

Table 5. Fuel Cell Project – Write-Off

Program	Fuel Cell
Original Principal	$5,000,000
Outstanding Principal	$2,750,000
Value of Modification/Loss	$2,750,000
Type of Modification/Loss	Write-Off
Approving Authority	Board of Directors

As a write-off with a loss value of $2,750,000, this would have to go to the Board of Directors for review and approval.

Example Transaction #5 – Multifamily Predevelopment Loans

The fifth example transaction is a predevelopment loan for a multifamily project that is a restructuring or write-off – see Table 6.

Table 6. Multifamily Predevelopment Loan Project – Restructuring or Write-Off

Program	Multifamily
Original Principal	$50,000
Outstanding Principal	$50,000
Value of Modification/Loss	$50,000

Type of Modification/Loss	Restructuring or Write-Off
Approving Authority	Staff

The Multifamily predevelopment programs lend funds to identify and build out project plans. The funds are typically not repaid until a term loan to cover the actual project is in place and the predevelopment loan is repaid with the proceeds of the term loan. On some occasions, the outstanding balance of the predevelopment loan is written off or restructured as the term loan is agreed to ensure that the economics of a project work by staff. Given the size of the loan, the restructuring and loan forgiveness is handled by staff.

Example Transaction #6 – CT Solar Loan

The first example transaction is a residential loan through the CT Solar Loan Program that is in default – see Table 7.

Table 7. CT Solar Loan – Write-Off

Program	CT Solar Loan
Original Principal	$30,000
Outstanding Principal	$22,500
Value of Modification/Loss	$22,500
Type of Modification/Loss	Write-Off
Approving Authority	Staff

Since the value of the loss is less than $100,000, then the Staff would be approving this type of loss. In this situation, with regards to the CT Solar Loan, as long as all legal remedies have been pursued to collect the loan, then the Staff can write-off the outstanding principal amount of the transaction by paying off the loss through the use of restricted cash in the loan loss reserve account set aside for the CT Solar Loan.

Example Transaction #7 – Solar PPA Project Secured by C-PACE

The second example transaction is a Solar PPA (i.e., secured by C-PACE). A portion of the system suffered damage and will need to be removed, therefore the transaction t requires restructuring– see Table 8. The value of the modification is calculated as the cost to remove a portion of the system and the decrease in revenue associated with portion of the system that was removed.

Table 8. Solar PPA – Restructure

Program	Solar PPA
Original Capital Asset Value	$3,250,000
Gross Expected Revenue	$600,000
Cost to remove	$500,000
Value of Modification/Loss	$1,100,000
Type of Modification/Loss	Restructuring
Approving Authority	Board

Since the PPA is secured by C-PACE, then this transaction would be reviewed and approved by the Board of Directors.

Example Transaction #8 – Hydroelectric PPA

The third example transaction is the issuance of a Clean Renewable Energy Bond (CREB) to finance a 193-kW hydroelectric facility. In this example, the purchaser of the power is unable to pay its PPA – see Table 9.

Table 9. Hydroelectric Facility PPA with Bond Financing – Restructuring

Program	Project Finance – Bond
Original Principal	$3,000,000
Outstanding Principal	$2,798,331
Value of Modification/Loss	$2,798,331
Type of Modification/Loss	Restructuring
Approving Authority	Board

Since the value of the modification is greater than $1,000,000, any restructuring of the transaction would require the review and approval of the Board of Directors. And since the bond uses the Special Capital Reserve Fund (SCRF) of the State of Connecticut, additional steps will be required to support self-sufficiency if the PPA payment is forgiven.

Example Transaction #9 – Site Lease with an Affordable Multifamily property

This example involves a Commercial PPA/Lease Project in which a site lease was executed with an affordable multifamily property owner and an EPC agreement was signed with the installer. The installer conducted preliminary work, including design and structural assessments. However, the project was ultimately unable to proceed due to a failure to meet structural requirements. As a result, both the PPA and the EPC agreement were terminated while the project is in development and is considered a receivable asset. For further details, refer to Table 10.

Table 10. Solar Site Lease Project Terminated

Program	Solar PPA/Lease Development
Original EPC Contract Sum	$500,000
Value of Modification/Loss	$25,000
FY approved Project Termination Budget	$300,000
Previously approved Terminated Projects in the FY	$100,000
Type of Modification/Loss	Terminated Project
Approving Authority	Staff

As the aggregate amount of Terminated Projects for the fiscal year, including the value of this Terminated Project, remains below the Project Termination Budget allocation for the fiscal year, this termination would require staff review and approval.

Example Transaction #10 – Solar PPA with a Municipality

This example involves a Commercial PPA/Lease Project in which a PPA was executed with a municipality, and an EPC agreement was signed with the installer. The installer completed initial designs and prepared drawings required for the interconnection application. However, the project could not move forward due to interconnection costs that were not economically feasible for the project. Consequently, both the PPA and the EPC agreement were terminated while the project is in development and considered a receivable asset. For additional information, refer to Table 11.

Table 11. Solar Site Lease Project Terminated

Program	Solar PPA/Lease Development
Original EPC Contract Sum	$700,000
Value of Modification/Loss	$40,000
FY approved Project Termination Budget	$300,000
Previously approved Terminated Projects in the FY	$280,000
Type of Modification/Loss	Termination
Approving Authority	Deployment

As the aggregate amount of Terminated Projects for the fiscal year, including the value of this Terminated Project, is greater than the approved Project Termination Budget allocation for the fiscal year, this termination would require review and approval by the Deployment Committee.

Example Transaction #12 – Solar PPA with damage

This example involves a Commercial PPA/Lease Project that after being finalized and in operation during 5 years suffered damage and costs to restore and reinstall were cost prohibitive. Therefore the project which is a capital asset under Green Bank's balance sheet. The value of the modification include the amount in gross expected revenue along with any cost associated with removing the system._For additional information, refer to Table 13.

Table 13. Solar Site Lease Project Terminated

Program	Solar PPA/Lease Development
Original EPC Contract Sum	$500,000
Gross Expected Revenue	$250,000
Cost to remove	$100,000
Value of Modification/Loss	$350,000
Type of Modification/Loss	Write-off
Approving Authority	Deployment

Since the write off amount is more than $100,000 but less than $350,000, then the Staff would require approval from the Deployment committee to approve this type of loss.

Example Transaction #13 – Forbearance to a CPACE Loan

This example involves a C-PACE benefit assessment that, due to complications with the property owner which have impacted their ability to make payments and led to a request for a temporary suspension of payments – see Table 14.

Table 3. C-PACE – Restructure

Program	C-PACE
Original Principal	$5,500,000
Outstanding Principal	$4,500,000
Value of Modification/Loss	$4,500,000
Type of Modification/Loss	Forbearance
Approving Authority	Staff

Since the proposed path is to forbear for a defined period without waving Green Bank's rights or modifying the underlying terms of the transaction, staff may exercise discretion to approve the forbearance, subject to proper documentation and approval through the standardized Approval Release Slip (ARS) internal process.

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Zum – Branford Public Schools

Debt Financing: Electric School Bus Deployment
June 13, 2025

Document Purpose: This document contains background information and due diligence on a debt financing facility to finance the purchase and deployment of electric school buses ("ESBs"), electric vehicle ("EV") chargers, and make-ready electric infrastructure for Zum Services, Inc., the school transportation provider for Branford Public Schools.

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.

School Bus Electrification Financing Memo

To:	Connecticut Green Bank Board of Directors
From:	Kevin Moss, Senior Manager, Clean Transportation
Cc:	Bryan Garcia, President & CEO; Bert Hunter, Executive Vice President and Chief Investment Officer; Brian Farnen, General Counsel & CLO; Sara Harari, Director of Innovation; Eric Shrago, VP Operations; Jane Murphy, EVP of Finance and Administration; Stefanie Keohane, Associate Director of Strategic Initiatives; Larry Campana, Associate Director, Investments
Date:	June 13, 2025
Re:	Zum and Branford Public Schools – School Bus Fleet Electrification

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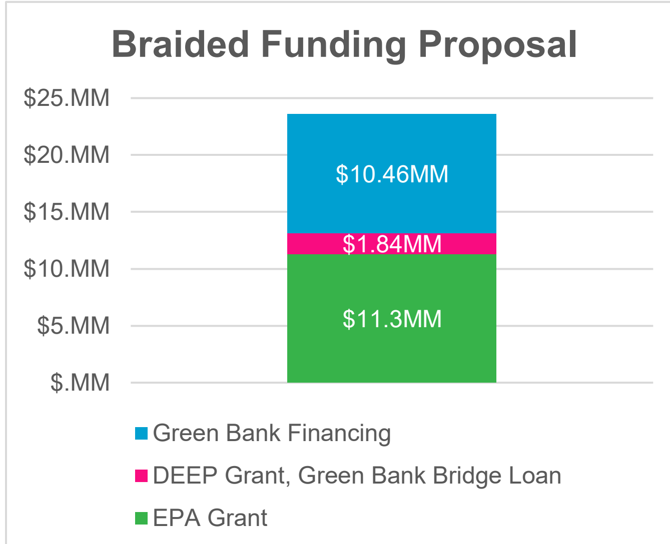
Capital Solutions Request and Summary

The purpose of this memorandum is to request that the Connecticut Green Bank ("Green Bank") Board of Directors ("Board") approve a term loan to a special purpose entity ("SPE"), guaranteed by its parent Zum Services, Inc. ("Zum"), not to exceed $12,300,000, to support the full electrification of the Branford Public Schools ("BPS") school bus fleet ("Project"). Key security provisions include a first priority lien on the Project assets (buses and chargers) and revenues from the transportation services agreement with BPS and a leasehold mortgage on the school bus yard. Zum has submitted this request via the Green Bank's Capital Solutions program and a Request for Proposals (RFP, see below) that the Green Bank issued in December 2024 concerning the opportunity to use National Clean Investment Fund ("NCIF") funds (also explained below).

Zum estimates a sum cost of approximately $24MM to electrify the entire BPS transportation fleet (49 buses and 10 vans). Zum and BPS have collectively been awarded $11.3MM across two U.S. Environmental Protection Agency ("EPA") grants. Zum has also received a conditional letter of award from the Connecticut Department of Energy and Environmental Protection ("DEEP") for $1.84MM.

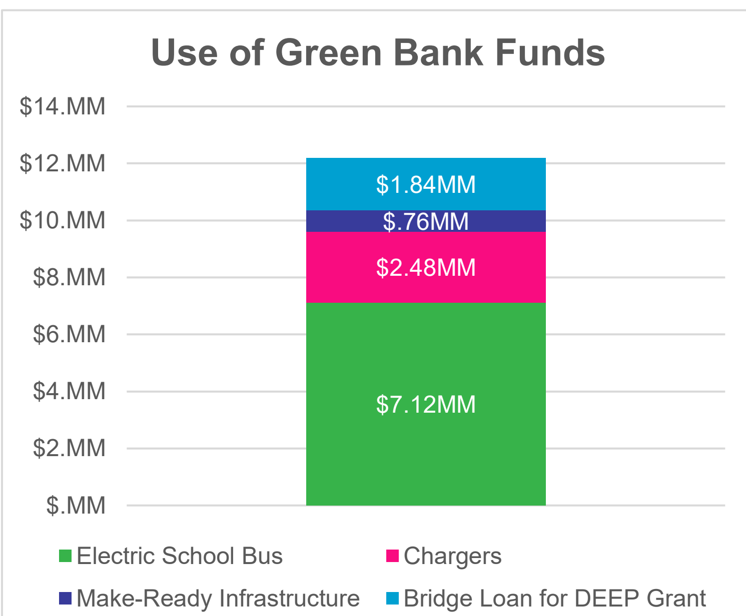


Green Bank financing will be used on the remaining project costs:

- Buses: $7,122,447
- Chargers: $2,483,323
- Infrastructure: $762,241

Zum has also requested that the Green Bank provide bridge loan financing equal to their conditional DEEP award due to the reimbursement-based structure of the award. Zum's total financing request is $12,208,010.

Due to the uncertainty surrounding its NCIF award, the Green Bank has currently structured the investment to use Clean Energy Fund ("CEF") resources with the option to refinance with NCIF dollars if they become available.



The Green Bank's support for the Zum-BPS project will accelerate Zum's fleet electrification timeline by two full calendar years (from August 2026 to August 2028) and lead to the largest, full-district ESB deployment in the northeast.

Policy and Investment Background

Green Bank Enabling Statute, Comprehensive Plan

The Green Bank's enabling statute[1] directs it to "Promote investment in… projects that seek to deploy electric… or alternative fuel vehicles and associated infrastructure" and to "Promote investment in clean energy in accordance with a comprehensive plan." The Green Bank's current Comprehensive Plan includes goals to direct at least 40 percent of its investments to vulnerable communities.

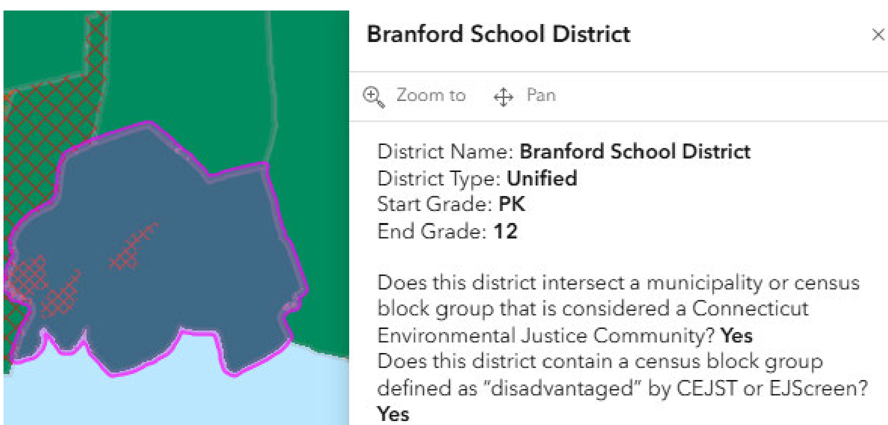
The Green Bank's potential investment to support the electrification of BPS's fleet is aligned with both its enabling statute and Comprehensive Plan.

State Policy

The passage of the Connecticut Clean Air Act[2] (P.A. 22-25) created a suite of clean transportation policy directives for the State, including the following zero-emission school bus deployment requirements:

- 2030 – all school buses that serve environmental justice ("EJ") communities; and
- 2040 – all school buses in the state.

Branford is designated as a state EJ community and is tethered to the 2030 timeline described above. A screengrab from the Green Bank's CT EJ School Districts mapping tool is below:



P.A. 22-25 extended the maximum term for school transportation contracts from five years to ten years if the contract includes transportation provided by at least one zero-emission school bus. This policy change has been instrumental in expanding opportunities for large, long-term investments in ESB projects like the Zum-Branford deployment.

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[1] CT General Statutes: Section 16-245n
[2] Public Act 22-25, the Connecticut Clean Air Act: Full Text, Summary

P.A. 22-25 also created a grant program that enables CT DEEP to provide matching funds to school districts and school bus operators that receive federal funding for the purchase or lease of zero-emission school buses and charging infrastructure.

PURA Docket No. 21-09-17

The Green Bank's ESB market-building efforts have been complicated by an uncertain regulatory environment regarding ESB charging and infrastructure installation costs. Through Docket No. 21-09-17, the CT Public Utilities Regulatory Authority ("PURA") is assessing the following key factors, with a particular focus on school buses and transit buses:

- Custom charging rates for medium and heavy-duty ("MHD") electric vehicles ("EVs");
- Incentives for both utility- and customer-side infrastructure costs; and
- EV charger rebates for MHD projects in underserved communities.

The Green Bank recently filed its brief in the docket, which is currently scheduled to be finalized in August 2025. The Green Bank is looking forward to the market certainty that PURA's decision will provide.

The financial review and investment structuring conducted by Green Bank staff does not assume the creation of either a make-ready or EV charger incentive for the Branford ESB project.

National Clean Investment Fund

Under the Greenhouse Gas Reduction Fund ("GGRF"), the Green Bank received $40.8MM as a subrecipient of the $5 billion GGRF award Coalition for Green Capital ("CGC") received under the EPA's NCIF Notice of Funding Opportunity for deployment across Connecticut. The Green Bank has prioritized developing NCIF-compliant projects, including in the Green School Bus sector, in line with its CGC-approved scope of work. This work is in alignment with the "zero-emissions transportation" EPA priority project category as well as the deployment requirements in P.A. 22-25. The Green Bank has committed to a minimum 60 percent federal Low-Income and Disadvantaged Communities ("LIDACs") target when making ESB investments. Branford is designated as disadvantaged by the EJScreen platform due to local air quality metrics that affect public and respiratory health. The Green Bank's NCIF funds are not currently accessible and are a subject of ongoing judicial action between the EPA and all NCIF awardees, including CGC.

Request for Proposals

In December 2024, the Green Bank published a Request for Proposals ("RFP") soliciting supplemental funding applications from school districts and school bus operators that had been awarded federal grant funding, primarily through the EPA's Clean School Bus Program. DEEP published a complementary Request for Applications ("RFA") in line with the supplemental grant funding described above. The Green Bank and DEEP responding to the applications in tandem enabled school districts and school bus operators to access both grant funds and low-interest financing for their remaining project costs following the use of their federal awards.

The Green Bank and DEEP received applications from six project proponents, including Zum, covering federal awards in support of 162 ESBs. Following an initial request solely for grant funding, Zum contacted the Green Bank requesting low-interest financing support.

Past Board Meetings

Green Bank staff have been committed to keeping the Board informed on ESB investment progress and market-building efforts. A summary of recent Board meetings that included presentations on ESBs include:

- December 13, 2024: NCIF update, RFP overview, CT school bus market background. Resolution #10 – Green Bank is authorized to enter into agreements with successful applicants identified through the ESB RFP. Resolution #10 authorizes Green Bank to enter into agreements with ESB RFP applicants.

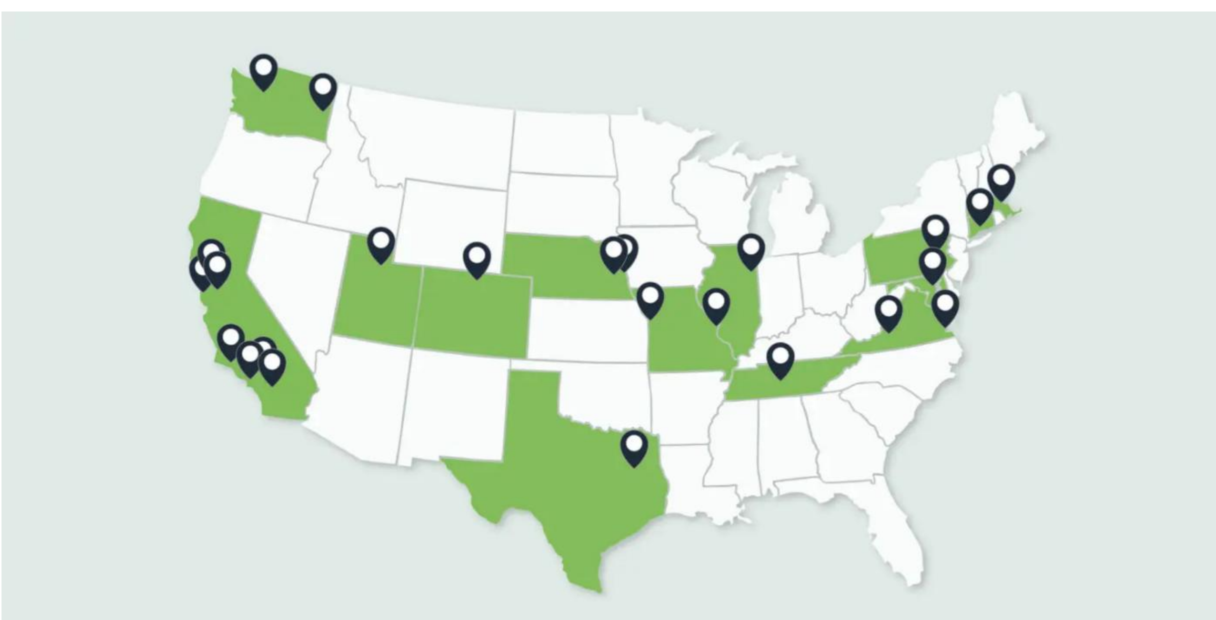
- February 19, 2025: ESB market overview, RFP response and capital needs recap, financing offerings summary, and future market-building activities discussion. Resolution #3 directed staff to deploy up to $16M in NCIF funds in support of ESB projects.

