CONNECTICUT
GREEN BANK®

Board of Directors

MEETING DATE: FRIDAY, JULY 25, 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

CONNECTICUT GREEN BANK

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

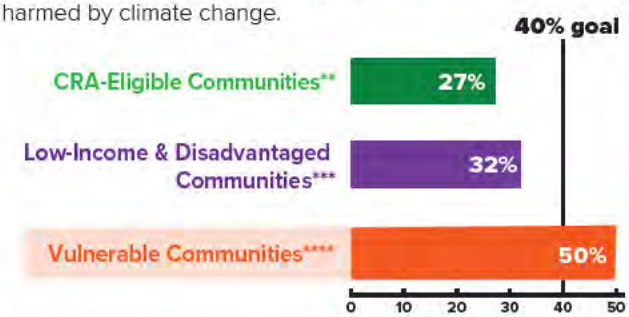
2.3 MILLION passenger vehicles driven for one year

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

CONNECTICUT GREEN BANK.

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.

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

Board Member

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

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

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

Board Member

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

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

Brenda Watson

Chair of Joint Committee

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

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

Dr. Joanna Wozniak-Brown

Board Member

E: Joanna.Wozniak-Brown@ct.gov **P: 860-418-6252**

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

Meeting Schedules

Regular Board Meetings
Friday, January 24th 2025
Friday, March 21st 2025
Friday, April 25th 2025
Friday, June 20th 2025
Friday, July 25th 2025
Friday, October 24th 2025
Friday, December 19th 2025

*all meetings from 9am-11am

Audit, Compliance and Governance Committee
Tuesday, January 14th 2025
Tuesday, May 13th 2025
Tuesday, October 7th 2025

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

Budget, Operations, & Compensation Committee
Wednesday, January 15th 2025
Wednesday, May 7th 2025
Wednesday, June 4th 2025
Wednesday, June 11th 2025

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

Deployment Committee
Wednesday, February 19th 2025
Wednesday, May 21st 2025
Wednesday, September 10th 2025
Wednesday, November 12th 2025

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

Joint Committee of the CT EE Board and the Connecticut Green Bank Board of Directors
Wednesday, March 19th 2025
Thursday, June 18th 2025
Wednesday, September 24th 2025
Wednesday, December 17th 2025

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

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CONNECTICUT
GREEN BANK

July 18, 2025

Dear Connecticut Green Bank Board of Directors:

We have our first **regular meeting** of the Board of Directors for FY26 scheduled for **Friday, July 25, 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!

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.

And, please note, CTN will be joining us for this meeting.

For the agenda, we have the following:

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

  - Meeting Minutes of June 20, 2025
  - *Progress to Targets for FY25*
  - Board of Directors and Committee Reports for FY25

  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*
  - Overview of Request for Approvals of PSAs Over $75,000 for FY25 per Operating Procedures
  - Greenhouse Gas Reduction Fund Update on Solar for All

- **Committee Updates and Recommendations** – including:

  - **Budget, Operations, and Compensation Committee** – addition to FY26 budget, including with and without GGRF

- **Comprehensive Plan** – recommendations and updates to our FY26 Comprehensive Plan

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

  - Recommendation to approve several additional Green School Bus projects under the National Clean Investment Fund – Autumn in Hartford and Dattco in East Hartford

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

    - *C-PACE Transaction – Beacon Falls*
    - *C-PACE Transaction #1 – Branford*
    - *C-PACE Transaction #2 – Branford*
    - *C-PACE Transaction – Bridgeport*
    - *C-PACE Transaction – Manchester*
    - *C-PACE Transaction – Simsbury*
    - *C-PACE Transaction – Waterbury*
    - *C-PACE Transaction (Restructuring) – East Hartford*

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

    - **Commercial Solar PPA Program** – update and expansion of the facility
    - **SHREC Warehouse** – extension of our Solar Home Renewable Energy Credit facility with Webster Bank, as we get prepared for our 3rd Green Liberty Bond issuance in the fall
    - ***PosiGen** – several proposals include Energy Storage Solutions ("ESS") facility renewal and modification of the current investment*
    - **Executive Session** – related to Trade Secrets and Commercial Information Given in Confidence and Personnel Related Matters

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

    - ESS Transactions – ESS-02322 and ESS-02326 – ACME Markets (New Canaan and Stamford)
    - Smart-E Interest Rate Buydown – Battery Storage

- **Other Business** – including:

    - SustainableCT
    - Manufacturing Innovation Fund – GreenGain
    - Progress to Targets Updates for FY 2025 for Financing, Incentive, and Environmental Infrastructure Programs
    - Federal and State – Public Policy Updates – including overview of "One Big Beautiful Bill Act" and the 2025 legislative session in Connecticut

Please note, those items *underlined, italicized, and highlighted* above, are materials coming by the close of business on Tuesday, July 22, 2025.

Have a great weekend.

Appreciatively,

Bryan Garcia
President and CEO

AGENDA

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

Friday, July 25, 2025
9:00 a.m. – 12:00 p.m.