- April 25, 2025: Overview of Zum and Branford Public Schools grant awards and potential investment opportunities. CT public and respiratory health presentation.

Zum & Branford Public Schools

Company Overview

Zum is a transportation services company headquartered in Redwood City, CA that currently serves school districts in 23 areas across the United States, shown below:



Zum differentiates itself from its competitors by optimizing route logistics to lower costs and by offering a user-friendly software platform and app that enhances student safety and parental visibility. In certain districts, such as Boston Public Schools, Zum does not directly operate daily bus routes but instead serves as the software and logistics management lead for the district.

Zum also specializes in the deployment of ESBs and has particular expertise in vehicle-to-grid ("V2G") charging. Most notably, Zum launched a 74-ESB, V2G-enabled fleet for Oakland Unified School District that is estimated to send up to 2.1 GWh of electricity back to the grid annually.

The Green Bank has begun to signal with PURA that there may be opportunities to integrate ESBs to the Energy Storage Solutions ("ESS") Program and that the Zum-Branford project may provide a strategic opportunity to pilot ESB-V2G innovations via the ESS performance-based incentives framework.

Zum was incorporated in 2014 and completed a $140MM Series E funding round in January 2024. In the accompanying press release, Zum states that it has raised $350MM in total funds and is valued at $1.3B. Zum's Series E funding round was led by GIC; additional investors include Sequoia Capital (led Series A), Spark Capital (led Series B), BMW iVentures (led Series C), SoftBank (led Series D), Arrowshare Ventures, and Ingeborg Investments.

An overview of Zum's financial performance is provided on pages 12-13 of this document.

Branford Public Schools

BPS contains six schools that collectively enroll approximately 2,600 students, 37% of whom qualify for free or reduced-price meals. 11.2% of BPS students are estimated[3] to have asthma, which far exceeds the national average of 6.5% of children (<18 years) with asthma.[4]

The BPS transportation fleet currently consists of 49 school buses and ten vans. All school vehicles are housed in a large school bus yard located at 33 Flax Mill Road in Branford.

First Student served as BPS's former school transportation provider prior to Zum.

Zum Contract with Branford Public Schools

On March 25, 2024, BPS awarded Zum a $60MM, ten-year transportation services contract, the first project in CT to leverage the expanded contracting authority created by P.A. 22-25. The term of the agreement is from July 1, 2024 – June 30, 2034. Zum's RFP response to BPS is available in **Attachment A** and the BPS transportation page contains general resources, including the transportation services agreement between Zum and BPS. "Attachment A" includes a cover letter from Zum to Green Bank which serves as its official application to the Green Bank Capital Solutions Program; an RFP submitted to Branford Public Schools, which details the project's scope and implementation strategy; and, a revised Section 10.2 "EV Transition Plan"

[3] Connecticut School-based Asthma Surveillance Report 2024
[4] Center for Disease Control: Most Recent National Asthma Data

which replaces Section 10.2 from a previous version (increasing the rate of EV adoption from 10 years to 5 years).

The contract contains a proposed annual fee of $3.9M for 2024-2025. 9.76% increases are scheduled for two consecutive years and 3.50% increases scheduled for every year thereafter.

A key aspect of Zum's RFP submission was a commitment to electrify the entire 49-bus BPS fleet by August 2028. Zum committed to this target at a similar price point to competing bids that did not include a robust electrification commitment or plan. The price-competitive nature of Zum's RFP submission was a key factor in the BPS Board of Education's decision to award the contract.

Electric School Bus Deployment Summary

Electrification Costs and Financing Request

Zum and BPS have been awarded $5MM and $6.3MM across two EPA grant programs that will significantly defray fleet electrification costs:

- EPA Clean School Bus Program: $5MM awarded to Zum for 25 buses.
- EPA Clean Heavy-Duty Vehicle Program: $6.3MM awarded to BPS for 21 buses and associated infrastructure costs. Zum will serve as the award subrecipient.

Zum has successfully leveraged these federal awards via the joint RFP/RFA issued by Green Bank and DEEP and been awarded an additional $1.84MM in state grant funds.

Zum estimates its overall project costs as follows:

- Buses - $18,967,947
- Chargers - $2,483,323
- Infrastructure - $2,085,956
- Total - $23,537,226

After deducting federal and state grants, the following estimates remain:

- Buses - $7,122,447
- Chargers - $2,483,323
- Infrastructure - $762,241
- Total - $10,368,011

Zum's total financing request to the Green is for $12,208,011 when including a bridge loan equal to their conditional award from DEEP of $1.84MM.

Project and Capital Drawdown Schedule

Zum has requested that its capital drawdown schedule be aligned to its infrastructure installation and bus deployment timeframe, summarized below:

- December 2025 –Infrastructure Draw. $762,241
- April 2026 – Chargers Draw: $2,483,323

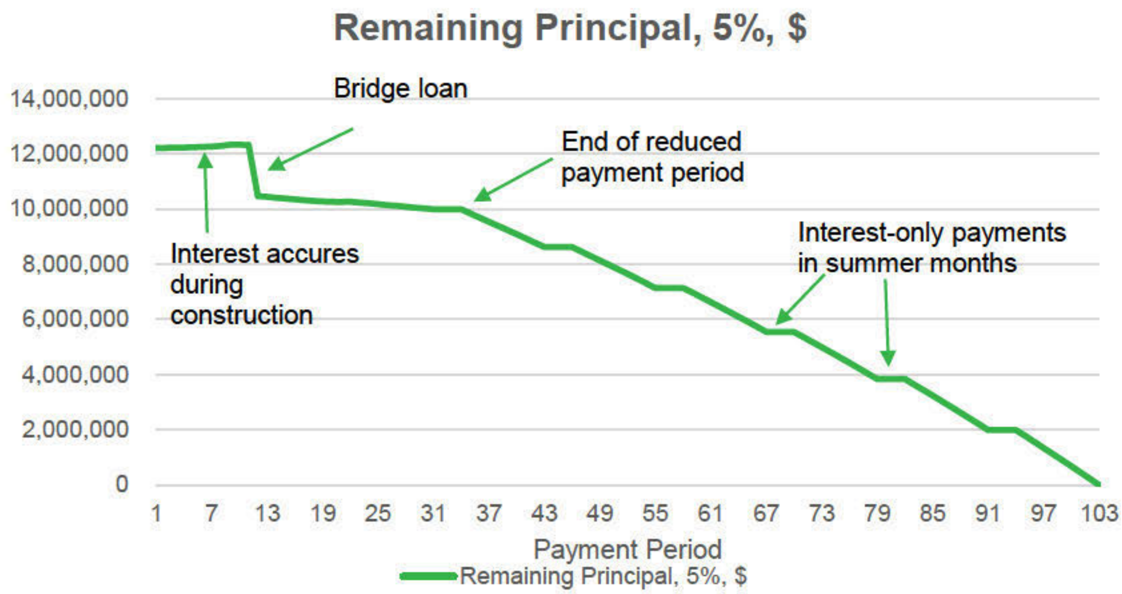
- August 2026 – Buses and DEEP Bridge Loan Draw: $8,962,447

Zum anticipates that buses will be delivered in batches of approximately ten vehicles throughout the early and mid-summer 2026. Zum then has approximately 60 days to issue payment after inspecting and accepting the buses.

A summary analysis of Zum's ability to reach its current Debt Service Coverage Ratio ("DSCR") term sheet requirements (1.15x, tested annually) when using a [redacted] is provided below. For this payment schedule summary, Cash Available for Debt Service ("CADS") was used to sculpt an annual payment amount which meets the annual Debt Service Coverage Ratio ("DSCR") of 1.15x. The beginning principal includes all capital draws and interest prior to the payment schedule which is Paid-in-Kind ("PIK"); it excludes the Bridge Loan principal and payment ($1.84M). A shortened payment schedule is used in Year 8 to coincide with the end of the current service contract between Zum and Branford. A detailed payment schedule is under development and review between Green Bank and Zum, which could include reduced payment years or months, discussed in the "Facility Structuring" section of this memorandum. The chart below is an example of how payments could be sculpted over the loan tenor to meet DSCR requirements.

[redacted]

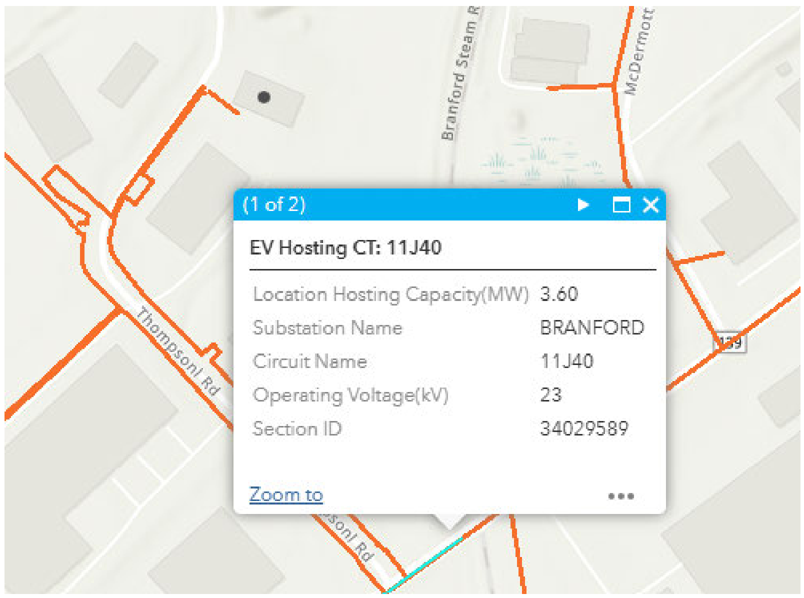
A visual breakdown of the principal repayment schedule is below:



[redacted]

School Bus Yard

Zum's school bus yard is located at 33 Flax Mill Road in Branford. The site offers the crucial benefit of being in a commercial zone with significant electric capacity. Eversource's EV charging hosting capacity map, copied below, indicates that approximately 3.6 MW of capacity is available at the school bus yard. Eversource staff have also communicated that significant utility-side upgrades will likely not be needed to serve the approximately 1.6 MW of theoretical maximum load from the installation of 49 ESB chargers.



Investment Structuring

Clean Energy Fund and National Clean Investment Fund

[redacted]

Green Bank staff have received written confirmation from EPA that NCIF resources can be for EPA Clean School Bus and Clean Heavy-Duty Vehicle Program awardees' outstanding project costs. Indicative language from an EPA Clean School Bus Program Questions and Answers Document is copied below:

> **Question:** Could a Greenhouse Gas Reduction Fund (GGRF) recipient or subrecipient provide a bridge loan to a CSB Program participant that could be repaid with a federal tax credit?
>
> **Answer:** Yes. Loans are expected to be repaid and the CSB Program selectee is thus ultimately using their own funds once the tax credit is earned, therefore, the restriction on stacking federal funds does not apply to federally funded loans, federally guaranteed loans, or other instruments that require repayment with non-federal funds.

CGC is currently reviewing the Green Bank's proposed NCIF Investment Policy but will likely not provide a summary response or approval for several months. In the meantime, the Green Bank will utilize CGC's Investment Policy and seek a waiver process for any investment components that fall outside CGC's investment risk management principles, which are available in the Appendix of this document.

Facility Structuring

Green Bank and Zum staff have worked collaboratively to structure the financing payment schedule to address Zum's operational needs and inherent revenue generation patterns across the school year. Key provisions include:

- Facility Term: December 2025 – June 2034
- Payment Period: October 2026 – June 2034
- Interest-only Payment Months: every July, August, and September
- "Reduced-payment" Months: until September 2028 (24 months following ESB fleet operation date)
- Debt Service Reserve Account: minimum of 6 full months of payments; to be filled over the 24 "reduced-payment" months. Final 6 months of payments to be paid with DSRA account.

A potential conditional contract extension or similar mutual agreement between BPS and Zum may result in an adjustment to these currently agreed terms.

Project Proforma

[redacted]

Zum Financial Performance

Financial Performance Overview

[redacted]

Project Risks

Zum Services, Inc. Financial Performance

Zum's relative early-stage company status and ongoing path to profitability presents inherent risk to the specific school bus electrification project in Branford. Green Bank staff have structured the investment to utilize a Special Purpose Entity ("SPE") that will be guaranteed by Zum at the parent level. If Zum were to theoretically go bankrupt or otherwise become unable to operate the BPS fleet, the Green Bank's security terms would enable it to facilitate BPS's access to the project equipment. Key security terms are summarized below:

- Buses – first priority perfected lien
- Chargers – first priority perfected lien
- Make-ready Infrastructure – leasehold mortgage on school bus yard property

[redacted]

[redacted]

Contract/Performance Risk

Zum's ability to satisfy the operational requirements outlined in the BPS-Zum transportation services agreement also present project success and investment security risks. Key provisions are noted below:

- *Breach of Contract/Termination:* In the event of termination, BPS's payment obligation shall cease as of the final day of provided transportation services and Zum will be responsible for expenses incurred by BPS to find a new transportation provider for the remainder of the agreement term.

- *Performance Bond:* Zum must furnish an annual performance bond to BPS equal to the corresponding year's contract amount.

Federal Funding Risk

BPS is currently able to fully access its respective awards from the EPA Clean Heavy-Duty Program and Zum has confirmed that EPA has begun to process payments for another project from the same Clean School Bus Program funding round as the Branford project. Zum staff anticipate that EPA staff will soon begin processing payments for the Branford project.

Future actions by the current administration could potentially lead to operational challenges for Zum in drawing down funds and being reimbursed for project costs. This consideration is particularly crucial for bus costs, as EPA has structured its school bus grant programs to quickly turn over reimbursements, as described below:

Question: Is the 2024 CSB Rebates a reimbursement program or will award payments arrive before we are invoiced for the buses?

Answer: The 2024 CSB Rebates allow selectees to receive awarded funds prior to paying their vendor(s) for the bus(es) and associated infrastructure listed in their application; funds will be disbursed to the selectee after EPA reviews and approves the Payment Request Form for buses (and infrastructure, if applicable).

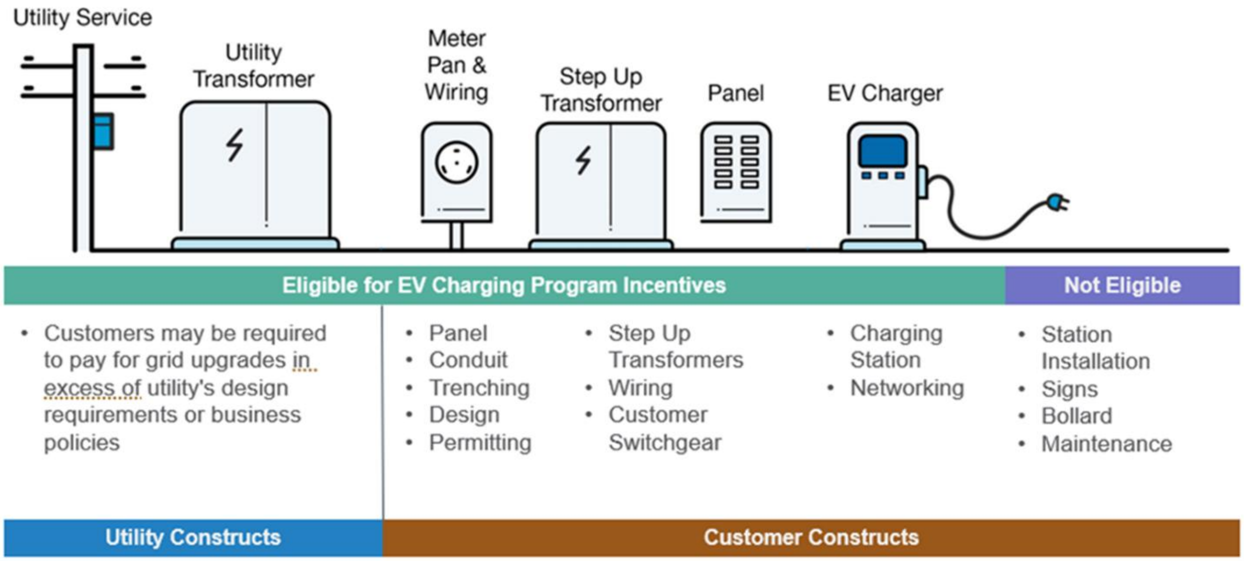
It is also worth noting that applicable federal tax credits[5] are not integrated into the financing package. While Green Bank and Zum staff explored opportunities to monetize these credits, ongoing political uncertainty regarding their availability and the prohibition on directly transferring the 45W credit prevented further action. If Zum is able to access these credits via the Branford project, they will likely be held at the parent company level and carried forward as a general business credit for usage when Zum develops a tax appetite.

Infrastructure Installation and Interconnection

Zum has communicated to the Green Bank that its planned make-ready construction and EV charger installation process will take four to six months. This accelerated timeline will require close coordination with Eversource, who has confirmed that Zum submitted a work request on May 22. As indicated above, Zum's use of this site was informed by the potential to support additional load without major utility-side upgrades. Delays on either Zum's or Eversource's side could have a material effect on the project timeline and scheduled ESB fleet launch in August 2026.

Zum's current outstanding cost estimate for needed make-ready infrastructure upgrades is $762,241. If this figure underestimates Zum's outstanding costs, then a potential make-ready infrastructure incentive created through PURA Docket No. 21-09-17 could defray these costs. A graphic of the potential make-ready expenses that would be eligible for reimbursement is below:

[5] 45W – Commercial Clean Vehicle Credit and 30C – Alternative Fuel Vehicle Refueling Property Credit



Supply Chain Delays

Zum is slated to procure its ESBs from BYD USA, located in Lancaster, CA. Zum staff have stated that they are typically able to receive ESBs within six months of confirming their purchase orders. Any significant delays to this timeframe could affect the scheduled launch of the ESB fleet in August 2026, resulting in additional costs to lease diesel buses in the meantime.

Supply chain delays could also affect the delivery of chargers, which will be manufactured by Tellus Power Green.

Technology Risk

Zum's ESB, battery, and charger warranty information is below:

- ESBs and batteries – 12 years
- Chargers – 5 years with extended warranty plan. Extended warranty cost = $361,800

BYD's lithium iron phosphate batteries are manufactured by FinDreams Battery, a wholly owned subsidiary of BYD. In 2024, FinDreams was the second-largest EV battery producer worldwide, holding a 17% market share. BYD is a Chinese multinational manufacturing conglomerate headquartered in Shenzhen, Guangdong, China. It is a vertically integrated company with several major subsidiaries, including BYD Auto which produces automobiles, BYD Electronics which produces electronic parts and assembly, and FinDreams, a brand name of multiple companies that produce automotive components and electric vehicle batteries.

BYD was founded in February 1995 as a battery manufacturing company. Its largest subsidiary, BYD Auto, was established in 2003 and has since become the world's largest manufacturer of plug-in electric vehicles. BYD has an equity capital base of approximately $26 billion and annual sales in excess of $100 billion. While Zum will benefit from robust warranty periods for the buses and chargers, there are still inherent risks related to the original equipment manufacturers' ("OEM") continued operation. If either OEM were to cease operations, Zum may face challenges in operational and maintenance-related challenges, which would likely result in higher costs than projected.

The specific bus models that will be used in Branford have been approved for procurement through the California Department of General Services statewide ESB contract since November 2023. Both the Achiever (Type A) and Dreamer (Type D) are also available for state grant funds through California Hybrid and Zero-Emission Truck and Bus Voucher Incentive Program and New York's School Bus Incentive Program. The Achiever was also awarded the "Best Green Bus Technology" of 2023 at the School Transportation News Expo.

Insurance Cost Risk

[redacted] When asked about this figure, Zum staff communicated that they have been able to use their Oakland Unified School District deployment (74 buses) to demonstrate the safety and cost/claims predictability of the ESBs they operate, thereby resulting in a lower average rate. Any plan or payment changes to this forecasted figure could affect Zum's project costs in Branford.

Operations Management

The launch of a fully electrified school bus fleet of this size comes with inherent operational challenges related to charging logistics, route optimization and scheduling, driver training, and other key considerations. Zum's accelerated infrastructure installation and bus deployment timeframe could complicate these operational factors and potentially cause challenges with launching an ESB fleet for school year 2026-2027.

Capital Solutions Open RFP Evaluation

Proposal: A term loan to an SPE, guaranteed by Zum at the parent company level, not to exceed $12,300,000, to support the full electrification of the BPS school bus fleet of 49 buses, the installation of 49 V2G-capable chargers, and associated electric infrastructure work.

	Criteria	Rating	Explanation	Score
1	**Meeting Green Bank Goals – how well does this project align with the Green Bank's goals?**	**High**	Supports clean energy and the Connecticut economy.	3
2	**Green Bank Essentiality – to what extent is participation by the Green Bank essential to the success of the project?**	**High**	The early-to-growth stage of EV adoption for larger vehicles, like ESB, cause obstacles in cost which require support.	3
3	**Project Feasibility – How feasible is the project to achieve its stated goals?**	**High**	High probability for success from partnership with Branford, DEEP, and federal incentives.	3
4	**Project Replicability – Could a similar project be replicated in Connecticut or elsewhere, or is this a unique opportunity?**	**Medium**	There is a high need in Connecticut to fund Electric School Bus projects. Uncertainty with federal funding and associated future project replicability concerns.	2
5	**Relevant Experience – Does the proposer offer relevant and sufficient experience for the type of project being proposed?**	**High**	Zum has significant experience throughout the nation.	3
6	**References**	**High**	Written reference included in RFP. Staff will contact additional references as part of due diligence.	3
7	**Pending Litigation**	**High**	No material lawsuits	3
8	**Management and character review**	**High**	Detailed and comprehensive management bios reviewed for this senior group of professionals.	3
	Bonus Points	**Rating**	**Explanation**	**Score**
1	**Project benefits LMI or underserved communities**	**Medium**	CT Environmental Justice community and federal LIDAC.	1
2	**Project benefits communities with environmentally hazardous areas, such as superfund sites**	N/A		0
	TOTAL SCORE	**Pass**		**24/24**

RESOLUTIONS

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

WHEREAS, at the December 13, 2024, meeting of the Green Bank Board of Directors ("Board"), it was resolved for staff to review responses to ESB RFP for electric school bus and associated upgrades and structure agreements to present to the Board for approval; and,

WHEREAS, on January 3, 2025, the Green Bank signed and executed a $93.53 million Subgrant Agreement with the Coalition for Green Capital, under their National Clean Investment Fund award, to support investment in project types including Green School Buses;

WHEREAS, at the February 19, 2025, meeting of the Green Bank Board of Directors, it was resolved for staff to be authorized to enter into agreement(s) with applicants identified through the ESB RFP that ultimately qualify for Green Bank financing, the formation of one or more Special Purpose Entities or direct investment, with or for the benefit of these applicants to obligate NCIF capital in support of investment in deployment of electric school buses, including associated upgrades for up to $16M in funding;

WHEREAS, Zum Services, Inc. ("Zum") responded to the ESB RFP, is the transportation provider for Branford Public Schools, and seeks to leverage their EPA Clean School Bus Award and CT Department of Energy and Environmental Protection grant funding alongside Green Bank financing to fully electrify their fleet; and,

WHEREAS, Green Bank staff have considered the merits of the investment and the ability of Zum to operate and support the obligations under the credit facilities throughout the term of the investment and satisfying the requisite Capital Solutions criteria, and have recommended a loan to a Special Purpose Entity not to exceed $12,300,000 to support, secured by a first priority lien on the electric school buses and charges installed with this loan as well as revenues from the transportation services agreement with Branford Public Schools and a leasehold mortgage on the school bus yard.

NOW, therefore be it:

RESOLVED, that the Green Bank Board of Directors hereby approves the applicant's Capital Solutions proposal for the Green Bank to provide a Special Purpose Entity a term loan not to exceed $12,300,000 to Zum Services, Inc. or its wholly-owned Special Purpose Entity to support the full electrification of the Branford Public Schools ("BPS") school bus fleet;

RESOLVED, that the President of the Green Bank and any other duly authorized officer is authorized to take appropriate actions to provide the loan to Zum Services, Inc. or the Special

Purpose Entity in an amount not to exceed $12,300,000 in with terms and conditions materially consistent with the Committee Memo including approval to extend the maturity of the loan to Zum to match any extension of the underlying contracts between Zum and BPS, and, subject to satisfying the above conditions, 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 Committee; 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 financing for the Project.

Submitted by: Bert Hunter, EVP and CIO, Sara Harari, Director of Innovation, Kevin Moss, Senior Manager, Clean Transportation, and Larry Campana, Associate Director, Investments

Attachment A – Zum RFP Response to BPS (separate file)

"Attachment A" includes a cover letter from Zum to Green Bank which serves as its official application to the Green Bank Capital Solutions Program; an RFP submitted to Branford Public Schools, which details the project's scope and implementation strategy; and, a revised Section 10.2 "EV Transition Plan" which replaces Section 10.2 from a previous version (increasing the rate of EV adoption from 10 years to 5 years).

Appendix – CGC Investment Risk Management

Coalition Member Investment Target Investment Considerations

1. Primarily debt or debt-like investment which may be either senior or subordinate in priority;
2. Primarily current cash pay:
3. Primarily maturities of 3-10 years (with mini-perm structures for long lived project finance assets);
4. Commercially proven technologies being deployed with proven management team;
5. Equity cushion, financial sponsorship, and/or contractual relationships such that borrower can withstand reasonably expected potential market volatility without default;
6. Returns on a portfolio basis will be expected to exceed portfolio losses and cost of operations and produce a positive entity-level return in most financial market environments;
7. Investments must provide Financial Assistance to Qualified Projects in accordance with the NCIF Grant Award;
8. At financial close for an investment, it should be expected that the Target Investment borrower will remain solvent and be able to meet its contractual commitments under the financing obligations to Coalition Members such that impairment of the investment is not expected;
9. Expectation that the investments on a portfolio basis will support CGC's portfolio target of 9-14x mobilization over 10 years via combination of mobilization of capital at the investment level (total cost divided by CGC at-risk capital invested), expected CGC portfolio monetization for further deployment, and/or recycling of capital via maturities and refinancings; and
10. Consistent with Coalition Member Investment Target Investment Risk Management Principles as discussed below.

Coalition Member Target Investment Risk Management Principles

1. Coalition Members will evaluate each at-risk capital investment and apply an internal risk rating consistent with market practices observed and/or, to the extent applicable, inferred in rating agency publications and discussions. Investment structures that isolate assets from sponsor and/or operator risk should be considered, and the impact of such structures will be reflected in the internal risk rating. An expected loss will be estimated

for each investment and updated quarterly based upon the risk rating and industry sector historical recovery guidelines.

2. Risk exposure beyond limits set by the guidelines below will require CGC approval[1]:

    i. 10% maximum at-risk investment exposure per transaction if a Sponsor Risk Mitigated Investment[2] ;

    ii. 5% maximum at-risk investment exposure per transaction if a Non-Sponsor Risk Mitigated Transaction[3];

    iii. 5% maximum at-risk investment exposure per transaction if internally risk rated below BB- equivalent

    iv. 2.5% maximum at-risk investment exposure per transaction if internally risk rated below B- equivalent

    v. 25% maximum total portfolio Puerto Rico exposure

    vi. 35% maximum total portfolio construction finance obligations

    vii. 50% maximum total portfolio maturities in excess of 10 years

    viii. 20% maximum total portfolio for Paid-in-Kind interest (not applicable to capitalized interest for construction financings)

    ix. 20% maximum total portfolio exposure to equity and/or debt internally risk rated less than B- equivalent

[1] Concentration limit percentages will be applied based on the total investment assets of the Coalition Member including unfunded capital committed and available for investment such as the amount of grants and/or loans provided by CGC net of grants allocated to market-building, pre-development activities, program administration activities and operating expenditures.

[2] A sponsor risk mitigated investment ("Sponsor Risk Mitigated Investment") is where via the use of special purpose vehicles, independent managers in place or identified third party servicers / O&M providers, manager replacement rights, etc., it is expected that the investment will continue to perform with minimal interruption if the transaction sponsor and/or operator were to become insolvent.

[3] Investments where third-party operators cannot be identified and/or the financing is corporate level debt would typically not be viewed as being sponsor risk mitigated ("Non-Sponsor Risk Mitigated Investment").

Why Electric School Buses (ESBs) Matter

Public Act 22-25: The Connecticut Clean Air Act established a mandate that all school buses that serve environmental justice communities shall be zero-emission buses by 2030 and all school buses in the state should follow by 2040. The Green Bank can support this mandate by promoting investment in projects that deploy electric vehicles and infrastructure, while ensuring at least 40% of investment reaches vulnerable communities. This transition will create numerous benefits for Connecticut residents:

PUBLIC HEALTH

Replacing older buses leads to increased air quality creating direct (children on bus) and indirect (community-wide air quality) benefits.

AIR QUALITY The state experiences poor air quality conditions, receiving a smog grade of F in four counties and C in three counties.[1]

CHILDREN'S HEALTH
Children in Connecticut experience very elevated rates of asthma prevalence, which are substantially higher in overburdened communiiteis.

12.3% of students in CT public schools suffer asthma[2]

15.7% of students in highest quartile of free & reduced-price meal students

Nationally, 6.5% of children have asthma

BENEFITS OF REPLACING OLDER BUSES
Diesel fuel combustion creates soot/particulate matter (PM), nitrous oxides (NOx), sulfur oxides (SOx), and hazardous air pollutants (HAPs). The World Health Organization classifies diesel engine exhaust as "carcinogenic to humans." Public health benefits are estimated at $43,800 per ESB deployed.

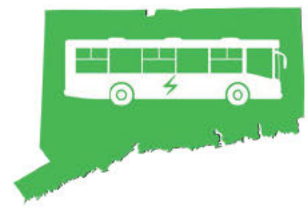
ENVIRONMENT & EMISSIONS

CO2 EMISSIONS MHD vehicles, including school buses, are 6% of on-road vehicles in Connecticut, but account for 25% of GHG emissions. Climate benefits are estimated at $40,400 per ESB deployed.

Replacing

250,000-mile school bus life cycle = **250 METRIC TONS** in avoided CO2 or **636,640 MILES** driven by average gasoline-powered cars or **33 homes'** energy use for one year or a **310 kW solar system**

SAFETY

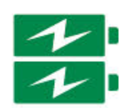


LOWER FIRE RISK
ESBs are significantly less likely to catch fire than a diesel bus.[3]

OVERALL SAFETY
School buses are designed to be safer than any other passenger vehicle type, are the most regulated vehicles on the road, and are required to meet more Federal Motor Vehicle Safety Standards than any other vehicle.

BATTERY TESTING & CHEMISTRY
ESB batteries follow globally-recognized automotive safety standards for the batteries (SAE J2929) and the systems in the vehicle that monitor and control the batteries (ISO 26262). The LFP (Lithium-iron-phosphate) batteries used in almost all electric school buses have better thermal stability compared to NMC (nickel-manganese-cobalt) batteries commonly used in passenger EVs.

GRID RESILIENCE



VEHICLE-TO-GRID (V2G) CHARGING
As our grid gets smarter, large storage systems can play an important role in smoothing out peak demand. ESBs tend to be available during these grid peaks – such as hot summer afternoons – and can serve as an important resource to increase grid reliability and reduce costs. Scaling V2G charging opportunities can create a valuable revenue stream for schools and operators, and shorten the diesel to electric breakeven timeframe. One MA pilot demonstrated average payments of $2.18 per kWh when responding to summer events.

1 According to the American Lung Association report 2024. https://www.lung.org/research/sota/city-rankings/states/connecticut
2 https://portal.ct.gov/-/media/departments-and-agencies/dph/dph/hems/asthma/pdf/asthma-report-2024.pdf
3 https://electricschoolbusinitiative.org/all-about-electric-school-bus-battery-safety

Learn more by visiting ctgreenbank.com/fleet-electrification-accelerator/

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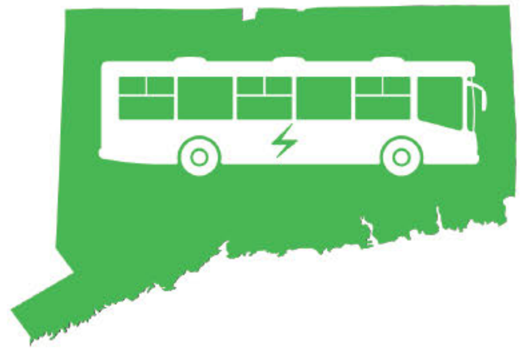
ESB Deployment - How We Make an Impact

Capital Efficiency



The Green Bank's upcoming ESB investments leverage the ability to "braid" funding sources, including potential federal or state grants, with low-interest financing. The successful Green Bank model can amplify or unlock significant funding opportunities. Full project cost breakdowns range between:

- Federal Grant + Tax Credits ≈ 50-70%
- DEEP Grants ≈ 10-20%
- Green Bank Financing ≈ 10-40%

Planning and Technical Assistance

The Green Bank has been directed by PURA to administer a Fleet Electrification Accelerator program focused on school bus electrification.

Fleet Electrification Accelerator

• Short-duration (8-12 weeks) planning program for school districts and school bus operators to develop site-specific school bus electrification road maps

  o Vehicle and route analysis, local charging capacity assessments, financial modeling and capital stack advisory, etc.

  o Final Deliverable: "Fleet Electrification Plan" tailored to each district that bolsters federal and state grant application success

• 2025 cohorts limited to Distressed Municipality participants, who are eligible to participate for free

Fleet Deployment

•Extended engagement opportunity for schools and operators electing to move forward with electrification

•Services – EDC coordination, RFP and contract support, training and operational support, etc.

Investment Opportunities

Green Bank investment can help federal grant recipients optimize their funding allocation to eligible uses (buses, chargers, and electric infrastructure) and lower overall compliance and project delivery costs.

Hardware

• Buses

• Charging Stations

• Make-ready Infrastructure

Bridge Loans

• 45W Tax Credit

• 30C Tax Credit

• Utility Incentives

• State Grant Awards

More information on the Fleet Electrification Accelerator at ctgreenbank.com/fleet-electrification-accelerator

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CONNECTICUT GREEN BANK

Memo

To: Connecticut Green Bank Board of Directors

From: Ed Kranich (Associate Director of Incentive Programs), Sergio Carrillo (Managing Director of Incentive Programs), and Bryan Garcia (President and CEO)

Cc Mackey Dykes, Brian Farnen, Bert Hunter, Jane Murphy, and Eric Shrago

Date: June 13, 2025

Re: Energy Storage Solutions Program – Restatement of Two Upfront Incentives

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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 Decision[1] 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. Restatement of Previously Approved Upfront Incentives

Once a battery storage project is submitted to the Green Bank and an Upfront Incentive is reserved, the Incentive Programs Team works closely with project developers to advance the projects and keep up-to-date on installation timelines. Given the size and complexity of Commercial and Industrial battery energy storage systems, changes in system design and scope are common. The Incentive Programs team is presenting two Upfront Incentive modification.

B. ESS-00522 Numa Tools – Incentive Adjustment

CPower, a national distributed energy resources and Virtual Power Plant provider, is an Eligible Contractor and Third Party Owner in the Energy Storage Solutions (ESS) program. CPower has been active in ESS since 2022 and has 18 active ESS projects.

CPower has contacted the Incentive Programs team with a change order for its project located at Numa Tools in Thompson Connecticut. The project was originally approved by Green Bank Senior Staff with an Upfront Incentive reservation of $334,750 on July 27, 2023. The project was approved by Senior Staff because the amount was less than $500,000 and did not require Board of Directors (BOD) approval.

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[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.

CPower and the customer have decided to double the size of the originally planned battery storage system from 964 kW / 1,928 kWh to 1928 kW / 3854 kWh. The total cost, while not yet finalized, is expected to increase from $819,400 to $2,505,100. The disproportionate increase in system cost is likely due to the complexity associated with a large interconnection, which can incur substantial upgrade costs both on the line and load sides.

The impact of the revised Upfront Incentive is a $219,083 increase from $334,750 to **$553,833.**

C. ESS-00968 Home Depot Bristol – Incentive Adjustment

Redaptive Sustainability Services (Redaptive), a national energy-as-a-service provider, is an Eligible Contractor and Third Party Owner in the Energy Storage Solutions (ESS) program. Redaptive has been active in ESS since 2024 and has 7 active ESS projects.

Redaptive has contacted the Incentive Programs team with a change order for its project located at a Home Depot store in Bristol, CT. The project was originally approved by Green Bank Deployment Committee with an Upfront Incentive reservation of $663,813 on May 22, 2024. The scope of this change order is to resize the battery from 2,000 kW / 5,590 kWh to 2,000 kW / 8,333 kWh. This increase in size does not affect the Energy Storage Solutions program Tranche capacity, as the power rating (kW) is unchanged. It does, however, affect the Upfront Incentive, which is based on the energy capacity of the battery (kWh).

The impact of the revised upfront incentive is a $325,731 increase from $663,813 to **$989,544**.