Dial in: +1 860-924-7736
Phone Conference ID: 863 111 216#
+1 860-924-7736,,863111216#

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 Recommendations and Updates – 10 minutes

    a. Budget, Operations, and Compensation Committee

        i. Addition to FY26 Budget

5. Comprehensive Plan Recommendations and Updates – 5 minutes

6. Greenhouse Gas Reduction Fund – Updates and Recommendations – 15 minutes

    a. National Clean Investment Fund

        i. School Buses – Autumn, Hartford Public Schools
        ii. School Buses – Dattco, East Hartford Public Schools

7. Financing Programs Updates and Recommendations – 45 minutes

    a. C-PACE Transaction – Beacon Falls – 5 minutes
    b. C-PACE Transaction – Branford – 5 minutes
    c. C-PACE Transaction – Branford – 5 minutes
    d. C-PACE Transaction – Bridgeport – 5 minutes
    e. C-PACE Transaction – Manchester – 5 minutes

f. C-PACE Transaction – Simsbury – 5 minutes
g. C-PACE Transaction – Waterbury – 5 minutes
h. C-PACE Restructuring – East Hartford – 5 minutes

8. Investment Updates and Recommendations – 45 minutes

    a. Commercial Solar PPA Program – Update and Expansion – 10 minutes
    b. SHREC Warehouse – 5 minutes
    c. PosiGen – ESS Facility Renewal – 5 minutes
    d. PosiGen – Modification – 5 minutes
    e. Executive Session – Trade Secrets and Commercial Information Given in Confidence and Personnel Related Matters – 20 minutes

9. Incentive Programs Updates – 15 minutes

    a. ESS Transactions – ESS-02322 and ESS-02326 – ACME Markets (New Canaan and Stamford) – 5 minutes
    b. Smart-E Interest Rate Buydown – Battery Storage – 10 minutes

10. Other Business – 35 minutes

    a. SustainableCT – 5 minutes
    b. Manufacturing Innovation Fund of DECD – Green Gain – 5 minutes
    c. FY 2025 Report Out – Financing Programs, Incentive Programs, and Environmental Infrastructure Programs – 15 minutes
    d. Federal and State – Public Policy Updates
        i. Overview of the "One Big Beautiful Bill Act" – Federal Update – 5 minutes
        ii. Overview of the 2025 Legislative Session – State Update – 5 minutes

11. Adjourn

Click here to join the meeting
Teams Meeting ID: 265 011 621 102
Passcode: 85vULr
+1 860-924-7736,,863111216#
Phone Conference ID: 863 111 216#

Next Regular Meeting: Friday, October 24, 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, July 25, 2025
9:00 a.m. – 12:00 p.m.

Dial in: +1 860-924-7736
Phone Conference ID: 863 111 216#
+1 860-924-7736,,863111216#

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 June 20, 2025.

Resolution #2

WHEREAS, in July of 2011, the Connecticut General Assembly passed Public Act 11-80 (the Act), "AN ACT CONCERNING THE ESTABLISHMENT OF THE DEPARTMENT OF ENERGY AND ENVIRONMENTAL PROTECTION AND PLANNING FOR CONNECTICUT'S ENERGY FUTURE," which created the Connecticut Green Bank (the "Green Bank") to develop programs to finance and otherwise support clean energy investment per the definition of clean energy in Connecticut General Statutes Section 16-245n(a);

WHEREAS, in July 2021, Governor Ned Lamont signed "An Act Concerning Climate Change Adaptation" into law, which expanded the scope of the Green Bank beyond "clean energy" to include "environmental infrastructure;"

WHEREAS, the Board of Directors of the Connecticut Green Bank approved a Comprehensive Plan for FY 2025 including approving annual budgets and targets for FY 2025.

NOW, therefore be it:

RESOLVED, that Board has reviewed and approved the Progress to Targets and Activity in Vulnerable Communities memo dated July 25, 2025, which provides an overview of the performance of the Incentive Programs, Financing Programs, Environmental Infrastructure Programs, and Investments with respect to their FY 2025 targets.

Resolution #3

WHEREAS, in July of 2011, the Connecticut General Assembly passed Public Act 11-80 (the Act), "AN ACT CONCERNING THE ESTABLISHMENT OF THE DEPARTMENT OF ENERGY AND ENVIRONMENTAL PROTECTION AND PLANNING FOR CONNECTICUT'S ENERGY FUTURE," which created the Connecticut Green Bank (the "Green Bank") and vests the power in a Board of Directors comprised of eleven voting and one non-voting member; and

WHEREAS, the structure of the Board of Directors is governed by the bylaws of the Connecticut Green Bank, including, but not limited to, its powers, meetings, committees, and other matters.

NOW, therefore be it:

RESOLVED, that Board has reviewed and approved the Overview of Compliance Reporting and the Board of Directors and Committees for FY 2025 memo dated July 18, 2025, prepared by staff, which provides a summary report of the FY 2025 governance of the Board of Directors and its Committees of the Connecticut Green Bank.