D. Resolution

WHEREAS, in its June 24, 2022 meeting the Connecticut Green Bank Board of Directors (“Board”) approved the implementation of an Upfront Incentive Project Approval procedures (“Procedures”) for non-residential projects under the Energy Storage Solutions Program (“Program”) with an estimated upfront incentive payment greater than $500,000 and procedures for less than $500,000;

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

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

WHEREAS, Green Bank Senior Staff approved on July 27, 2023 an upfront incentive for the Numa Tools project, proposed by CPower, in the amount of $334,750; and,

WHEREAS, the Deployment Committee previously approved on May 22, 2024 an upfront incentive for the Home Depot Bristol project, proposed by Redaptive Sustainability Services, in the amount of $663,813, consistent with the approved Procedures.

NOW, therefore be it:

RESOLVED, that the Green Bank Board hereby re-approves the Numa Tools project, proposed by CPower, located in Thompson, CT in a new amount not-to-exceed $553,833 consistent with the approved Procedures and this memorandum dated June 13, 2025; and,

RESOLVED, that the Board of Directors hereby re-approves the Redaptive International project located at a Home Depot store in Bristol, CT in a new amount not-to-exceed $737,438 consistent with the approved Procedures and this memorandum dated June 13, 2025; 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.

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Energy Storage Solution Program
Upfront Incentive Application

Project Description	Installation of a Tesla Megapack 2XL battery storage system. Originally approved system design of 964 kW / 1,928 kWh has been increased to 1,928 kW / 3,854 kWh. When installed, the BESS will reduce the host customer's electric bills, provide grid services, and provide backup power during power outages.

Customer / Site information

Customer Name	Numa Tools
Address	646 Thompson Rd., Thompson, CT, 06277
Business Purpose	Manufacturing
Incentive Application No.	ESS-00522
Original Approval Date	7/27/2023
Customer Peak Demand (kW)	262.10
Customer Class (S / M / L)	Medium
Project Developer / Installer	CPower
System Owner	Scale Microgrid Systems

Program Eligibility

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

Battery Energy Storage System (BESS) Characteristics

System Configuration	Standalone
Expected Program Participation	Passive and Active Dispatch
BESS Make / Model	Tesla Megapack 2 XL
BESS Power Rating (kW)	1,928 (revised from 964 kW)
BESS Energy Capacity (kWh)	3,854 (revised from 1,928 kW)
BESS Technology Approval Status	Pre-Approved
Interconnection Application Filed	Yes
Interconnection Study Required	Yes, undergoing IX study
Estimated Project Cost	$2,505,100

Benefit / Cost Ratios

RIM – Ratepayer Impact Measure	3.13
PCT – Participant Cost Test	0.95
PACT – Program Administrator Cost Test	3.88
SCT – Societal Cost Test	2.11
TRC – Total Resource Cost Test	2.11
CTET- CT Efficiency Test	3.88

Upfront Incentive Information

Incentive Application Status	Installation in Progress
Original Approved Upfront Incentive	$334,750
Original Incentive Calculation Method	Tiered Rate using Peak Demand (Tranche 1)
Revised Estimated Upfront Incentive	$553,833
Revised Incentive Calculation Method	Tiered Rate using Peak Demand, pro-rated with Tranche 3 "Large Tier" rate for additional capacity
Notes: Original incentive of $334,750 was approved by Green Bank Senior Staff as amount was below $500,000. Revised amount is greater than $500,000 and requires BOD approval.	

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Energy Storage Solution Program
Upfront Incentive Application

Project Description	Installation of a Narada battery storage system. Originally approved system design of 2,000 kW / 5,590 kWh has been increased to 2,000 kW / 8,333 kWh. When installed, the BESS will reduce the host customer's electric bills, provide grid services, and provide backup power during power outages. Installed capacity is 10,000 kWh, but is prorated to meet Energy Storage Solutions Passive Dispatch requirements.

Customer / Site information

Customer Name	Home Depot Inc. - Store 6229
Address	1149 Farmington Ave, Bristol, CT 06010
Business Purpose	Retail Trade
Incentive Application No.	ESS-00968
Original Approval Date	5/24/2024
Customer Peak Demand (kW)	384.61
Customer Class (S / M / L)	Medium
Project Developer / Installer	Redaptive Sustainability Services, LLC
System Owner	Redaptive Sustainability Services, LLC

Program Eligibility

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

Battery Energy Storage System (BESS) Characteristics

System Configuration	Paired with on-site generation
Expected Program Participation	Passive and Active Dispatch
BESS Make / Model	Narada – NESP Series
BESS Power Rating (kW)	2,000
BESS Energy Capacity (kWh)	8,333 (revised from 5,590 kW)
BESS Technology Approval Status	Pre-Approved
Interconnection Application Filed	Yes
Interconnection Study Required	Yes
Estimated Project Cost	$5,100,000.00 (revised from $4,583,254.00)

Benefit / Cost Ratios

RIM – Ratepayer Impact Measure	3.27
PCT – Participant Cost Test	0.98
PACT – Program Administrator Cost Test	4.08
SCT – Societal Cost Test	2.60
TRC – Total Resource Cost Test	2.61
CTET- CT Efficiency Test	4.08

Upfront Incentive Information

Incentive Application Status	Installation in Progress
Original Approved Upfront Incentive	$663,813.00
Original Incentive Calculation Method	Tiered Rate using Peak Demand – Tranche 2
Revised Estimated Upfront Incentive	$989,544
Revised Incentive Calculation Method	Tiered Rate using Peak Demand – Tranche 2
Note: Incentive Tranche 2 is closed to new capacity, but this incentive increase is permitted because the power rating (kW) is not increasing; only the energy rating (kWh) is increasing.	

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20 Elm Street

C-PACE Project in Branford, CT

Diligence Memo

June 13, 2025

[redacted]

Document Purpose: This document contains background information and due diligence on the 20 Elm Street property, owned by Elm Harbor Realty LLC in Branford, CT. This information is provided to the Connecticut Green Bank officers, senior staff and the 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.

20 Elm Street: A C-PACE Project in Branford, CT

Address	20 Elm Street, Branford, CT 06405		
Owner	Elm Harbor Realty LLC		
Proposed Assessment	Current Request: $672,051 Total C-PACE Debt: $1,271,460		
Term (*years*)	20		
Term Remaining (*months*)	Pending construction completion		
Annual Interest Rate	Current Request: 5.25% Prior C-PACE financing: 5.75%		
Annual C-PACE Assessment	Current Request: $54,677 Total C-PACE Debt: $105,498		
Savings-to-Investment Ratio	1.16		
Average DSCR	[redacted]		
Lien-to-Value	[redacted]		
Loan-to-Value	[redacted]		
Projected Energy Savings (mmBTU)		RE	Total
	Per year	832	832
	Over EUL	16,641	16,641
Estimated Cost Savings (incl. ZRECs and tax benefits)	Per year	$64,259	$64,259
	Over EUL	$1,285,171	$1,285,171
Objective Function	24.76 kBTU / ratepayer dollar at risk		
Location	Branford, CT		
Type of Building	Industrial		
Year of Build	2002		
Building Size (*sf*)	40,000 (total *sf* of buildings on Property is ~101k)		
Year Acquired by Owner	9/17/2003		
As-Complete Appraised Value	[redacted]		
Mortgage Lender Consent	[redacted]		
Proposed Project Description	220.7 kw DC solar PV system and roof work		
Est. Date of Construction Completion	Pending closing		
Energy Contractor	[redacted]		

[1] Combines 2024 Municipal Appraisal and 50% of CPACE project hard costs

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 $672,051 construction and term loan under the C-PACE program to Elm Harbor Realty LLC, the building owner of 20 Elm Street, Branford, CT 06405, 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 Board of Directors dated June 13th, 2025 (the "Memo"); and

NOW, therefore be it:

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

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

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

Submitted by: Bryan Garcia, President and CEO; Bert Hunter, EVP and CIO; Brian Farnen, General Counsel and CLO; Mackey Dykes, EVP of Financing Programs and Officer; Alex Kovtunenko, Deputy General Counsel; David Beech, Senior Manager – Investments, and Emma Ellis, Counsel

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74-110 Bridge St, East Windsor, CT 06088

C-PACE Project Diligence Memo

June 13, 2025

[redacted]

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.

To: Green Bank Board of Directors
From: Priyank Bhakta, Associate Director Investments
CC: Bryan Garcia, President and CEO; Bert Hunter, EVP and CIO; Brian Farnen, General Counsel and CLO; Mackey Dykes, EVP of Financing Programs and Officer; Alex Kovtunenko, Deputy General Counsel; Emma Ellis, Counsel
Date: June 13, 2025
Re: C-PACE Project Located at 74-110 Bridge St, East Windsor, CT 06088

Summary

Property Information		
Property Address	74-110 Bridge St, East Windsor, CT 06088	
Municipality	East Windsor	
Property Owner	NNRC, LLC	
Type of Building	Retail	
Building Size *(sf)*	61,359 sf	
Year of Build / Most Recent Renovation	1954 / 2024	
Environmental Screening Report	[redacted]	
Project Information		
Proposed Project Description	331.70 kW DC rooftop solar installation	
Contractor	[redacted]	
Objective Function	31.69 kBTU / ratepayer dollar at risk	
Tariff	Net Metering (secured)	
		Total
Projected Energy Savings (mmBTU)	Year One	1,239
	Over EUL	23,629
Estimated Cost Savings (incl. RECs/Tariff and tax benefits)	Yearly Avg	$96,946
	Over EUL	$1,938,921
Financial Metrics		
C-PACE Assessment (Ratepayer funds at risk)	$745,625	
Term Duration *(years)*	20	
Term Rate	5.25% annually	
Construction Rate	5.25% annually	
Annual C-PACE Assessment	$60,663	
Average DSCR over Term	[redacted]	
Savings-to-Investment Ratio	1.58x	
Lien-to-Value *(LiTV)*	[redacted]	
Loan-to-Value *(LTV)*	[redacted]	
Appraisal Value	[redacted]	
Mortgage Lender Consent	[redacted]	
Co-Borrower	N/A	

Resolutions

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

WHEREAS, the Green Bank seeks to provide a $745,625 construction and term loan under the C-PACE program to NNRC, LLC, the building owner of 74-110 Bridge St, East Windsor, CT 06088, East Windsor, Connecticut ("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 June 13, 2025 (“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, EVP of Financing Programs and Officer; Alex Kovtunenko, Deputy General Counsel, Priyank Bhakta, Associate Director Investments of Clean Energy Finance, and Emma Ellis, Counsel

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CONNECTICUT **GREEN BANK**

777 Main Street, Hartford, CT 06103

C-PACE Project Diligence Memo

June 17, 2025

[redacted]

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.

To:	Green Bank Board of Directors
From:	Priyank Bhakta, Associate Director
CC:	Bryan Garcia, President and CEO; Bert Hunter, EVP and CIO; Brian Farnen, General Counsel and CLO; Mackey Dykes, EVP of Financing Programs and Officer; Alex Kovtunenko, Deputy General Counsel; Emma Ellis, Counsel
Date:	June 17, 2025
Re:	C-PACE Project Located at 777 Main Street, Hartford, CT 06103

Summary

Property Information		
Property Address	777 Main Street, Hartford, CT 06103	
Municipality	Hartford	
Property Owner	777 Main Street, LLC	
Type of Building	Retail	
Building Size *(sf)*	~53,580sf (excluding the 249-space parking garage)	
Year of Build / Most Recent Renovation	1964 / 2015	
Environmental Screening Report	[redacted]	
Project Information		
Proposed Project Description	460 kW DC HyAxiom Fuel Cell System[1]	
Contractor	[redacted].	
Objective Function	See Table on pg 3	
Tariff	Existing LREC/ZREC (<5 years remaining) to be transferred to new system	
		Total
Projected Energy Savings (mmBTU)	Year One	11,002
	Over EUL	107,581
Estimated Cost Savings (incl. RECs/Tariff and tax benefits)	Yearly Avg	$531,055
	Over EUL	$5,310,556
Financial Metrics		
C-PACE Assessment (Ratepayer funds at risk)	$3,177,877	
Term Duration *(years)*	10	
Term Rate	5.25% annually	
Construction Rate	5.25% annually	
Annual C-PACE Assessment	$412,533	
Average DSCR over Term	[redacted]	
Savings-to-Investment Ratio	1.29	
Lien-to-Value *(LiTV)*	[redacted]	
Loan-to-Value *(LTV)*	[redacted]	
Appraisal Value	[redacted]	
Mortgage Lender Consent	[redacted]	
Co-Borrower	N/A	

[1] The system being installed is a 460kW fuel cell system to replace the existing 400kW system. However, Eversource required the new system to be de-rated with a new 400kW nameplate to limit the output to 400kW for the borrower to be eligible to receive the remainder of their LREC incentive through 2029. The property owner may opt to remove the de-rating in 2030 so that the system produces 460kW. As a result, all analysis, including energy savings, is based on a conservative 400kW system size.

Resolutions

WHEREAS, pursuant to Connecticut General Statute Section 16a-40g ("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 ("Board") has approved a $40,000,000 C-PACE construction and term loan program; and,

WHEREAS, the Green Bank seeks to provide a $3,177,877 construction and term loan under the C-PACE program to 777 Main Street, LLC, the building owner of the commercial unit of 777 Main Street, Hartford, CT 06103, Hartford, Connecticut ("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 June 17, 2025 ("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, EVP of Financing Programs and Officer; Alex Kovtunenko, Deputy General Counsel; Priyank Bhakta, Associate Director of Clean Energy Finance, and Emma Ellis, Counsel

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CONNECTICUT GREEN BANK

1052 Boston Post Road, Milford, CT 06460

C-PACE Project Diligence Memo

June 13, 2025

[redacted]

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.

To: Green Bank Board of Directors
From: Priyank Bhakta, Associate Director
CC: Bryan Garcia, President and CEO; Bert Hunter, EVP and CIO; Brian Farnen, General Counsel and CLO; Mackey Dykes, EVP of Financing Programs and Officer; Alex Kovtunenko, Deputy General Counsel; Emma Ellis, Counsel
Date: June 13, 2025
Re: C-PACE Project Located at 1052 Boston Post Road, Milford, CT 06460

Summary

Property Information		
Property Address	1052 Boston Post Road, Milford, CT 06460	
Municipality	Milford	
Property Owner	1040 & 1052 Boston Post Rd LLC	
Type of Building	Car Dealership	
Building Size *(sf)*	23,691 sf	
Year of Build / Most Recent Renovation	2024	
Environmental Screening Report	[redacted]	
Project Information		
Proposed Project Description	250.11 kW DC carport solar system	
Contractor	[redacted]	
Objective Function	18.39 kBTU / ratepayer dollar at risk	
Tariff	Net Metering (secured)	
		Total
Projected Energy Savings (mmBTU)	Year One	1,064
	Over EUL	20,296
Estimated Cost Savings (incl. RECs/Tariff and tax benefits)	Yearly Avg	$98,558
	Over EUL	$1,971,164
Financial Metrics		
C-PACE Assessment (Ratepayer funds at risk)	$1,103,748	
Term Duration *(years)*	20	
Term Rate	5.75% annually	
Construction Rate	5.75% annually	
Annual C-PACE Assessment	$93,581	
Average DSCR over Term	[redacted]	
Savings-to-Investment Ratio	1.05	
Lien-to-Value *(LiTV)*	[redacted]	
Loan-to-Value *(LTV)*	[redacted]	
Appraisal Value	[redacted]	
Mortgage Lender Consent	[redacted]	
Co-Borrower	N/A	

Resolutions

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

WHEREAS, the Green Bank seeks to provide a $1,103,748 construction and term loan under the C-PACE program to 1040 & 1052 Boston Post Rd LLC, the building owner of 1052 Boston Post Road, Milford, CT 06460, Milford, Connecticut ("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 June 13, 2025 (“Memo”); and

NOW, therefore be it:

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

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

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

Submitted by: Bryan Garcia, President and CEO; Bert Hunter, EVP and CIO; Brian Farnen, General Counsel and CLO; Mackey Dykes, EVP of Financing Programs and Officer; Alex Kovtunenko, Deputy General Counsel, Priyank Bhakta, Associate Director of Clean Energy Finance, and Emma Ellis, Counsel

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CONNECTICUT GREEN BANK

Memo

To: Connecticut Green Bank ("Green Bank") Board of Directors ("Board")

From: Bert Hunter, EVP & Chief Investment Officer; Fiona Stewart, Senior Manager, Investments

CC: Bryan Garcia, President and CEO; Sergio Carrillo, Managing Director of Incentive Programs, Brian Farnen, General Counsel and CLO; Jane Murphy, EVP of Finance & Administration, Eric Shrago, VP of Operations

Date: June 13, 2025

Re: Smart-E Loan Program: Linked Deposit Pilot – Request to Extend Program and Increase of Not-to-Exceed Amount

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Background, Summary of Pilot Program & Request for Approval

In 2023, the Connecticut Green Bank ("Green Bank") Deployment Committee approved a pilot program allowing linked-deposits whereby the Green Bank would place deposits with Mutual Security Credit Union ("MSCU") to fund the level of Smart-E loans it funds from January 1, 2023 to June 30, 2024. The arrangement would be extended at the mutual option of MSCU and Green Bank.

Terms of the arrangement were agreed with MSCU (see **Appendix A.**) The cost of the program (which started in May 2023 for loans funded by MSCU since January 1, 2023 and extend through June 30, 2024, subject to annual renewal) was expected to be about $25,000 through June 2024 and approximately another $25,000 if extended for an additional year. The 5-year cost (i.e., difference between CT Treasurer's "short term investment rate" ("STIF") rate earned by the Green Bank on excess cash held in the STIF account and the linked deposit rate (i.e., the "opportunity cost") was expected to be about $60,000 (the maximum 5-year life of the program). The anticipated cost over the maximum 5-year life given the higher than expected interest rate environment is $130,000 (see detail below).

If the pilot program had not been established, MSCU maintained that they would be unable to continue as a Smart-E lender as they needed to fund 100% of incremental loan volume via market rate deposits or borrowings from the Federal Home Loan Bank – both at rates of around 5% which would narrow margins on these loans considerably and consequently make them uneconomic since the Smart-E Loan has not to exceed rates of 6.99% for a 10-year loan for example. The linked deposits pilot would test whether margins could be sufficiently maintained to retain MSCU's participation and provide a possible pathway should other lenders find themselves in similar circumstances.

* Average does not include July 2023 funded amount as this amount covered all loans originated from January to June 2023.

In June 2024, acting upon staff's recommendation, the linked deposit pilot was extended to June 30, 2025. The reason for doing so was the high interest rate situation was taking longer to resolve (decline) than anticipated. The board approved a one year extension to June 2025 with a "not to exceed" level of deposits raised to $3,500,000. As we near the conclusion of the second year of the pilot, interest rates across the economy remain elevated beyond initial expectations. This persistent environment is attributable to:

(a) inflation not moderating as swiftly as projected, coupled with renewed concerns that tariffs enacted during the Trump administration may hinder progress toward the Federal Reserve's 2% target;

(b) the underlying strength of the economy, which has thus far absorbed higher rates—reinforcing the Federal Reserve's commitment to a "higher for longer" policy to keep inflation expectations well-anchored; and

(c) increasing apprehension over the federal government's rising debt levels and a recent congressional budget package that may worsen the deficit—prompting investors to demand higher yields on U.S. government securities.

While the capital markets generally expect interest rates to fall over time, the horizon for achieving these lower levels of interest rates has been pushed out to later 2025 and into 2026.

Given this backdrop of interest rates stubbornly higher than expected, the reasons for the linked deposit pilot in the first place still persist. Consequently, to retain MSCU as one of our strong lenders in the Smart-E program, MSCU has requested and staff supports a further extension of the pilot to June 2026 and raising the "not to exceed" level of deposits (excluding accrued interest) from $3,500,000 to $5,000,000. As of June 2025, Green Bank expects to have funded roughly $3.36 million in linked deposits with MSCU. MSCU anticipates that the next year (using loan bookings over the last 12 months as a guide) will result in a further $1.5 million in Smart-E loans. Thus staff has rounded the sum of our present deposit plus MSCU's anticipated lending for Smart-E to get to the proposed $5,000,000 limit.

With loans of nearly $3.4 million for one of our strongest Smart-E lenders, the pilot program has been a clear success with an average of approximately $114,000 funded per month since August 2023 (note – the program had a "look back" period to January of 2023 which was funded with a larger deposit in July 2023). The cost of the program over the past year (July 2024 to May 2025) has been $50,000, based on an average quarterly interest rate of 2.81% earned on the deposits with MSCU which has risen from the prior year average of 2.283% as these deposit rates are linked to the yield on MSCU's Smart-E portfolio yield (which has risen since Green Bank increased the Smart-E not-to-exceed rates in 2024). Had Green Bank instead held these funds in the CT Treasurer's Short Term Investment Fund (STIF), our yield would have averaged about 5.42% and 4.72% for FY24 and FY25 respectively. As a result, the full year FY24 program cost of about **$48,000**, and for FY25 we estimate the cost (as noted above) at just over **$50,000**.

As the deposit rate with MSCU converges with the STIF rate, staff estimates over the FY26 year the pilot will cost about an incremental **$30,000**. After 6/30/26, assuming the progression of interest rate changes (lower deposit rates and stable Smart-E loan rates), program costs are expected to be nil.

Approval is recommended as staff considers the cost to extend the linked deposit program as reasonable considering the benefits to the Smart-E program in retaining MSCU as one of our strong lenders.

Green Bank Financial Statements

How is the pilot program accounted for on the balance sheet?

Green Bank's money market account advances remain as restricted cash invested with financial institutions, with a yield impact as explained in this memorandum.

Resolutions

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

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

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

WHEREAS, pursuant to the approval by the Green Bank Board of Directors (the "Board") in June 2024, the Green Bank raised the Linked Deposit Pilot "not to exceed" amount from $2,500,000 to 3,500,000;

WHEREAS, the Linked Deposits Pilot has been a success and per request by the participating institution, Green Bank staff recommends approval by the Green Bank Board of Directors ("Board") to extend the Linked Deposit Pilot program to June 30, 2026 and raise the "not to exceed" amount from $3,500,000 to 5,000,000;

NOW, therefore be it:

RESOLVED, that the Board approves of the extension of the Linked Deposit Pilot to June 30, 2026 and an increase in the "not to exceed" amount from $3,500,000 to $5,000,000, to be implemented as described in the Linked Deposit Pilot Memorandum dated June 13, 2025;

RESOLVED, that the President of the Green Bank; and any other duly authorized officer of the Green Bank, is authorized to execute and deliver, any contract or other legal instrument necessary to effect the Linked Deposit Pilot on such terms and conditions as are materially consistent with the Linked Deposit Pilot Memorandum; and

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

Submitted by: Bryan Garcia, President and CEO and Bert Hunter, EVP and CIO

Appendix A

Linked Deposit Terms & Conditions

Deposits	On a monthly basis, Green Bank would make money market account deposits with MSCU in an amount that would match dollar-for-dollar the advances made by MSCU in the prior month for Smart-E loans. The Green Bank would commence with the advances made from January 1, 2023 – which based on the information MSCU supplied to the Green Bank is approximately $340,000 (or more – subject to MSCU confirmation.)
Interest Rate	MSCU would pay to Green Bank (monthly) an interest rate determined by the difference (not less than 0%) of the average portfolio rate on loans made by MSCU in the prior month for Smart-E loans less 3%, rounded up or down to the nearest 0.05%. For the purposes of this determination, the standard "not to exceed" rates in existence as of April 2023 shall be used (or such higher rate if the Smart-E not-to-exceed rates are subsequently raised); i.e., lower IRB loan rates shall not be used.
Withdrawal of funds on deposit in the Money Market Account	Green Bank would commit to leave amounts deposited in the MSCU Money Market Account (MMA) in the account for a period to be mutually agreed on an annual basis (within one month either side of each June 30 commencing in 2024) but, subject to "Permitted Withdrawals" below and unless otherwise agreed, Green Bank (a) would not withdraw funds from the MMA prior to June 30, 2024 and (b) could withdraw all funds in the MMA by June 30, 2028.
Permitted Withdrawals	On a portfolio basis, within 30 days of the end of the availability period (defined below) and every calendar quarter thereafter, should the outstanding balance of the aggregate of deposits from Green Bank *exceed* the outstanding balance of the aggregate of Smart-E loans funded by this program (i.e., loans on or after 1/1/2023), MSCU would redeem within 30 days of request by Green

	Bank an amount of Green Bank deposits with MSCU to bring deposits and loans into balance (deposits to be redeemed would be from the shortest maturity deposits remaining.)
Optional Withdrawals	At any time, should MSCU desire Green Bank to terminate the linked deposit arrangement with the MMA, Green Bank will, upon MSCU's request with 1 day's notice, withdraw any portion of Green Banks MMA deposit so requested.
Availability Amount and Availability Period	Green Bank agrees to fund up to $2,000,000 of Smart-E loans by deposits to the MMA until June 30, 2024, with a renewal option at the request of MSCU and agreement by Green Bank to extend. While it is the intention of this linked deposit arrangement to retain MSCU's participation in the Smart-E program at least through the availability period, MSCU would reserve all rights to suspend its participation at any time.
Reporting	Monthly reporting of funded loans and loan balances by MSCU to Green Bank to enable Green Bank to monitor the loan vs deposit position.
Deposit Monitoring	MSCU will provide an online method for the Green Bank to monitor its MMA deposits and interest accruals.

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CONNECTICUT GREEN BANK

MOU Modification Memo

To: Connecticut Green Bank Board of Directors

From: Bert Hunter, EVP & Chief Investment Officer

CC: Bryan Garcia, President and CEO; Sergio Carrillo, Managing Director of Incentive Programs, Brian Farnen, General Counsel and CLO; Jane Murphy, EVP of Finance & Administration, Eric Shrago, VP of Operations

Date: June 17, 2025

Re: Extension of Inclusive Prosperity Capital, Inc. Revolving Line of Credit Under the Memorandum of Understanding

---

Background

In December 2020, the Connecticut Green Bank ("Green Bank") Board of Directors (the "Board") approved the expansion of a Revolving Line of Credit ("RLC") in the amount of $1 million to support Inclusive Prosperity Capital, Inc. ("IPC") ongoing operational costs as part of the key agreements underpinning the Green Bank / IPC relationship, including a Memorandum of Understanding ("MOU") which remains in force today. (Please refer to the Board Memorandum of December 18, 2020 found at Appendix 2.) IPC has made full use of the RLC and has remained current and in good-standing on all repayments associated therewith without fail from inception.

In June 2021, the Board approved an extension of the Green Bank / IPC relationship by adding two additional years to the MOU, which extended our arrangement from the end of FY24 until the end of FY26. At the time of the June 2021 approval, Green Bank did not realign the RLC to the extended sunset of the MOU. As a consequence, in April 2023, the Board modified IPC's availability under the RLC to align with the sunset of the MOU in June 2026 (the April 2023 approval memo found at Appendix 1).

As a result of delays in obtaining financial support under the Greenhouse Gas Reduction Fund ("GGRF") awards from Opportunity Finance Network or Coalition for Green Capital (as a possible subgrantee or vendor), funding that IPC was counting on to receive from the GGRF has been delayed indefinitely. These delays have caused liquidity strains on countless organizations like IPC that had hoped to benefit from the GGRF by now. IPC is a beneficiary of a Solar for All (SFA) award from the GGRF competition, but draws permitted against this award are only allowed for SFA eligible costs, not the entirety of IPC's operations.

Consequently, to help deal with this financial strain, IPC has implemented a number of compensating measures to keep its cash burn as low as possible, including a Reduction in Force of about 20% that took place back in February 2025, as well as identifying additional roles that would be subject to a second Reduction in Force of about 40% if needed. IPC has also considered the elimination of business lines as well as the sale or transfer of investments and assets. The current request of restructuring our IPC's repayment schedule would help its short term (approximately 12 months) cash liquidity by pushing out each repayment date by the 12 months. IPC has received similar accommodations from philanthropic funders that have advanced program related investment (PRI) funding to IPC in recent years.

IPC has submitted a formal request to Green Bank to extend the RLC for a period of one additional year following the sunset of the revised MOU arrangements in June 2026. Green Bank staff supports this request on the same basis that the original RLC was established, being that security would be in the form of a first security pledge of services fees to be received by IPC from Green Bank under IPC's PSAs with Green Bank through June 2026. For the period after 2026, Green Bank will be unsecured to the extent of $500,000, but the exposure burns off rapidly and at that time (post June 2026) IPC's SFA work should be in full swing, with IPC earning additional fees to compensate them for SFA work (which by that point in time should be considerable). Staff notes that IPC has received significant interest from sponsors of Solar for All eligible projects of more than $200 million which IPC expects the majority will be able to remain eligible for tax credits via safe harbor provisions. These transactions represent a significant monetizable opportunity not only for investment in these projects with SFA grants, but also in terms of recurring income from the investment of funds through program income to be derived from the direct investment of SFA funds but also from asset management fees to be earned from 3rd party capital attracted to these projects. With this in mind, the following table captures IPC's availability under the RLC as proposed, which would step-down gradually after a one year deferral as follows:

	Facility Max Balance	Repayments	Facility Max Balance	Repayments	
Date Ending	**Existing**	**Original**	**Revised**	**Revised**	**Remaining PSA**
		PAID		PAID	
12/31/2022	$ 1,000,000	$ -	$ 1,000,000	$ -	$ 3,073,993
3/31/2023	$ 1,000,000	$ -	$ 1,000,000	$ -	$ 2,732,438
6/30/2023	$ 1,000,000	$ -	$ 1,000,000	$ -	$ 2,390,883
9/30/2023	$ 1,000,000	$ -	$ 1,000,000	$ -	$ 2,049,328
12/31/2023	$ 1,000,000	$ -	$ 1,000,000	$ -	$ 1,793,162
3/31/2024	$ 1,000,000	$ -	$ 1,000,000	$ -	$ 1,536,996
6/30/2024	$ 1,000,000	$ -	$ 1,000,000	$ -	$ 1,280,830
9/30/2024	$ 1,000,000		$ 1,000,000	$ -	$ 1,024,664
12/31/2024	$ 850,000	$ 150,000	$ 850,000	$ 150,000	$ 853,887
3/31/2025	$ 675,000	$ 175,000	$ 675,000	$ 175,000	$ 683,110
6/30/2025	$ 500,000	$ 175,000	$ 675,000	$ -	$ 512,333
9/30/2025	$ 325,000	$ 175,000	$ 675,000	$ -	$ 341,556
12/31/2025	$ 250,000	$ 75,000	$ 675,000	$ -	$ 256,167
3/31/2026	$ 150,000	$ 100,000	$ 675,000	$ -	$ 170,778
6/30/2026	$ -	$ 150,000	$ 500,000	$ 175,000	$ 85,389
9/30/2026			$ 325,000	$ 175,000	$ -
12/31/2026			$ 250,000	$ 75,000	$ -
3/31/2027			$ 150,000	$ 100,000	$ -
6/30/2027			$ -	$ 150,000	$ -

Interest on the facility would remain the secured overnight funding rate ("SOFR") plus the existing margin of 2.40%.

Financial Position

IPC's financial position is reflected in the attached audited financial statements for the FYE 12/31/2023 and unaudited financial statements for FYE 12/31/2024 found at Appendix 3, In full disclosure, the EVP & Chief Investment Officer of the Green Bank serves as Chair of the Board of IPC as the Green Bank has representation rights on the Board since the establishment of IPC in 2018.

Recommendation

Given IPC's successful performance to date under the various key agreements that govern the relationship between the Green Bank and IPC, including the Professional Service Agreements ("PSAs") for programs that IPC administers on behalf of the Green Bank (as discussed further below) and the existing RLC, Green Bank staff recommends the proposed extension of the RLC as detailed in this memo in line with the extended MOU arrangements.

Resolutions

WHEREAS, the Connecticut Green Bank ("Green Bank") has an existing partnership with Inclusive Prosperity Capital, Inc. ("IPC") to lessen the burden of government, and to protect, promote and preserve the environment by, among other things, furthering the purpose of the Green Bank as described in Connecticut General Statute Section 16-245n(d)(1)(B);

WHEREAS, on June 13, 2018, the Green Bank Board of Directors ("Board") approved a Memorandum of Understanding ("MOU") governing the Green Bank's partnership with IPC as part of Green Bank's long-term sustainability plan and on June 25, 2021 extended pursuant to a strategic selection the MOU to end on June 30, 2026 (the "MOU Extension");

WHEREAS, the MOU included a Revolving Line of Credit ("RLC") intended to support IPC startup and operational costs for an amount not to exceed $150,000 outstanding and with a maturity date of June 30, 2021, which maturity date was extended to June 30, 2024 and the not to exceed amount was increased to $1,000,000 by the Board at a meeting duly held on December 18, 2020;

WHEREAS, the maturity date of the RLC was further extended in June 2023 to accommodate the MOU Extension and extended the maturity date of the RLC to June 30, 2026 (the "Amended Maturity Date") in line with the end of the MOU as more fully explained in a memorandum to the Board dated April 18, 2023; and,

WHEREAS, IPC has made a request to further extend the RLC maturity date and to defer payments under the RLC as more fully explained in a memorandum to the Board dated June 13, 2025 (the "Board Memo").

NOW, therefore be it:

RESOLVED, that the Board approves IPC's request to further extend the RLC maturity date and to defer payments under the RLC as more fully explained in the Board Memo, with a maturity date of June 30, 2027 consistent with 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 effect the above-mentioned legal instruments.

Submitted by: Bert Hunter, EVP and CIO

Appendix 1

MOU Modification Memo

To: Connecticut Green Bank Board of Directors

From: Bert Hunter, EVP & Chief Investment Officer

CC: Bryan Garcia, President and CEO; Sergio Carrillo, Managing Director of Incentive Programs, Brian Farnen, General Counsel and CLO; Jane Murphy, EVP of Finance & Administration, Eric Shrago, VP of Operations

Date: April 18, 2023

Re: Extension of Inclusive Prosperity Capital, Inc. Revolving Line of Credit Under the Memorandum of Understanding

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Background

In December 2020, the Connecticut Green Bank ("Green Bank") Board of Directors (the "Board") approved the expansion of a Revolving Line of Credit ("RLC") in the amount of $1 million to support Inclusive Prosperity Capital, Inc. ("IPC") ongoing operational costs as part of the key agreements underpinning the Green Bank / IPC relationship, including a Memorandum of Understanding ("MOU") which remains in force today. (Please refer to the Board Memorandum of December 18, 2020 found at Appendix 1.) IPC has made full use of the RLC and has remained current and in good-standing on all repayments associated therewith without fail from inception.

In June 2021, the Board approved an extension of the Green Bank / IPC relationship by adding two additional years to the MOU, which extended our arrangement from the end of FY24 until the end of FY26. At the time of the June 2021 approval, Green Bank did not realign the RLC to the extended sunset of the MOU. As a consequence, unless the RLC is modified, IPC's availability under the RLC would gradually diminish and then end altogether at the end of June 2024 (the original end of the MOU). IPC has submitted a request to Green Bank to extend the RLC until the sunset of the revised MOU arrangements in June 2026. Green Bank staff supports this request on the same basis that the original RLC was established, being that security would be in the form of a first security pledge of services fees to be received by IPC from Green Bank under IPC's PSAs with Green Bank. Consequently, availability under the RLC would step-down generally in line with extended PSA fees due to IPC as follows:

	RLC Limit (Existing)	RLC Limit (New)	Remaining PSA
Dec-22	$ 1,000,000	$ 1,000,000	$ 3,073,993
Mar-23	$ 850,000	$ 1,000,000	$ 2,732,438
Jun-23	$ 700,000	$ 1,000,000	$ 2,390,883
Sep-23	$ 550,000	$ 1,000,000	$ 2,049,328
Dec-23	$ 400,000	$ 1,000,000	$ 1,793,162
Mar-24	$ 250,000	$ 1,000,000	$ 1,536,996
Jun-24	$ 150,000	$ 1,000,000	$ 1,280,830
Sep-24	$ -	$ 1,000,000	$ 1,024,664
Dec-24	$ -	$ 850,000	$ 853,887
Mar-25	$ -	$ 675,000	$ 683,110
Jun-25	$ -	$ 500,000	$ 512,333
Sep-25	$ -	$ 325,000	$ 341,556
Dec-25	$ -	$ 250,000	$ 256,167
Mar-26	$ -	$ 150,000	$ 170,778
Jun-26	$ -	$ 75,000	$ 85,389

Interest on the facility would be adjusted from one month LIBOR to the secured overnight funding rate (SOFR) plus the existing margin of 2.40%.

Recommendation

Given IPC's successful performance to date under the various key agreements that govern the relationship between the Green Bank and IPC, including the Professional Service Agreements ("PSAs") for programs that IPC administers on behalf of the Green Bank (as discussed further below) and the existing RLC, Green Bank staff recommends the proposed extension of the RLC as detailed in this memo in line with the extended MOU arrangements.

Resolutions

WHEREAS, the Connecticut Green Bank ("Green Bank") has an existing partnership with Inclusive Prosperity Capital, Inc. ("IPC") to lessen the burden of government, and to protect, promote and preserve the environment by, among other things, furthering the purpose of the Green Bank as described in Connecticut General Statute Section 16-245n(d)(1)(B);

WHEREAS, on June 13, 2018, the Green Bank Board of Directors ("Board") approved a Memorandum of Understanding ("MOU") governing the Green Bank's partnership with IPC as part of Green Bank's long-term sustainability plan and on June 25, 2021 extended pursuant to a strategic selection the MOU to end on June 30, 2026 (the "MOU Extension");

WHEREAS, the MOU included a Revolving Line of Credit ("RLC") intended to support IPC startup and operational costs for an amount not to exceed $150,000 outstanding and with a maturity date of June 30, 2021, which maturity date was extended to June 30, 2024 and the not to exceed amount was increased to $1,000,000 by the Board at a meeting duly held on December 18, 2020;

WHEREAS, the maturity date of the RLC was not extended at the time of the MOU Extension and, pursuant to a request by IPC, Green Bank staff has recommended to the Board to extend the maturity date of the RLC to June 30, 2026 (the "Amended Maturity Date") in line with the end of the MOU as more fully explained in a memorandum to the Board dated April 18, 2023 (the "Board Memo"); and,

WHEREAS, since August 2020, IPC has drawn on and has remained current and in good-standing on all repayments associated with the RLC.

NOW, therefore be it:

RESOLVED, that the Board approves of the extended RLC with a maturity date of June 30, 2026 consistent with 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 effect the above-mentioned legal instruments.