4. Committee Recommendations and Updates – 10 minutes
    a. Budget, Operations, and Compensation Committee
        i. Addition to FY26 Budget

Resolution #4

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 ("the Committee") of the annual budget to the Connecticut Green Bank Board of Directors ("the Board");

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, on June 20, 2025, the Board approved of these targets and budget for FY2026 and requested that an additional budget presentation be presented and approved comparing with and without the Greenhouse Gas Reduction Fund's National Clean Investment Fund resources in terms of revenues and expenses;

WHEREAS, staff have presented the requested view of the budget on July 25, 2025;

NOW, therefore be it:

RESOLVED, that the Board of Directors approves the FY2026 Budget comparing with GGRF-NCIF to without GGRF-NCIF.

5. Comprehensive Plan Recommendations and Updates – 5 minutes

Resolution #5

WHEREAS, per Connecticut General Statutes 16-245n, the Green Bank must (a) develop a comprehensive plan to foster the growth, development and commercialization of clean energy sources, related enterprises and stimulate demand clean energy and deployment of clean energy sources that serve end use customers in this state, and (b) develop a comprehensive plan to foster the growth, development, commercialization and, where applicable, preservation of environmental infrastructure and related enterprises.

NOW, therefore be it:

RESOLVED, that Board has reviewed and approved the revisions to the Comprehensive Plan as revised in a memo dated July 18, 2025 and as presented to the Board on July 25, 2025.

6. Greenhouse Gas Reduction Fund – Updates and Recommendations – 15 minutes

    a. National Clean Investment Fund

        i. School Buses – Autumn, Hartford Public Schools

Resolution #6

WHEREAS, Connecticut Public Act 22-55 directs school districts including at least one "environmental justice community" shall have zero-emissions buses by January 1, 2030 and 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, Autumn Transportation ("Autumn") responded to the ESB RFP, is the transportation provider for Hartford 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 deploy 25 electric school buses ("ESBs"); and,

WHEREAS, Green Bank staff have considered the merits of the investment and the ability of Autumn 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 exceed $2,000,000 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 Hartford Public Schools and a leasehold mortgage on the school bus yard.

NOW, therefore be it:

RESOLVED, that the Green Bank Board of Directors approves the applicant's Capital Solutions proposal for the Green Bank to provide a term loan not to exceed $2,000,000 to Autumn to support the deployment of 25 ESBs to serve Hartford Public Schools;

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 Autumn in an amount not to exceed $2,000,000 in with terms and conditions materially consistent with the Committee Memo including approval to extend the maturity of the loan to Autumn to match any extension of the underlying contracts between Autumn and the Hartford Board of Education ("HBOE"), 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.

ii. School Buses – Dattco, East Hartford Public Schools

<u>Resolution #7</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, 2030 and 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, Dattco, Inc. ("Dattco") responded to the ESB RFP, is the transportation provider for East Hartford 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 deploy three electric school buses ("ESBs") and one electric school transportation van; and,

WHEREAS, Green Bank staff have considered the merits of the investment and the ability of Dattco 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 exceed $1,100,000 to support, secured by a first priority lien on the electric school buses and charges installed with this loan and a leasehold mortgage on the school bus yard.

NOW, therefore be it:

RESOLVED, that the Green Bank Board of Directors approves the applicant's Capital Solutions proposal for the Green Bank to provide a term loan not to exceed $1,100,000 to Dattco to support the deployment of three ESBs and one electric van to serve East Hartford Public Schools;

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 Dattco in an amount not to exceed $1,100,000 in with terms and conditions materially consistent with the Committee Memo including approval to extend the maturity of the loan to Dattco to match any extension of the underlying contracts between Dattco and East Hartford Public Schools, 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.

7. Financing Programs Updates and Recommendations – 45 minutes

    a. C-PACE Transaction – Beacon Falls – 5 minutes

Resolution #8

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 $581,687 construction and term loan under the C-PACE program to Turnpike Center LLC, the building owner of 17 Old Turnpike Road, Beacon Falls, CT 06403 (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 July 22, 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 – Branford – 5 minutes

Resolution #9

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

WHEREAS, the Green Bank seeks to provide a $458,817 construction and term loan under the C-PACE program to 732-735 E Main Street, LLC, the building owner of 734 East Main Street, Branford, CT 06405 (the "Loan"), to finance the construction of specified clean energy measures in line with the State's Comprehensive Energy Strategy and the Green Bank's Strategic Plan as more particularly described in the memorandum submitted to the Green Bank Board of Directors dated July 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 effect the above-mentioned legal instruments.

c. 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, Green Bank seeks to provide a $743,698 construction and term loan under the C-PACE program to Massey Properties, LLC, the building owner of 9 Baldwin Drive, Branford CT 06405 (the "Loan"), to finance the construction of specified clean energy measures in line with the State's Comprehensive Energy Strategy and the Green Bank's Strategic Plan as more particularly described in the memorandum submitted to the Board dated July 18, 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.