Submitted by: Bert Hunter, EVP and CIO

Appendix 2

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CONNECTICUT
GREEN BANK

MOU Modification Memo

To: Connecticut Green Bank Board of Directors

CC: Bryan Garcia, President and CEO; Brian Farnen, General Counsel and CLO; Eric Shrago, Managing Director of Operations;

From: Bert Hunter, EVP and CIO[1]

Date: December 18, 2020

Re: Expansion of Inclusive Prosperity Capital, Inc. Revolving Line of Credit Under the Memorandum of Understanding

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Background

On June 13, 2018 the Connecticut Green Bank ("Green Bank") Board of Directors (the "Board") approved key agreements underpinning the launch of Inclusive Prosperity Capital, Inc. ("IPC") including a Memorandum of Understanding ("MOU") which remains in force today and an outline of IPC's existence as a distinct entity, legal and ethical opinions supporting IPC's spin-out from the Green Bank, and general rules of engagement between IPC and Green Bank post spin-out. The MOU included a Revolving Line of Credit ("RLC") intended to support IPC startup and operational costs:

> 4. **Start-Up Funding -** Green Bank providing revolving line of credit in an amount not to exceed $150,000 at OTT's Short Term Investment Fund (STIF) rate to cover initial startup costs, including:
>   - the development of IT and telecommunications infrastructure;
>   - the implementation of its own accounting software;
>   - performance of its own audit and tax filings;
>   - the purchase of insurance; and
>   - the development of its own branding, among other costs.

IPC has drawn the full $150,000 and currently pays an annual interest rate on drawn funds calculated at the STIF rate (defined above) which has varied monthly since the draw from 0.07% - 0.18%. As IPC continues to grow and incur startup operational costs, IPC is requesting an increase in the amount of the RLC under the MOU to up to $1,000,000, and in exchange IPC is offering to provide security in the form of a first security pledge of services fees to be received by IPC from Green Bank under the IPC PSAs associated with the Green Bank MOU with IPC. Additionally, there would be an increase in the annual interest rate on drawn RLC funds to 30-day LIBOR (or its equivalent post-LIBOR) plus 2.40%, in line with the current market for secured, short-term credit facilities.

As a 501(c)(3) non-profit, non-stock corporation registered in Connecticut, IPC cannot raise traditional equity for growth and therefore must rely on operating cash, grants, and flexible credit facilities to help fund operations and expansion, especially during this critical "start-up growth" phase of IPC's existence. Since inception in August 2018 through October 2020, IPC has accrued the following

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[1] This memo written with support of Chris Magalhaes, CIO, IPC

expenses across key categories (including those contemplated under the original MOU language associated with the RLC), totaling approximately $1.2M:

- **IT/Telecommunications Infrastructure**: **$203,754**
  - $48,611 through FYE 6/30/2019
  - $104,429 through FYE 6/30/2020
  - $50,714 through 10/31/2020

- **Professional Services (Account/Audit/Legal/Consulting)**: **$710,902**
  - $144,569 through FYE 6/30/2019
  - $483,841 through FYE 6/30/2020
  - $82,492 through 10/31/2020

- **Insurance**: **$112,640**
  - $27,774 through FYE 6/30/2019
  - $62,849 through FYE 6/30/2020
  - $22,017 through 10/31/2020

- **Program Development/Administration and Branding**: **$153,814**
  - $113,195 through FYE 6/30/2019
  - $32,088 through FYE 6/30/2020
  - $8,531 through 10/31/2020

IPC expects to continue its trajectory of growth and expenditure, in similar fashion to its experience to date, and would look to utilize the expanded RLC facility to facilitate "smoothing out" the expenditures associated with that growth via a flexible capital facility that is drawn upon based on need and repaid with corporate Net Assets. Specifically with respect to repayment, IPC is able to tap both cash from operations (in the form of investment income and fee payments for services provided across its business lines) and cash from financing (in the form of additional capital raised for growth/operations as well as for releasing equity in pre-funded investments) to manage the balance outstanding on the RLC facility. IPC expects to continue to optimize draws and repayments on the RLC relative to cash flows and capitalization by balancing the benefits the RLC affords (i.e. added flexibility for expenditures/growth) with the added costs and interest associated with the facility (i.e. by paying down principal with cheaper sources of capital and balance sheet cash to minimize unnecessary interest expense).

Expanded Facility Details

The expanded and extended RLC facility would increase the available principal balance to IPC from $150k to $1M, and would increase the interest rate to the Green Bank to 30-day LIBOR + 2.40% P.A. The facility maturity date (i.e. the date by which Green Bank can choose to either demand full repayment or roll the facility) would be extended from June 30, 2021 to June 28, 2024 (i.e., the last business day pursuant to the MOU arrangements between Green Bank and IPC). Security would be in the form of a first security pledge of services fees to be received by IPC from Green Bank under IPC's PSAs with Green Bank. Availability under the RLC would step-down generally in line with anticipated PSA fees due to IPC as follows:

Date	RLC Availability
Prior to 12/31/22	$1,000,000
12/31/22 to 3/30/23	$850,000
3/31/23 to 6/29/23	$700,000
6/30/23 to 9/29/23	$550,000
9/30/23 to 12/30/23	$400,000
12/31/23 to 3/30/24	$250,000

3/30/24 to 6/27/24	$150,000

Since August 10, 2020 IPC has drawn on and kept outstanding $150k of the original RLC, and has remained current and in good-standing on all repayments associated therewith.

IPC Impact to Green Bank and in Connecticut

As noted in the Memo to the Board dated June 12, 2019 for the Board meeting held on June 28, 2019, within the first year of operations IPC had already delivered meaningful benefit to the Green Bank and the Connecticut market.

From the start, IPC has been an important component of the Green Bank's long-term sustainability strategy by managing programs on behalf of the Green Bank and helping drive capital and project deployment to underserved areas of the market:

Nonprofit Organization – Inclusive Prosperity Capital
The final element of the Sustainability Plan was to create an independent 501(c)3 nonprofit organization for the purposes of reducing operating expenses of the Green Bank, while seeking to continue to serve its mission by attracting mission-oriented investors in underserved market segments and providing investment opportunities for the Green Bank.[8]

Through its first year in operation, IPC successfully delivered on its targets and *"…led to a reduction in operating expenses and an increase in investment opportunities for the Green Bank…"* as noted below:

IPC, though its PSAs with the Green Bank, is delivering on the targets established – see Table 6.

Table 6. FY 2019 Targets and Actuals (as of June 1, 2019) for IPC

Product	PSA	Project Targets	Project Actuals (06-01-19)	Investment Target ($MM)	Investment Actuals ($MM) (06-01-19)	Installed Capacity Target (kW)	Installed Capacity Actuals (kW) (06-01-19)
Smart-E Loan	5410	540	595	$8.8	$7.6	600	700
Multifamily[10]	5411	19	18	$2.6	$2.8	300	260
Solar PPA	5412	25	18	$14.1	$12.5	6,300	3,900
Solar for All	5413	586	645	$15.6	$18.6	3,600	4,500
Total		**1,170**	**1,276**	**$41.1**	**$41.4**	**10,800**	**9,360**

In its first-year contract with the Green Bank, IPC has delivered measurable results supporting its mission to reach underserved market segments.

☑ **Nonprofit Organization** – the successful creation of Inclusive Prosperity Capital, led by its partners (DEEP, Kresge Foundation, and the Green Bank), has led to a reduction in operating expenses and an increase in investment opportunities for the Green Bank, while attracting other mission-related investors in underserved market segments.

Through its second year in operation, IPC continued the trend by exceeding project targets across all programs with the exception of the Solar PPA due to timing on state solar projects.

Product	PSA	Project Targets	Project Actuals (06-30-20)	Investment Target ($MM)	Investment Actuals ($MM) (06-30-20)	Installed Capacity Target (kW)	Installed Capacity Actuals (kW) (06-30-20)
Smart-E Loan	5410	540	737	$7.2	$10.0	500	900
Multifamily Pre-Development	5411	2	4	$0.1	$1.0	n/a	n/a
Multifamily Term	5411	8	14	$1.3	$8.1	200	2,000
Solar PPA	5412	18	3	$23.5	$1.4	10,600	400
Solar For All	5413	615	625	$17.2	$15.7	4,200	3,900
Total		**1,183**	**1,383**	**$49.3**	**$36.2**	**15,500**	**7,200**

IPC Financial Position and Growth

IPC has grown at almost every level of the organization: number full-time employees (12 to date, and 4 additional in recruitment), capital available for project-level investments (approximately $50M across 3rd Party Debt, Program-Related Investment ("PRI"), Tax Equity, Grants, and Balance Sheet cash), number of investments (IPC has 1 investment each in the LMI and affordable multifamily sectors in CT and a 3rd multifamily loan in the process of closing, has recently acquired 4 distributed solar PV projects sourced by the Green Bank, and is in various stages of co-investing with the Green Bank on additional projects in Connecticut), and financial sustainability.

IPC's consolidated financials as of October 30, 2020 show Total Assets of approximately $8.8M relative to Total Liabilities of approximately $1.9M for Total Net Assets of $6.9M. IPC has thus maintained a solvent and healthy balance sheet as its grown since inception. And while IPC's long-term financial position and health remains positive, IPC does face increasing demand for short-term liquidity in order to facilitate its growth.

Recommendation

Given IPC's successful performance to date under the various key agreements that govern the relationship between the Green Bank and IPC, including the Professional Service Agreements ("PSAs") for programs that IPC administers on behalf of the Green Bank (as discussed further below) and the existing RLC, and given IPC's continued growth and need for liquidity to help fund start-up operational costs (in line with the MOU), Green Bank staff recommends the proposed expansion and extension of the RLC as detailed in this memo.

Resolutions

WHEREAS, the Connecticut Green Bank ("Green Bank") has an existing partnership with Inclusive Prosperity Capital, Inc. ("IPC") to lessen the burden of government, and to protect, promote and preserve the environment by, among other things, furthering the purpose of the Green Bank as described in Connecticut General Statute Section 16-245n(d)(1)(B) ;

WHEREAS, on June 13, 2018, the Green Bank Board of Directors ("Board") approved a Memorandum of Understanding ("MOU") governing the Green Bank's partnership with IPC as part of Green Bank's long-term sustainability plan;

WHEREAS, the MOU included a Revolving Line of Credit ("RLC") intended to support IPC startup and operational costs for an amount not to exceed $150,000 outstanding and with a maturity date of June 30, 2021;

WHEREAS, since August 2020, IPC has drawn on and kept outstanding $150k of the original RLC, and has remained current and in good-standing on all repayments associated therewith;

WHEREAS, IPC is seeking to expand and extend the maturity date of the RLC up to $1,000,000 outstanding and with a maturity date of June 30, 2024 (the "Amended Maturity Date") to facilitate smoothing out continued expenditures associated operations and growth, as more fully explained in a memorandum to the Board dated December 18, 2020 (the "Board Memo"); and,

WHEREAS, staff of the Green Bank, having fully considered the proposed uses by IPC for the RLC facility and the sources and likelihood for repayment of the RLC facility not later than the Amended Maturity Date, recommend the expanded and extended RLC to the Board for approval, as more fully explained in the Board Memorandum.

NOW, therefore be it:

RESOLVED, that the Board approves of the expanded and extended RLC for up to $1,000,000 outstanding and with a maturity date of June 30, 2024 consistent with 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 effect the above-mentioned legal instruments.

Submitted by: Bert Hunter, EVP and CIO

Appendix 3

Inclusive Prosperity Capital, Inc.

Inclusive Prosperity Capital, Inc. (Consolidated)

IPC Balance Sheet

End of Dec 2024

Financial Row	Amount
ASSETS	
Current Assets	
Bank	$10,795,323
Accounts Receivable	
102000 - Accounts Receivable	$753,337
103000 - Contributions Receivable	$92,195
127000 - Program Investments	$11,688,368
Total Accounts Receivable	$12,533,900
Other Current Asset	$266,517
Total Current Assets	$23,595,739
Fixed Assets	
136000 - Fixed Assets	$274,368
137000 - Solar PV Equipment	$15,349,693
Total Fixed Assets	$15,624,061
Total ASSETS	$39,219,800
Liabilities & Equity	
Current Liabilities	$798,099
Long Term Liabilities	
250000 - Notes Payable	$34,300,015
260000 - ARO Liability	$1,148,371
270000 - Other Long Term Liabilities	$228,537
Total Long Term Liabilities	$35,676,923
Equity	$2,744,778
Total Liabilities & Equity	$39,219,800

UNAUDITED

NOTE: This is an unaudited statement that is actively undergoing year end procedures in preparation for audit. The amounts shown above are subject to change.

Inclusive Prosperity Capital, Inc.

Inclusive Prosperity Capital, Inc. (Consolidated)

IPC Income Statement

From Jan 2024 to Adjust 2024

Options: Activity Only

Financial Row	Amount
Ordinary Income/Expense	
Income	
410000 - Investment income	$2,066,929
420000 - Revenue from Consulting Agreements	$1,912,989
430000 - Grant income	$6,820,276
480000 - Other income	$48,345
Total - Income	$10,848,540
Gross Profit	$10,848,540
Expense	
600000 - Salaries, Taxes and Benefits	
600001 - Salaries and Wages	$3,196,226
600200 - Employee Payroll Taxes	$225,714
600300 - Employee Benefits	$579,885
600900 - Benefits Administration	$41,102
Total - 600000 - Salaries, Taxes and Benefits	$4,042,927
610000 - Program Development and Administration	$1,228,316
620000 - Professional services	$1,108,045
630000 - Advertising and promotion	$101,584
640000 - Facilities and office expenses	$59,156
645000 - Insurance	$226,708
650000 - Training, Travel and Meals	$146,456
655000 - Technology support	$591,723
660000 - Other expenses	$127,583
670000 - Interest expense	$1,252,290
Total - Expense	$8,884,787
Net Ordinary Income	$1,963,753
Other Income and Expenses	
Other Expense	
680000 - Depreciation, amortization and accretion	$570,992
690000 - Loan Loss Reserve	($64,230)
Total - Other Expense	$506,762
Net Other Income	($506,762)
Net Income	$1,456,991

NOTE: This is an unaudited statement that is actively undergoing year end procedures in preparation for audit. The amounts shown above are subject to change.

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors and Management of
Inclusive Prosperity Capital, Inc.

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Inclusive Prosperity Capital, Inc. (a nonprofit organization) and Subsidiaries, which comprise the consolidated statements of financial position as of December 31, 2023 and 2022, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Inclusive Prosperity Capital, Inc. and Subsidiaries as of December 31, 2023 and 2022, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Inclusive Prosperity Capital, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Inclusive Prosperity Capital, Inc. and Subsidiaries ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Inclusive Prosperity Capital, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Inclusive Prosperity Capital, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying schedule of expenditures of state financial assistance is presented for purposes of additional analysis as required by the State Single Audit Act and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of state financial assistance is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 1, 2024, on our consideration of Inclusive Prosperity Capital, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Inclusive Prosperity Capital, Inc.'s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Inclusive Prosperity Capital, Inc.'s internal control over financial reporting and compliance.

Whittlesey PC

Hartford, Connecticut
May 1, 2024

INCLUSIVE PROSPERITY CAPITAL, INC.

Consolidated Statements of Financial Position

December 31, 2023 and 2022

		2023		2022
ASSETS				
Current Assets				
Cash and cash equivalents	$	5,714,512	$	7,695,048
Accounts receivable		866,374		1,079,986
Contributions receivable		285,000		85,000
Prepaid expenses		90,491		112,011
Current portion of program investments		974,076		2,041,894
Total current assets		7,930,453		11,013,939
Long-Term Investments				
Program investments, net of current portion and		13,725,444		1,353,465
Total long-term investments		13,725,444		1,353,465
Other Assets				
Property and equipment, net		37,640		111,636
Solar facilities, placed in service, net		14,603,855		11,315,675
Solar facilities, under construction		68,000		171,833
Deposits held by others		135,361		66,019
Restricted cash		415,028		1,987,767
Total other assets		15,259,884		13,652,930
Total Assets	$	36,915,781	$	26,020,334
LIABILITIES AND NET ASSETS				
Current Liabilities				
Accounts payable	$	225,508	$	205,276
Accrued expenses		1,010,170		1,758,595
Deposits held for borrowers		64,491		-
Other current liabilities		18,871		18,871
Current portion of notes payable		673,380		1,135,301
Total current liabilities		1,992,420		3,118,043
Long-Term Liabilities				
Asset retirement obligation - Solar PV Systems		1,027,101		772,193
Notes payable, net of current portion and debt issuance costs		32,527,946		18,582,251
Total long-term liabilities		33,555,047		19,354,444
Total Liabilities		35,547,467		22,472,487
Net Assets				
Without donor restrictions		603,795		1,475,080
With donor restrictions		764,519		2,072,767
Total net assets		1,368,314		3,547,847
Total Liabilities and Net Assets	$	36,915,781	$	26,020,334

The accompanying notes are an integral part of the consolidated financial statements.

INCLUSIVE PROSPERITY CAPITAL, INC.

Consolidated Statement of Activities

For the Year Ended December 31, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
Revenues			
Grants - private foundations	$ 603,250	$ 1,600,000	$ 2,203,250
Consulting income	2,230,630	-	2,230,630
Interest income	522,298	-	522,298
Loan origination and other fees from borrowers	213,974	-	213,974
Power purchase agreement revenue	505,541	-	505,541
Solar renewable energy certificate revenue	257,322	-	257,322
Other income	60,327	-	60,327
In-kind contributions	7,410	-	7,410
Net assets released from restrictions	2,908,248	(2,908,248)	-
Total revenues	7,309,000	(1,308,248)	6,000,752
Expenses			
Clean energy investment	6,509,299	-	6,509,299
Supporting services:			
Management and general	2,717,832	-	2,717,832
Fundraising	336,971	-	336,971
Total expenses	9,564,102	-	9,564,102
Change in Net Assets	(2,255,102)	(1,308,248)	(3,563,350)
Net Assets - Beginning of Year	1,475,080	2,072,767	3,547,847
Noncontrolling Member Contributions	1,442,313	-	1,442,313
Noncontrolling Member Distributions	(58,496)	-	(58,496)
Net Assets - End of Year	$ 603,795	$ 764,519	$ 1,368,314

The accompanying notes are an integral part of the consolidated financial statements.

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CONNECTICUT GREEN BANK

Memo

To: Board of Directors of the Connecticut Green Bank

From: David Beech, Senior Manager – Investments

Cc Bryan Garcia, President and CEO; Brian Farnen, General Counsel and Chief Legal Officer; Bert Hunter, Chief Investment Officer; Mackey Dykes, EVP Financing Programs; and Alex Kovtunenko, Deputy General Counsel

Date: June 13, 2025

Re: Department of Correction – York Correctional Institution Fuel Cell Project

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Introduction

The purpose of this memorandum is to request approval from the Board of Directors (the "Board") for the Connecticut Green Bank ("Green Bank"), including any of its wholly-owned subsidiaries, to enter into a term debt facility of up to $4 million with Hosler Financial Services to provide long term financing ("Term Debt") for a fuel cell project providing electricity under a power purchase agreement ("PPA") at a facility owned and operated by the Department of Correction of the State of Connecticut.

Background

At the request of the Department of Correction ("DOC"), the Green Bank sought to leverage the solar project deployment framework for state projects developed over the last few years for a fuel cell installation at York Correctional Institution ("York"). York is located in Niantic and is the only state prison for women, housing a maximum of 1,500 inmates. Due to the large electrical and heat needs at the facility, DOC began exploring a fuel cell installation years ago. They hired an engineering firm now known as Veolia, to conduct a feasibility study for a fuel cell. That study found a technical and financial opportunity for a project. DOC then approached the Green Bank to adapt the state solar deployment program now known as Solar MAP to deploy this fuel cell project. Working with DOC and other state agency partners, Green Bank determined that the procurement, documentation and financing framework of Solar MAP could be used for the fuel cell project at York. Green Bank then worked with DOC to develop the opportunity and identify a project partner and owner through a request for proposals ("RFP").

Green Bank hired Veolia to assist with preparing and issuing an RFP for the fuel cell installation at York, which was informed by the feasibility study they had conducted. The RFP also outlined debt terms that Green Bank would make available to the entity selected through the competitive process. The RFP was released in May of 2022 and received two proposals, from Fuel Cell Energy and HyAxiom, Inc. ("HyAxiom"). HyAxiom, formerly known as Doosan Fuel Cell America, Inc and a subsidiary of Doosan Corporation, was selected as the RFP winner. Their proposal outlined the York project would be owned by another Doosan Corporation subsidiary, Doosan Energy Services America ("DESA") who would be the counterparty to the PPA.

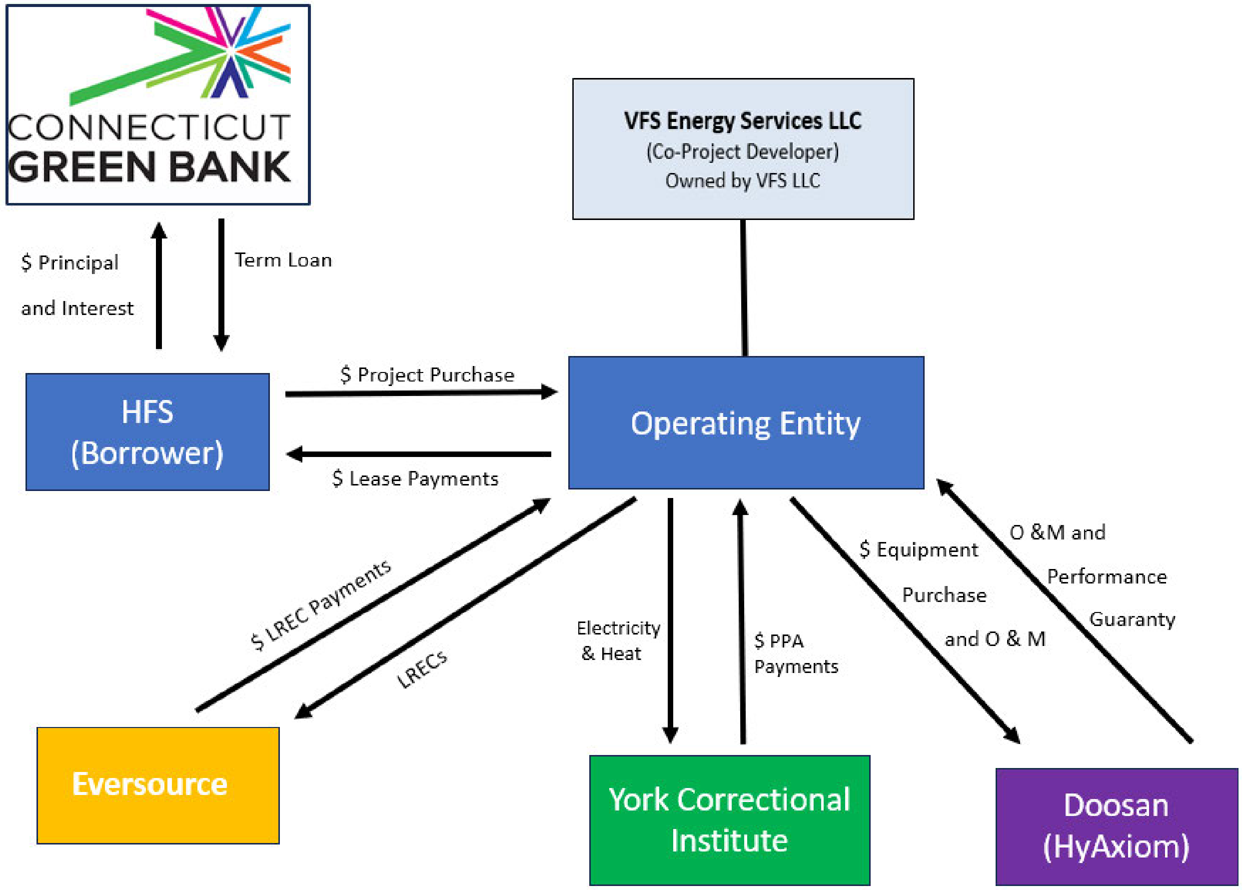
HyAxiom proposed installing two of its PureCell Model 400 units to supply both electricity and heat to York for a PPA rate of $0.0543/kwh. This represents an average annual savings to DOC of $527,000 with an expected savings of $10.5m over the 20-year term of the PPA.

To support the long-term ownership of the project, HyAxiom and DESA brought in Venture Funding Specialists ("VFS"), a fuel cell developer and owner based in Michigan, as a co-developer and sole sponsor equity investor. At the July 2024 meeting of the Board, staff received approval to: i) execute the PPA with DOC; and ii) sell and assign the PPA and related agreements pursuant to the RFP. The PPA was executed in August 2024 and subsequently assigned in January 2025 to Fuel Cell PPA York LLC (the "Operating Entity"), a wholly owned subsidiary of VFS. VFS later secured as a tax equity investor Hosler Mechanical, a large mechanical contractor that works on commercial buildings, who invested in the project via a wholly owned subsidiary Hosler Financial Services ("HFS"). The tax equity investment was made using a sale and leaseback transaction whereby HFS purchased the project and leased it back to the Operating Entity which manages day-to-day operations of the facility and makes monthly lease payments to HFS. HyAxiom will continue to be the operations and maintenance provider of the system, and provide a performance guarantee via their parent entity, Doosan corporation. The project was completed and placed in service on March 22, 2025. HFS is seeking to refinance a portion of its equity in the project with Green Bank debt, consistent with the Green Bank debt terms disclosed to all bidders during the PPA financing RFP for the project.

<u>Transaction Structure</u>

The Green Bank has limited experience with projects that utilize the sale-leaseback structure. (Green Bank is utilizing external counsel with expert knowledge of this structure.) However, it is a widely used financing and legal structure that has been evaluated by the IRS and continues to be used for many project finance transactions. Unlike the more common "partnership flip" structure, where the borrower owns Class B equity interests in the tax equity partnership where the Class A equity which owns nearly 100% of the project assets and tax attributes which then "flips" the ownership to the Class B equity borrower after the ITC recapture period has ended, the borrower in a sale-leaseback structure is the 100% owner of the project.

As outlined in the structure below, the Green Bank's borrower is HFS, the owner of the project under the sale-leaseback structure. The lease payments it receives from the Operating Entity are sufficient to repay Green Bank's debt.



Key Risks and Mitigants

Production risk: VFS has significant experience operating fuel cell projects across the country. In addition, HyAxiom, the manufacturer, will be performing the Operations and Maintenance ("O&M") and providing a production guaranty via their parent corporation Doosan, a Fortune Global 500, South Korean, multinational conglomerate with annual revenues of $13 billion, total equity in excess of $1 billion and a market capitalization of $9.3 billion.

PPA Off-taker Credit risk: Both off-takers have investment-grade credit ratings. The PPA payments will be made by a Connecticut state agency. The state of Connecticut is currently rated AA- by S&P. The LREC payments will be made by the Connecticut Light and Power Company d.b.a. Eversource. Eversource is rated BBB+ by S&P.

Commodity Risk: Natural Gas costs are "passed through" to the buyer under the PPA. That means the price risk will be borne by the Department of Correction and not the Operating Entity or Borrower.

Debt Facility

The proposed term sheet for the transaction with the detailed terms of the Debt Facility can be found at Appendix A. While there may be some minor modifications to the term sheet, we expect it to be materially the same as presented in Appendix A.

The high-level terms of the Debt Facility are as follows, consistent with the debt terms made available to all bidders during the PPA financing RFP:

Facility Size: Up to $4 million, with the final amount determined based on the lower amount of either a 1.25x Debt Service Coverage Ratio (“DSCR”) or 60% of total project costs.

Interest Rate: 3.00% per annum[1].

Term: 10 years. This term may be extended to 12 years (equivalent to the remaining LREC term) if the risk of the fuel cell restacking (scheduled for year 11) is mitigated by a satisfactory reserve account or an extended guarantee provided by Doosan.

Payment Structure: Fully amortizing over the term, which will end prior to required fuel cell restacking, sculpted to maintain a DSCR of 1.25x, with quarterly principal and interest payments.

Security Package: Consistent with Green Bank’s standard conditions for project finance borrowers, including:

A first-priority interest and lien on Borrower’s existing and future assets.

The right, title, and interest in all project assets, equipment, accounts, contract rights, and rights to payment.

Minimum DSCR Requirement: 1.20x, tested quarterly.

Prepayment Fee: 3.00% of loan advances prepaid within three years of initial advance; 2.00% of loan advances prepaid between three and four years of initial advance, and; 1.00% of loan advances prepaid between four and five years of initial advance.

Payment Structure: All project revenues are directed to an account controlled by the Operating Entity. The Operating Entity is responsible for O&M payments, insurance, and other operating expenses. The Operating Entity is also responsible for monthly lease payments to the Borrower, which will be used to make debt service payments to the Green Bank.

ProForma Financial Model

Staff has reviewed a proforma financial model of the project, created by VFS. The model details revenue and cost projections. Based on the assumptions made, the forecast cashflows are sufficient to cover the lease payments at the required debt service coverage ratio, and the lease payments are sufficient to cover Green Bank debt service.

[1] Reasons for the lower interest rate compared to other debt facilities: i) the counterparty risk is minimal, as the state serves as the offtaker; (ii) at the time the original PPA financing RFP was issued, U.S. Treasury rates were significantly lower than today. While interest rate could have been adjusted for the rise in rates, the original rate was maintained to ensure the state benefits from a low PPA rate, despite delays affecting the project.

[redacted]

Ratepayer Payback

How much clean energy is being produced (i.e., kWh over the projects' lifetime) from the project versus the dollars of ratepayer funds at risk?

The forecasted kWh over the project's lifetime is approximately 279,000,000 kWh of energy. The kWh / $ ratepayer funders at risk is forecast to be 69.75.

Capital Extended

How much of the ratepayer and other capital that Green Bank manages is being expended on the project?

The Debt Facility will not exceed $4 million in outstanding principal as of the end of the availability period.

Recommendation

The project represents a unique opportunity to provide 24/7 clean power and heat to a state facility, using power generation equipment manufactured in the state. The energy delivered under the PPA at a fixed rate of $0.0543/kWh for 20 years, results in average annual savings to the York facility of $527,000 and total savings exceeding $10.5 million over the term of the agreement. Staff recommends that the Board approve the Debt Facility on terms, and using a structure, materially consistent with information presented in this memorandum and subject to completion of a complete staff due diligence report that will include complete "life of project" proforma forecasts of revenues, expenses, reserves, debt service coverage ratios, etc., an analysis of any fuel cost and supply risk, all consistent with Green Bank underwriting practice.

Resolutions

WHEREAS, on July 23, 2024 the Connecticut Green Bank ("Green Bank") Board of Directors ("Board") approved Green Bank entering into and assigning a power purchase agreement for a fuel cell project at the Department of Correction York Correctional Institution ("Project"), following a competitive solicitation process (the "RFP");

WHEREAS, subsequent to the PPA assignment, the Project has been completed, placed in service and transferred to a term owner and equity investor, Hosler Financial Services LLC ("Project Owner"); and,

WHEREAS, Green Bank seeks to provide debt financing to the Project Owner under terms consistent with those outlined in the RFP and with the memorandum to the Board dated June 13, 2025 ("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 Debt Facility, and any associated legal instruments; and,

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

Appendix A: Term Sheet

Indicative Summary of Terms and Conditions
Hosler Financial Services LLC
Senior Secured Term Loan Facility – Fuel Cell PPA York SLB Proceeds – Up to $3,542,052
June,__, 2025

For Discussion Purposes Only – Confidential – This is Not a Commitment

The following is a non-binding term sheet ("Term Sheet") of a proposed loan transaction. Except as set forth below, this Term Sheet is intended solely as a basis for further discussions and is not intended to be, and does not constitute, a legally binding obligation of any party. A legally binding obligation will be established only pursuant to mutually acceptable definitive written agreements executed by the parties, and only after satisfactory completion of due diligence, legal review, governance approval and other conditions to be set forth in such definitive written agreements. In the event of any inconsistency between this Term Sheet and such definitive written agreements, the written agreements will govern. This Term Sheet does not constitute either an offer to (i) sell securities, (ii) purchase securities, or (iii) provide a loan or any other type of financing.

Guarantor: Hosler Mechanical, Inc.

Borrower: Hosler Financial Services LLC, wholly owned subsidiary of Guarantor

Project Sponsor: VFS LLC, a Michigan limited liability company and the direct owner of one hundred percent of the membership interests in the Project Company (defined below).

Project Company: Fuel Cell PPA York, LLC, a Michigan limited liability company owned directly and 100% by Project Sponsor

Lender: Connecticut Green Bank or a subsidiary thereof (e.g., CEFIA Holdings, LLC)

Project: An 800kW HyAxiom fuel cell project located at 201 West Main Street, Niantic, CT 06357.

Project Assets: The Project and associated First Master Power Purchase Agreement for Fuel Cell Power Generation, dated as of August 20, 2024, with the State of Connecticut, Department of Administrative Services ("Master PPA"), the Site Specific Power Purchase Agreement, dated effective September 4, 2024, with the State of Connecticut, Department of Corrections ("Site PPA"), the Standard Contract for the Purchase and Sale of Connecticut Class I Renewable Energy Credits ("LRECs") from Low and Zero Emissions Projects, dated October 1, 2020, with The Connecticut Light and Power Company dba Eversource Energy ("LREC PSA"), and the Operations and Maintenance Agreement with the fuel cell Manufacturer and the corresponding performance guaranty, including but not limited to the Project Company and related assets.

Borrower Project Revenues: Lease payments from Project Company to Borrower pursuant to the Master Equipment Lease Agreement, dated as of April 30, 2025, between Borrower and Project Company ("Lease Agreement"), and any related proceeds received by Borrower in connection therewith.

Term Loan Use of Proceeds: Term Loan proceeds to be used to recapitalize Borrower for purchase of certain Project Assets being leased by Borrower to the Project Company pursuant to the Lease Agreement, and for general corporate purposes.

Term Loan Debt Sizing: Subject to debt service coverage ratio ("DSCR") and advance restrictions, calculated at date of advance.

- Term Loan will be sized at the time of advance based on a DSCR of 1.25x.
- The Term Loan will not exceed 100% of the total amount of lease payments scheduled to be paid to the Borrower under the Lease Agreement after the date of advance.

Term Loan Commitment: The Term Loan Commitment shall be available in a single advance after the date the Project has achieved commercial operations ("COD"). The term will be the lesser of 10 years from

COD or 6 months prior to the last scheduled lease payment to Borrower under the Lease Agreement, including any exercised renewal option. Repaid funds may not be reborrowed.
Term Loan Amortization: Fully amortizing over the term, sculpted subject to DSCR of 1.25x. Quarterly principal and interest payments over the term. On the Term Loan Maturity Date, the Borrower will repay all the then-outstanding principal balance, all accrued and unpaid interest and any and all amounts due under the loan. The Term Loan shall be fully amortized prior to the date on which the manufacturer recommends restacking the fuel cell modules.

Security: All obligations to Lender will be secured by:

1. First priority perfected security interest in and lien on and collateral assignment of all of Borrower's assets, including (a) Borrower's right, title and interest in all accounts (including the debt service reserve account), all of which accounts shall be subject to a DACA and (b) Borrower's then existing and future assets, including its right, title and interest in all real and personal property, accounts, contract rights, including any rights under any security, pledge, or guaranty agreement or other credit support for Project Company's obligations under the Lease Agreement, rights to payment of a monetary obligation, including Borrower Project Revenues, and other consideration to receive payments by virtue of being counterparty to the Lease Agreement and any other contracts. Borrower shall ensure at all times that any and all Borrower Project Revenues and any other revenue contract shall be directly paid to and deposited to an account controlled and owned by Borrower and subject to a DACA;
2. Collateral assignment of all ancillary contracts usual and customary for transactions of this type (such as revenue contracts, including the Lease Agreement, and collateral documents securing payments thereunder, including the security agreement, pledge agreement, Project Sponsor guaranty, and any other agreements securing the Project Company's payment and performance under the Lease Agreement), permits, warranties, licenses, insurance policies and proceeds related to any of the foregoing, and general intangibles;
3. Pledge of 100% of the equity interests in Borrower by Guarantor
4. Debt service and performance guaranty by Guarantor;
5. Security, credit support, and all other loan terms subject to finalization in definitive documentation.

Collateral to be further defined in the definitive documentation for the Loan Facility.

Term Loan Interest Rate: 3.00% fixed on an actual/360 day basis (the "Interest Rate").

Term Loan Maturity Date: 120 months following date of the advance, subject to customary acceleration following any event of default.

Conditions to Term Loan Advance: Usual and customary for transactions of this nature, including, but not limited to, the following:

1. Project has been placed in service and achieved commercial operations;
2. Borrower has a first priority perfected security interest in and lien on and collateral assignment of all of the Project Company's assets and all of the equity interests in the Project Company.
3. All Project Company accounts, including accounts for receipt of any payments under the Master PPA, Site PPA, and LREC PSA and for making lease payments under the Lease Agreement, have been established and are subject to a depositary agreement or other account control agreement satisfactory to Lender;
4. Project Sponsor has unconditionally and irrevocably guaranteed to Borrower the full and prompt payment and performance by Project Company of all its obligations under the Lease Agreement;
5. Project Company and Project Sponsor have executed estoppel agreements in respect of the Lease Agreement and any security, pledge, or guaranty agreement in support of Project Company's obligations thereunder in form and substance satisfactory to the Lender;
6. Lender has been provided a legal opinion re enforceability of the loan documents, security interests and the sale leaseback structure from Borrower's counsel in form and substance satisfactory to it.[1]

7. Satisfactory completion of business, financial, and legal due diligence;
8. Approval of the loan contemplated herein by the Lender's Board of Directors or committee thereof;
9. Obtaining any consents and approvals necessary from third parties to consummate the loan contemplated herein, including the consent of Borrower's governing body and the approval from all necessary governmental authorities of the Lender;
10. No significant material litigation by any person (private or governmental) shall be pending or threatened with respect any of Borrower[, Guarantor], Project Company, or Project Sponsor;
11. Absence of material adverse change in the financial condition, operations or business prospects of Borrower[, Guarantor], the Project, Project Company, and Project Sponsor;
12. Receipt of UCC, tax, bankruptcy, fixture and judgment lien search results in respect of Borrower[, Guarantor], Project Company and Project Sponsor;
13. UCC filing consistent with the Collateral/Security requirements of the Lender;
14. Satisfactory evidence of insurance coverage for the Project consistent with any project contract or applicable program requirements, placed using a nationally-recognized insurance broker;
15. Asset management will be performed by a counterparty reasonably satisfactory to the Lender;
16. Operations and maintenance will be performed by a counterparty reasonably satisfactory to the Lender;
17. Usual and customary representations in respect of Borrower and Borrower Project Revenues.