d. C-PACE Transaction – Bridgeport – 5 minutes

Resolution #11

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, Green Bank seeks to provide a $866,079 construction and term loan under the C-PACE program to 250 Fifth Street, LLC, the building owner of 270 5th Street, Bridgeport, CT 0660 7(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 July 22, 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 instrument.

e. C-PACE Transaction – Manchester – 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, Green Bank seeks to provide a $748,188 construction and term loan under the C-PACE program to DuBaldo Realty 50 Harrison LLC, the building owner of 50 Harrison Street, Manchester, CT 06040, Manchester ("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 July 22, 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.

f. C-PACE Transaction – Simsbury – 5 minutes

<u>Resolution #13</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 (the "Board") has approved a $40,000,000 C-PACE construction and term loan program; and,

WHEREAS, Green Bank seeks to provide a $514,073 construction and term loan under the C-PACE program to First Church of Christ and Ecclesiastical Society of Simsbury, the building owner of 689 Hopmeadow Street, Simsbury, CT 06070 (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 July 22, 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.

g. C-PACE Transaction – Waterbury – 5 minutes

<u>Resolution #14</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 $674,901 construction and term loan under the C-PACE program to 17 Berkshire Road, LLC, the building owner of 266 Brookside Road, Waterbury, CT 06708("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 July 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 effect the above-mentioned legal instruments.

h. C-PACE Restructuring – East Hartford – 5 minutes

Resolution #15

WHEREAS, pursuant to Connecticut General Statute Section 16a-40g (the “Statute”), 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, 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 **$491,537** construction and (potentially) term loan under the C-PACE program to 580 Tolland Street, LLC the building owner 580 Tolland Street, East Hartford, CT (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.

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 memorandum submitted to the Committee dated April 14, 2023, 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 the Board of Directors;

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 proper the 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 Updates and Recommendations – 25 minutes

    a. Commercial Solar PPA Program – Update and Expansion – 10 minutes

Resolution #16

WHEREAS, the Connecticut Green Bank ("Green Bank") Board of Directors (the "Board") passed resolutions at its December 15, 2023 meeting to approve funding, in a total not-to-exceed amount of $50 million, subject to budget constraints, for the continued development by Green Bank, and financing of development by 3rd parties, of commercial-scale solar PV projects, to be utilized for the following purposes pursuant to market conditions and opportunities:

1. Development capital;
2. Construction financing;
3. Financing one or more 3rd-party ownership platforms, in the form of sponsor equity and/or debt;
4. Sell solar power purchase agreement / lease projects developed by Green Bank to third parties; and
5. Offer loans to property owners that are unable to access financing, such as C-PACE, for installation of solar.

WHEREAS, there is continuing demonstrated need for flexible capital to expand access to financing for commercial-scale customers looking to access solar, including near term opportunities to deploy capital at a rate that would mean the $50 million allocation would be consumed, as explained in a memorandum submitted to the Green Bank Board of Directors (the "Board") dated July 14, 2025 (the "Board Memo"); and,

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

NOW, therefore be it:

RESOLVED, that the Board approves the increase of the allocation of $50 million to the revised allocation of $88 million, subject to budget constraints, use cases, and appropriate approval of investments as explained in the Board Memo;

RESOLVED, that the President of Green Bank; and any other duly authorized officer of Green Bank, is authorized to execute and deliver, any contract or other legal instrument necessary to continue to develop and finance commercial projects on such terms and conditions as are materially consistent with the Board Memo; and,

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

    b. SHREC Warehouse – 5 minutes

Resolution #17

WHEREAS, the Company intends to enter into a Sixth Amendment to Credit Agreement (the "**Sixth Amendment**"), which amends the Credit Agreement dated as of July 31, 2019, as amended by that certain First Amendment to Credit Agreement and Other Loan Documents dated July 28, 2020, and by that certain Second Amendment to the Credit Agreement and Other Loan Documents dated July 30, 2021, and by that certain Third Amendment to the Credit Agreement and Other Loan Documents dated August 24, 2022, and by that certain Fourth Amendment to the Credit Agreement and Other Loan Documents dated July 28, 2023, and by that certain Fifth Amendment to the Credit Agreement and Other Loan Documents dated July 26, 2024 (collectively, the "**Credit Agreement**") with Webster Bank, National Association ("**Webster**"), as Administrative Agent (in such capacity, as "**Agent**") and as a lender and Liberty Bank, as Lead Arranger and as a lender (Webster and Liberty Bank, in their capacities as lenders, are referenced to herein collectively as, "**Webster-Liberty**"), whereby Webster-Liberty have made available to the Company a Five Million and 00/100 Dollar ($5,000,000) secured revolving line of credit, with a Five Million and 00/100 Dollar ($5,000,000) uncommitted accordion feature ("**Loan**") for the purpose of financing the Tranche 5-2021 and Tranche 6-2022 (as defined in the Credit Agreement) Solar Home Renewable Energy Credit program ("**Tranche 5-2021 SHRECs**" and "**Tranche 6-2022 SHRECs**" respectively);

WHEREAS, the Company and Green Bank have requested that Webster-Liberty and Agent modify the Loan and the terms of the Credit Agreement pursuant to the Fifth Amendment, in order to, among other things, extend the term of the Loan;

WHEREAS, to induce Webster-Liberty to continue to extend the Loan to the Company, Green Bank shall continue to guarantee the Loan pursuant to the Guaranty Agreement dated as of July 31, 2019 made by Green Bank in favor of Agent (the "**Guaranty**");

WHEREAS, along with a general repayment obligation by the Company, Agent and/or Webster-Liberty are secured by, and the Company and the Green Bank are authorized to secure the Loan and the Guaranty by, among other things, granting to Agent and/or Webster-Liberty (i) a first priority security interest in all assets of the Company, (ii) a collateral assignment of and security interest in all of the Company's and the Green Bank's right, title and interest in the Tranche 5-2021 SHRECs and Tranche 6-2022 SHRECs and all rights and obligations relating thereunder under those certain Master Purchase Agreements for the Purchase and Sale of Solar Home Renewable Energy Credits by and between the Green Bank and each of The Connecticut Light & Power Company d/b/a Eversource Energy and The United Illuminating Company each dated February 7, 2017, each as amended by those certain First Amendments, dated July 30, 2018, as further amended by those certain Second Amendments, dated April 1, 2020, (as further amended from time to time, the "**MPAs**"), which collateral assignment and security interest shall include any and all rights to payment of money under the MPAs with respect to Tranche 5-2021 and Tranche 6-2022 SHRECs and those other attributes and rights associated with the Tranche 5-2021 and Tranche 6-2022 SHRECs, (iii) a collateral assignment of all of the right, title and interest in that certain Sale and Contribution Agreement by and between Green Bank and the Company, dated as of the date of the closing of the Loan, including without limitation, any security interest created under the Sale and Contribution Agreement, and (iv) a security interest in the MPA Collection Account, the Webster Interest Reserve Account and the Liberty Interest Reserve Account (the security interests listed in (i)-(iv) hereof, together, the "**SHREC Collateral**"); and,

WHEREAS, Webster-Liberty has requested and the staff of Green Bank has recommended that the Board provide these resolutions approving the renewal and extension of the Loan and the Green Bank's guarantee thereof in accordance with the terms of the Sixth Amendment.

NOW, therefore be it:

RESOLVED, that the Board of the Green Bank hereby authorizes, ratifies and approves the Loan, as modified, from Webster-Liberty to the Company pursuant to the terms of the Sixth Amendment and any ancillary documentation and authorizes, ratifies, directs and approves the Company's and the Green Bank's entering into the Sixth Amendment and any ancillary documentation to which it is a party and of each other contract or instrument to be executed and delivered by the Company and the Green Bank in connection with the transactions contemplated by the Sixth Amendment;

RESOLVED, that the Board of the Green Bank hereby reauthorizes, ratifies and reaffirms the Green Bank's obligations under the Guaranty;

RESOLVED, that each of the Company and the Green Bank be and it hereby is, authorized to continue to secure the Loan and the Guaranty by, among other things, granting to Agent and/or Webster-Liberty a first priority security interest in and to the Company's property, including, without limitation the SHREC Collateral;

RESOLVED, that the Board hereby authorizes, directs, ratifies and approves Green Bank's and the Company's execution, delivery and performance of the Sixth Amendment and any ancillary documentation and all of the Green Bank's and the Company's obligations under the Sixth Amendment and any ancillary documentation;

RESOLVED, that the actions of Bryan Garcia in his capacity as the President and Chief Executive Officer of Green Bank ("**Garcia**"), Roberto Hunter in his capacity as the Chief Investment Officer of Green Bank ("**Hunter**") and Brian Farnen in his capacity as General Counsel and Chief Legal Officer of Green Bank ("**Farnen**"; and together with Garcia and Hunter, each an "**Authorized Signatory**"), are hereby ratified and approved with regard to the negotiation, finalization, execution and delivery, on behalf of Green Bank and the Company, of the Sixth Amendment and any ancillary documentation and any other agreements that they deemed necessary and appropriate to carry out the foregoing objectives of Green Bank and/or the Company, and any other agreements, contracts, legal instruments or documents as they deemed necessary or appropriate and in the interests of Green Bank and/or the Company in order to carry out the intent and accomplish the purpose of the foregoing resolutions are hereby ratified and approved;

RESOLVED, that the Authorized Signatories be, hereby are, acting singly, authorized, empowered and directed, for and on behalf of the Green Bank and the Company (in the Green Bank's capacity as the sole member of the Company), to execute and deliver the Sixth Amendment and the other Modification Documents; and,

RESOLVED, that any other actions taken by any Authorized Signatory are hereby approved and ratified to the extent that such Authorized Signatory or Authorized Signatories have deemed such actions necessary, appropriate and desirable to effect the above-mentioned legal instrument or instruments.

c. PosiGen – ESS Facility Renewal – 5 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 and energy efficiency financing offering to LMI households in Connecticut;

WHEREAS, on April 22, 2022, the Green Bank Board of Directors (“Board”) approved a battery energy storage system (“ESS”) working capital and term loan facility to support PosiGen’s offerings to LMI households in Connecticut to include an ESS option that provide customers backup power during a power outage and reduce peak demand on the electric distribution system;

WHEREAS, on January 26, 2024, the Board approved a modification to the ESS term facility to be reduced to $3 million, and an overall cap of $3 million for the ESS working capital and term loan facilities combined; and,

WHEREAS, the Board approved an extension of ESS working capital loan on July 26, 2024.