Financial Covenants:

1. The Borrower must maintain an annual DSCR of 1.25x, tested and reported quarterly for the prior rolling 12 months, in order to make distributions.
2. The Borrower must maintain a debt service reserve equal to 6 months of principal and interest payments. The debt service reserve account will be funded from proceeds of the Term Loan on the date of advance.
3. More to be negotiated based on final structure
4.

Closing Fee*:* 1.00% of advance amount, payable (or withheld by Lender) at the time of the advance and from Term Loan proceeds.

Prepayment Fee: 3.00% of loan advance prepaid within 3 years of the advance; 2.00% of loan advance prepaid more than 3years but within 4 years of the advance; 1.00% of loan advance prepaid more than 4 years but within 5 years of the advance.

Reporting Covenants: To be defined within loan documentation and subject to due diligence and legal review, but should expect: annual financial statements of Borrower, Guarantor, Project Company, and, if available to Borrower, Project Sponsor; annual payment performance history of Borrower, and, to the extent available to Borrower, the Project, including payments under the Lease Agreement, Master PPA, Site PPA, and LREC PSA; to the extent available to the Borrower, annual operational performance reports of Project including but not limited to actual vs expected production (kWh).

Account Control Documents: Deposit Account Control Agreement ("DACA") shall be executed in respect of all Borrower's bank accounts, including a debt service reserve account. Borrower shall not have any account that is not subject to a DACA, and no payments received by Borrower nor any other payments in satisfaction of any obligations owed to the Borrower, including any obligations owed to the Borrower under the Lease Agreement, shall be made to any account other than an account subject to a DACA.

ITC Monetization: Obligations of the Borrower, including the repayment of the Term Loan, are under no circumstances reliant whatsoever on Borrower's ability to claim or monetize the ITCs or any other Federal Tax Benefit, and any failure by a Borrower to claim or monetize such ITCs or Federal Tax Benefits shall not release Borrower from any obligation of the proposed Term Loan.

Other Terms and Conditions: To be defined within loan documentation, including but not limited to: representations, warranties and covenants, events of default, cross default, default interest rate and late charges, remedies, indemnities, distributions of cash flow, deposit accounts control matters, liability, insurance, no modification of any secured assets or material contracts without prior consent of the Lender (subject to limited exceptions as may be agreed in loan documentation).

Expiration: This Term Sheet expires on September 31, 2025.

Enabling Statute and State Contracting: The Green Bank is subject to the requirements outlined in Sections 16-245n of the Connecticut General Statutes and Borrower will be responsible for complying with applicable state contracting requirements.

Permitted Indebtedness/Permitted Liens: Restrictions on incurrence of additional indebtedness and liens customary for transactions of this type.

Governing Law and Forum: Connecticut

Tax Treatment: This debt is intended to be treated as qualified commercial financing under IRC 49 for federal income tax purposes and is not intended to be convertible debt for federal income tax purposes.
Lender and its counsel shall provide initial drafts of the definitive loan documents.

The previous terms are all non-binding and subject to final legal documentation; provided, however, that the above provisions setting forth the Term Loan Interest Rate and the Term Loan Commitment shall be non-negotiable and included in any final legal documentation.
The following terms will be binding, regardless of whether the proposed transaction closes or not:

Expenses: The Borrower will pay all out of pocket and third party reasonable legal (including all costs associated with all UCC filings and searches), due diligence, background checks and other expenses incurred by the Lender in connection with the proposed transaction (whether or not the transaction closes), including third-party diligence. Lender will use commercial best efforts to minimize transaction expenses and notify the Borrower as it incurs any costs exceeding $100,000. Borrower shall not be obligated to pay Lender’s outside counsel legal expenses in excess of $200,000. Lender shall begin to accrue reimbursable Expenses upon execution of this Term Sheet. In the event the financing is not consummated, Borrower shall still be obliged to reimburse Lender for all such Expenses upon demand from Lender; provided, however, that if the financing is not consummated due to Lender’s decision not to pursue the financing, which was otherwise consistent with this Term Sheet, then Borrower shall not be obliged to reimburse Lender for such Expenses. For the avoidance of doubt, the exercise of Lender’s discretion shall not be deemed a decision not to pursue the financing for which Borrower’s obligation to pay for Expenses is relieved. This section shall survive any expiration of termination of the Term Sheet.
We look forward to working with you.

Accepted and agreed to as of the date of the Term Sheet:
HOSLER FINANCIAL SERVICES LLC

By:
Name:
Title:

75 Charter Oak Avenue
Hartford. Connecticut 06106

700 Canal Street, 5th Floor
Stamford, Connecticut 06902

T: 860.563.0015
F: 860.563.4877
www.ctgreenbank.com

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: June 13, 2025

Re: Update: Historic Cargill Falls Mill Loan

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 January 21, 2025. The memo and these discussions outlined plans for a loan restructuring proposal to be presented at a later meeting of the Board once additional information became available and staff had the chance to finalize ongoing negotiations and discussions with key stakeholders to agree on a satisfactory loan restructuring proposal.

Staff has worked with key stakeholders including other lenders like Department of Housing ("DOH"), 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. The approximate outstanding balances of loans and their priorities are as follows:

Stakeholder	Approximate Balance	Priority	Nature of Obligation	Final Maturity
Green Bank	$11,100,000	1 (C-PACE lien)	C-PACE funding	20
Haynes Construction	$360,000	2 (mortgage)	Construction funding	12/1/2026
CT-DOH	$10,000,000[1]	3 (mortgage)	Subordinated lender	2049
Enhanced Capital	$6,100,000	4 (equity)	Tax credit investor	N/A

Green Bank staff worked on putting together a proposal to restructure the financings of the stakeholders informed by the multiyear projections for the property. As part of that effort, staff revisited the C-PACE program guidelines to assess Term and Savings to Investment Ratio ("SIR") implications associated with the proposed restructuring. While staff confirmed that the term cap associated with the Equipment Useful Life cap does not apply to restructured assessments, the

[1] Does not include interest accrued

SIR requirement remains in place because it is a statutory requirement. Given the accrued interest from deferral, the Project is unlikely to meet SIR unless interest and fees are waived.

[redacted]

Therefore, staff considers the best way to protect the Green Bank's C-PACE's position is to continue to forbear without waiving any rights under the financing agreement in place. Green Bank staff is requesting approval to move forward with a forbearance on C-PACE loan payments [redacted] as outlined in this memorandum. Staff will continue to monitor and work with the property owner with a view to reaching a proposal to restructure the various financings that complies with C-PACE requirements and is amenable to the stakeholders, particularly those in a position to require consent for a restructuring. This future restructuring would require Board approval.

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 (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 exercise its discretion in issuing a forbearance on the C-PACE loan payments from HCFM ("Loan Forbearance") [redacted] as detailed in the memorandum submitted to the Board on June 13, 2025 in connection with this matter (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 Forbearance consistent with the Board Memo and the Green Bank's 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

Green Bank Equity Investment Modification Memorandum

June 13, 2025

PosiGen
Solar Energy and Energy Efficiency

Document Contents: This document contains background information and due diligence on an investment modification with 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.

Investment Modification Memo

To: Connecticut Green Bank Board of Directors
CC: Bryan Garcia, President and CEO; Bert Hunter, EVP and CIO; Jane Murphy, Executive Vice President of Accounting and Financial Reporting; Brian Farnen, General Counsel and CLO; Eric Shrago, Managing Director of Operations; Sergio Carrillo, Director of Incentive Programs
From: Larry Campana, Associate Director of Investments
Date: June 13, 2025
Re: Modification of Green Bank Equity Investment in PosiGen

Background

At its October 16, 2020 meeting, the Board of Directors (the "Board") of the Connecticut Green Bank ("Green Bank") approved staff's request to exercise its warrants with PosiGen, Inc. (together with its subsidiaries, "PosiGen") in exchange for penalty interest that PosiGen owed and a reduction in yield. The exercise of the warrants on February 3, 2021 exchanged value of $245,000 for 500,000 shares of Series D-3B Preferred Stock.

On June 13, 2023, the Green Bank's 500,000 shares of Series D-3B Preferred Stock were converted into 7,500,000 shares of common stock (at a 15:1 conversation ratio).

On August 3, 2023, the Board authorized the Green Bank to enter into the Amended and Restated Note Purchase Agreement with PosiGen Inc. and other investors to fully participate in the purchase of a secured convertible promissory note of PosiGen Inc. for $121,321. In addition to the promissory note, Green Bank was permitted to "pull through" its common stock into the form of 500,000 units of Series 1 Preferred equity.

On March 15, 2024, the Board authorized the Green Bank to invest an incremental $56,775, which was added to a Promissory Note principal amount resulting from the Series 1 "pull through" in 2023. The result of this investment was a convertible promissory note of $213,761 (two total promissory notes).

Total equity invested by Green Bank to date is $423,097. The two convertible promissory notes have principal amounts of $213,761 ("Class 1 Notes") and $121,322 ("Class A Note"), with a total principal of $335,083. These accrue interest at 15% per year (Paid in Kind) with a Scheduled Maturity Date of June 13, 2025.

Operations Update

PosiGen has made significant progress over the last year while also facing a difficult macro environment (e.g. tariffs). The full General and Administrative expenses for the company have trended down on a per watt basis as they achieve operating leverage against a growing portfolio (a result of increased revenue relative to overhead expenses). Quarter 1 of 2025 was a record-setting period in the company's performance by multiple metrics: channel volume overperformance contributed to revenue exceeding budget by $62M (58%), operating expenses were in favorable to budget by $3.3M (9%), system sizes continue to grow to approximately 9kW (14% favorable variance to budget), and Tax Equity and Backleverage funding exceeded budget by approximately $7M.

Despite the growth and momentum at the company, the macro environment has presented new obstacles. New tariffs and passage in the House of a version of the reconciliation bill in late May added tax uncertainty into the US solar market. PosiGen is now navigating a challenging market landscape even as it has positioned the company in as strong a posture as it has ever enjoyed in terms of core KPIs.

Note Purchase Agreement Extension

To conserve the company's capital as much as possible, PosiGen has made a request to Green Bank, along with all of the other investors in this class, to extend the maturity date of its notes from June 13, 2025, for 1 year to June 13, 2026. Staff requested to PosiGen that at least 75% of investors holding similar notes extend alongside Green Bank. Interest would continue to accrue during the extension period (at a rate of 15% per annum). Pending approval by the Board, staff has issued a temporary waiver (since the maturity is June 13, 2025). Upon Board approval, a formal amendment will be executed by Green Bank.

There is no incremental cash investment required to agree to this extension.

In addition to waiver documents, PosiGen and its Board have proposed amending the existing convertible note purchase agreements to extend the scheduled maturity date of these instruments by one year. Amendment No. 6 to the Note Purchase Agreement has been proposed, which requires Connecticut Green Bank's signature in order to be effectuated. The amendment is attached as Exhibit A.

Staff has considered the waiver and Amendment No. 6 from both the perspective of return on investment of the proposed deferral of return of capital and the Green Bank's comprehensive position. Equity investments have been made by the Green Bank over the past 5 years (mostly by the conversion of late fees) and the company continues to grow by multiple metrics including revenue, size, and profitability. PosiGen consistently expanded and aligned itself closely with the clean energy and equity goals of the Green Bank. The Green Bank benefits by supporting the company during a time of growth and signaling confidence to current and future investors. Signing the proposed Amendment (No. 6) will give Green Bank the same rights as the other investors which have approved this extension and signed the Amendment and permits PosiGen to conserve capital during disruption in the clean energy markets.

Recommendation

Given the continued positive trajectory of PosiGen's performance, the support of investors holding similar notes (which we require), and absence of incremental investment, Green Bank staff recommends executing Amendment Number 6 to the Note Purchase Agreement.

Resolutions

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

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

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

WHEREAS, in August 2023 the Board previously authorized approval for Green Bank's participation in equity financing through the purchase of a secured convertible promissory note of $121,321;

WHEREAS, in March 2024 the Board authorized the Green Bank to enter into the Amended and Restated Note Purchase Agreement with PosiGen and other investors to fully participate in the incremental investment of $56,775 in a secured convertible promissory note of PosiGen with a total value of $213,761;

NOW, therefore be it:

RESOLVED, that the Board authorizes the Green Bank to fully participate in the 1-year maturity date extension of two secured convertible promissory note of PosiGen totaling $335,083, with a revised maturity date of June 13, 2026, and executing Amendment No. 6 to Note Purchase Agreement, as set forth in the Board Memo;

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

Exhibit A

POSIGEN, PBC

AMENDMENT NO. 6 TO NOTE PURCHASE AGREEMENT

This Amendment No. 6 to Note Purchase Agreement (this "***Amendment***") is effective as of [ ], 2025, by and among PosiGen, PBC (f/k/a PosiGen, Inc.), a Delaware public benefit corporation (the "***Company***"), Wilmington Trust, National Association, solely in its capacity as collateral agent (the "***Agent***") and the undersigned Investors and, solely for purposes of Section 9 hereof, the Guarantors. Capitalized terms used but not defined herein shall have the respective meanings assigned to them in the Purchase Agreement (defined below).

RECITALS

WHEREAS, Section 9(a) of that certain Note Purchase Agreement, dated June 13, 2023 (as amended by that certain Amendment No. 1 to Note Purchase Agreement, dated as of July 17, 2023, that certain Amendment No. 2 to Note Purchase Agreement, dated as of July 24, 2023, that certain Amendment No. 3 to Note Purchase Agreement, dated as of December 21, 2023, that certain Amendment No. 4 to Note Purchase Agreement, dated as of February 14, 2024, and that certain Amendment No. 5 to Note Purchase Agreement, dated as of December 19, 2024 and as further amended, amended and restated, supplemented or modified from time to time, the "***Purchase Agreement***") provides that any provision in the Purchase Agreement may be amended with the written consent of the Company, the Agent and the Majority in Interest of Investors.

WHEREAS, Section 7(b) of each of the Class A Notes, Class B Notes, Class One Notes, and Class Two Notes (collectively, the "***Notes***") issued pursuant to the Purchase Agreement provides that any provision in the Notes may be amended with the written consent of the Company, the Agent and the Majority in Interest of Investors; provided, however, that no such amendment shall extend the Scheduled Maturity Date of any Note by more than 180 days without the written consent of the Investor holding such Note.

WHEREAS, the Company, the Agent and the undersigned Investors, who constitute all of the Investors, desire to amend the Purchase Agreement and Notes issued pursuant to the Purchase Agreement as set forth herein.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree and consent to the following:

AGREEMENT

1. Amendments.

(a) Clause (i) of the Preamble of (A) each Class A Note issued to Investors prior to the date hereof, (B) each Class B Note issued to Investors prior to the date hereof, (C) each Class One Note issued to Investors prior to the date hereof, (D) each Class Two Note issued to Investors prior to the date hereof, and (E) each of the form of the Notes attached to the Purchase Agreement as exhibits thereto is hereby amended and restated in its entirety as follows:

"(i) June 13, 2026 (the "**Scheduled Maturity Date**"), or"

2. Full Force and Effect. To the extent not expressly amended hereby, the Purchase Agreement and the Notes remain in full force and effect. On and after the date hereof, each reference in the Purchase Agreement to "this Agreement", "the Agreement", "hereunder", "hereof", or words of like import, and each reference to the Purchase Agreement in any other agreements, documents, or instruments executed pursuant to or in connection with, the Purchase Agreement, will mean and be a reference to the Purchase Agreement as amended by this Amendment.

3. Entire Agreement. This Amendment, together with the Note Documents and all exhibits thereto, represent the entire agreement of the parties and shall supersede any and all previous contracts, arrangements or understandings between the parties with respect to the subject matter herein.

4. Governing Law. This Amendment shall be governed by and construed and interpreted under the laws of the State of Delaware without reference to conflicts of law principles.

5. Counterparts. This Amendment may be executed in counterparts, each of which shall be declared an original, but all of which together shall constitute one and the same instrument. Executed copies of the signature pages of this Amendment sent by facsimile or transmitted electronically 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.

6. Legal Expenses. The Company hereby agrees to pay in accordance with Section 9(k) of the Purchase Agreement all reasonable and documented out-of-pocket fees and expenses of Ballard Spahr LLP, counsel to the Agent, and Kirkland & Ellis LLP, counsel to the Investors in connection with the preparation, negotiation and execution of this Amendment.

7. Agent Authorization. Each of the undersigned Investors, who collectively constitute all Investors under the Purchase Agreement, hereby (i) authorize and direct the Agent to execute and deliver this Amendment and any documents related thereto (ii) acknowledge and agree that the undersigned Investors constitute all of the Investors necessary to direct the Agent to execute such documents; and (iii) acknowledge and agree that the direction set forth in this Amendment constitutes an instruction, consent and request of the Investors under the Note Documents, including Section 8 of the Purchase Agreement.

8. Consent to Amendment to the Existing Note Purchase Agreement. Each of the undersigned Investors, who collectively constitute all Investors under the Purchase Agreement, hereby consent to that certain Amendment No. 6 to Note Purchase Agreement, dated as of [ ], 2025, which amends the Existing Note Purchase Agreement, as amended, including pursuant to Section 7(h) of the Purchase Agreement.

9. Ratification. The Company and each Guarantor hereby ratifies and reaffirms the validity and enforceability of all of the Liens and security interests heretofore granted and pledged by it pursuant to the Security Agreement and the other Collateral Documents to the Agent as collateral security for the Obligations, and acknowledges that all of such Liens and security interests, and all Collateral heretofore

granted, pledged or otherwise created as security for the Obligations continue to be and remain collateral security for the Obligations from and after the date hereof. The Company and each Guarantor hereby acknowledges and agrees that the Purchase Agreement, the Security Agreement and all other Note Documents remain in full force and effect, and the Company and each Guarantor confirms and ratifies all of its Obligations thereunder. Each Guarantor hereby agrees that the Guaranty shall continue in full force and effect, is valid and enforceable and is not impaired or otherwise affected by the execution of this Amendment.

(*Signature Pages Follow*)

The parties have executed this Amendment No. 6 to Note Purchase Agreement as of the date first written above.

POSIGEN, PBC
a Delaware public benefit corporation

By: ____

Name:
Title:

SOLELY WITH RESPECT TO SECTION 9:

POSIGEN, LLC

By: ______________________________

Name:
Title:

POSIGEN DEVELOPER, LLC

By: ______________________________

Name:
Title:

POSIGEN OPERATIONS, LLC

By: ______________________________

Name:
Title:

The parties have executed this Amendment No. 6 to Note Purchase Agreement as of the date first written above.

WILMINGTON TRUST, NATIONAL ASSOCIATION

By: ______________________________________
Name:
Title:

The parties have executed this Amendment No. 6 to Note Purchase Agreement as of the date first written above.

INVESTOR

[NAME]

By: _______________________________________
Name:
Title:

Office locations
75 Charter Oak Ave., Suite 1 – 103, Hartford, CT 06106
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