NOW, therefore be it:

RESOLVED, that the Green Bank is authorized to extend the working capital line to PosiGen for the purchase of ESS for an additional term of one year and changes to the related term loan facility for the ESS as may be required to accommodate the extension of the working capital line (such as an extension of the availability period and ultimate maturity date), otherwise following terms substantially similar to those described in the original working capital line agreement, as well as decisions approved by the Board since the approval of the working capital line and term loan in support of ESS;

RESOLVED, that the cap of $3 million in funding available for both PosiGen ESS facilities combined, which includes the working capital line and term loan, is hereby affirmed; and,

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

d. PosiGen – Modification – 5 minutes
e. Executive Session – Trade Secrets and Commercial Information Given in Confidence and Personnel Related Matters – 20 minutes

Resolution #19

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

WHEREAS, the Green Bank Board of Directors (the “Board”) previously approved subordinated debt financing to PosiGen, PBC (“PosiGen”) through a second-lien (“2L”) facility under the Brookfield structure, with the current exposure under the 2L facility totaling $16.75 million;

WHEREAS, PosiGen now seeks to establish a new senior secured debt facility (the “New Facility”) from Green Bank and a banking partner to refinance a portion of its existing lease portfolio and provide near-term liquidity ahead of a larger follow-on facility expected later in 2025;

WHEREAS, staff recommends that the Board approve Green Bank allocating up to $21 million to the New Facility together with a bank partner and reduce its second-lien exposure as part of the New Facility;

WHEREAS, PosiGen's repayment performance on its existing obligations remains consistent and satisfactory; and,

WHEREAS, that the Board had previously authorized the Green Bank to extend multiple facilities with a cap of $25 million, excluding the Connecticut performance based incentive term loans and excluding third-party participation.

NOW, therefore be it:

RESOLVED, that the Board hereby authorizes the Green Bank to commit up to $21 million in the proposed senior secured debt facility to PosiGen, PBC, as outlined in the July 22, 2025 memorandum presented to the Board provided staff secures the participation of a bank partner of not less than $16.2 million, and further provided that the Board directs staff to use its best efforts to secure additional participations in the New Facility in order to reduce Green Bank's retained position in the New Facility;

RESOLVED, staff is authorized to finalize loan terms, support due diligence, coordinate with other lenders, and conduct internal due diligence; 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.

9. Incentive Programs Updates – 15 minutes

    a. ESS Transactions – ESS-02322 and ESS-02326 – ACME Markets (New Canaan and Stamford) – 5 minutes

<u>**Resolution #20**</u>

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

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

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

NOW, therefore be it:

RESOLVED, that the Board of Directors hereby approves the estimated upfront incentives sought by Scale Microgrids for two non-residential projects each for a not-to-exceed amount of

$523,705.00 for a not-to-exceed total of **$1,047,410.00** consistent with the approved Procedures; and,

RESOLVED, that the proper Green Bank officers are authorized and empowered to do all other acts and execute and deliver any and all documents and regulatory filings as they shall deem necessary and desirable to effect the above-mentioned incentives consistent with the Procedures.

b. Smart-E Interest Rate Buydown – Battery Storage – 10 minutes

<u>Resolution #21</u>

WHEREAS, in 2012, the Connecticut Green Bank ("Green Bank"), through a contract with the Connecticut Department of Energy & Environmental Protection, received over $8,000,000 from the American Recovery and Reinvestment Act of 2009 ("ARRA"), dedicated for Smart-E Loan Program ("Smart-E") initiatives;

WHEREAS, the Green Bank would like to utilize its remaining ARRA funds;

WHEREAS, Staff believes the highest and best usage of the remaining funds is to create an interest rate buydown ("IRB") promotion for Smart-E battery storage projects;

WHEREAS, the Green Bank Board of Directors (the "Board") has previously approved ARRA funds to be used for IRB promotions on Smart-E loans, with significant benefits to Connecticut homeowners; and,

WHEREAS, Green Bank will work closely with its Smart-E lending partners to provide a time-limited, valuable marketing promotion that has been proven effective in increasing customer uptake of Smart-E loans.

NOW, therefore be it:

RESOLVED, the Board approves the use of ARRA funds in an amount not-to-exceed $241,405.33 for a time-limited IRB promotion for Smart-E loans in support of battery storage projects consistent with the Board Memo dated July 18, 2025;

RESOLVED, that all other Smart-E Loan Program terms and conditions remain unchanged; and,

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 IRB promotion with terms and conditions consistent with the Program.

10. Other Business – 35 minutes

a. SustainableCT – 5 minutes

<u>Resolution #22</u>

WHEREAS, the Comprehensive Plan and FY 2026 budget identify Sustainable CT as a partner of the Connecticut Green Bank ("Green Bank"), including an allocation of $200,000 from the FY 2026 Marketing budget;

WHEREAS, the Green Bank staff has submitted to the Green Bank Board of Directors (the "Board") a proposal for Green Bank to enter into a grant agreement with Sustainable CT for $200,000 for programmatic purposes in order to increase our impact by applying the green bank model through Sustainable CT's programs as explained in a memorandum to the Board dated July 16, 2025;

WHEREAS, Sustainable CT satisfies all criteria of the Strategic Selection and Award process of Green Bank operating procedures, namely: (1) special capabilities, (2) uniqueness, (3) strategic selection, (4) multiphase, follow-on investment and (5) urgency and timeliness;

WHEREAS, Green Bank staff recommends that the Board approve a grant between the Green Bank and Sustainable CT, generally in accordance with memorandum summarizing the grant to the Board in a memorandum dated July 16, 2025; and,

WHEREAS, Green Bank would benefit from Sustainable CT's public awareness and engagement program to increase participation in and development of Green Bank's incentive and financing programs, especially those in development for environmental infrastructure. Through the partnership, Green Bank and Sustainable CT are driving investment in projects in communities throughout the state.

NOW, therefore be it:

RESOLVED, that the Board approves Green Bank staff to enter into a grant agreement with Sustainable CT as a strategic selection;

RESOLVED, that the President, Chief Investment Officer and General Counsel of Green Bank, and any other duly authorized officer of Green Bank, is authorized to execute and deliver on behalf of Green Bank any of the definitive agreements related to the Sustainable CT grant agreement and any other agreement, contract, legal instrument or document as he or she shall deem necessary or appropriate and in the interests of Green Bank and the ratepayers in order to carry out the intent and accomplish the purpose of the foregoing resolutions; and,

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

b. Manufacturing Innovation Fund of DECD – Green Gain – 5 minutes

<u>Resolution #23</u>

WHEREAS, the Connecticut Green Bank ("Green Bank") supports the Connecticut manufacturing community in their pursuit of solutions to issues of energy, sustainability, and resiliency and Green Bank offers products and programs including C-PACE, SBEA, and Energy Storage Solutions that support Connecticut's manufacturing community;

WHEREAS, Green Bank Board of Directors (the "Board") previously approved resolutions on July 26, 2024 that authorized staff to enter a (i) Memorandum of Understanding with the Connecticut Department of Economic and Community Development ("DECD") for funding for the GreenGain Program, and (ii) Professional Services Agreement with the CT Sustainable Business Council to administer the GreenGain Program pursuant to Green Bank Operation Procedures Section XII; and

WHEREAS, the Manufacturing Innovation Fund previously approved $355,000 in funding with $115,000 to support administrative costs and technical support and $240,000 for vouchers for the grant program;

NOW, therefore be it:

RESOLVED, that the Board approves staff's request to support CT Sustainable Business Council in pursuing expansion of the GreenGain Program, requesting from the Manufacturing Innovation Fund a two-year extension and additional funding up to $571,400 comprised of $285,000 in additional voucher funding, an additional $60,200 for administration, accounting and marketing and outreach, and an additional $226,200 to a support a program director, program coordinator, events, a digital learning platform, and mentorship and training services over the course of the two-year extension;

RESOLVED, that, should the Manufacturing Innovation Fund approve the request for program extension and additional funding, the Board authorizes staff to enter into a new Memorandum of Understanding with the Department of Economic and Community Development by the amount approved by the Manufacturing Innovation Fund; and

RESOLVED, that, should the Manufacturing Innovation Fund approve the request for program extension and additional funding, the Board authorizes staff to enter into a Professional Services Agreement with the Connecticut Sustainable Business Council in an amount not to exceed the amount approved by the Manufacturing Innovation Fund plus the amount of any remaining voucher funding at the end of the first Professional Services Agreement, to administer the GreenGain Program as a Strategic Selection and Award pursuant to the Green Bank Operating Procedures Section XII given the special capabilities, strategic importance, urgency and timeliness, and multi-phase characteristics of the GreenGain program; and

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

c. FY 2025 Report Out – Financing Programs, Incentive Programs, and Environmental Infrastructure Programs – 15 minutes
d. Federal and State – Public Policy Updates
    i. Overview of the "One Big Beautiful Bill Act" – Federal Update – 5 minutes
    ii. Overview of the 2025 Legislative Session – State Update – 5 minutes

11. Adjourn

Click here to join the meeting
Teams Meeting ID: 265 011 621 102
Passcode: 85vULr
+1 860-924-7736,,863111216#
Phone Conference ID: 863 111 216#

Next Regular Meeting: Friday, October 24, 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

July 25, 2025

CONNECTICUT GREEN BANK

Board of Directors

Agenda Item #1
Call to Order

Board of Directors

Agenda Item #2
Public Comments

Board of Directors

CONNECTICUT GREEN BANK

Agenda Item #3
Consent Agenda

Consent Agenda
Resolutions #1 through #3

CONNECTICUT GREEN BANK®

1. Meeting Minutes – approve meeting minutes of June 20, 2025
2. Progress to Targets for FY25 – program leads to provide updates today, tentative year-end results used for merit review process in summer and fall
3. Board and Committee Report for FY25 – provides an overview of meetings during the year (e.g., quorum, resolutions) and compliance with SFI and reporting

- Under $500,000 and No More in Aggregate than $1,000,000 – staff approved transactions of over $425,000 in three (3) C-PACE projects (i.e., Hamden, Winchester, Windham) and over $477,000 in three (3) ESS projects (i.e., 2 in Hamden, Manchester)
- Under $100,000 and No More in Aggregate than $500,000 – staff approved restructurings or write-offs of five (5) SL2 transactions totaling $65,000 for FY25
- **PSA's Over $75,000 in FY25** – overview of approval requests
- Greenhouse Gas Reduction Fund – update memo on Solar for All

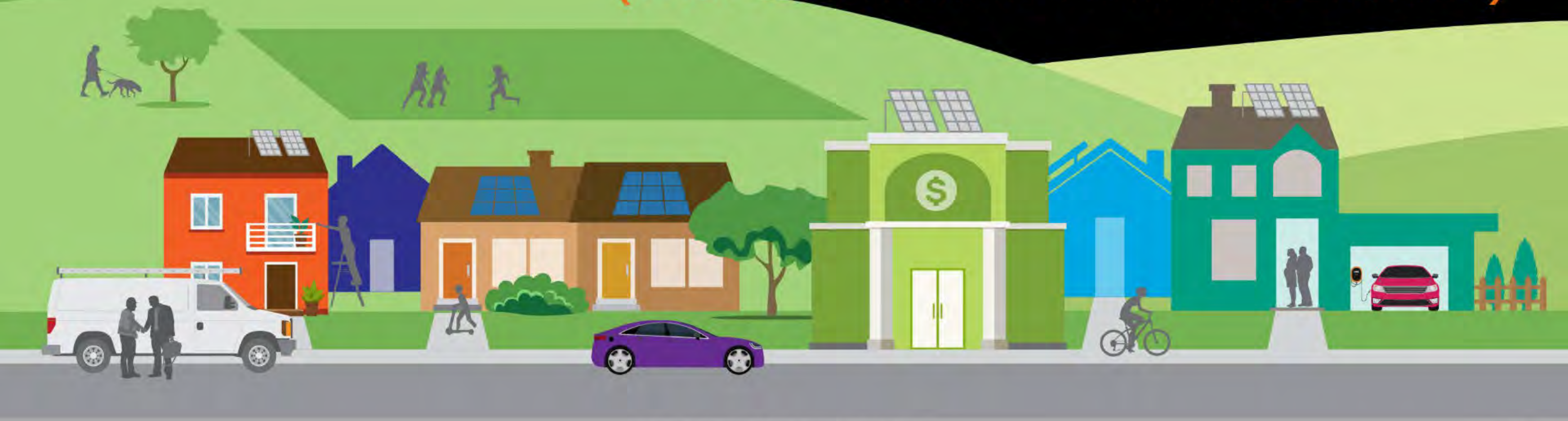
Board of Directors

Agenda Item #4ai

Budget, Operations, and Compensation Committee

Proposed FY26 Targets, Budget, and Investments

(With and Without GGRF Presentation)



New Presentation of FY26 Budget With and Without NCIF Grant

- <u>Increasing Margin</u> – Even without the NCIF Grant we have an increase in Margin YOY
- <u>Expenses are being managed with an eye towards sustainability</u>– increase in expenses is less than our increase in revenue
- <u>NCIF Funds are for investment and are not being used for expenses</u>

	Total CT Green Bank		
	FY26	FY25	YOY
	Budget	Budget	Variance
Revenue			
Operating Income	51,199,010	48,584,336	2,614,674
Interest Income	11,006,537	9,346,409	1,660,128
Interest Income, Capitalized	150,000	90,000	60,000
Other Income	4,581,852	3,884,587	697,265
Total Revenue	$ 66,937,399	$ 61,905,332	$ 5,032,067
Operating Expenses			
Compensation and Benefits			
Employee Compensation	11,830,358	10,581,285	1,249,073
Employee Benefits	8,575,204	9,214,340	(639,136)
Total Compensation and Benefits	20,405,562	19,795,625	610,937
Program Development & Administration	7,177,026	5,290,069	1,886,957
Program Administration-IPC Fee	341,554	683,110	(341,556)
Lease Origination Services	5,000	5,000	0
Marketing Expense	1,483,220	1,568,070	(84,850)
E M & V	500,000	585,000	(85,000)
Research and Development	625,000	710,000	(85,000)
Consulting and Professional Fees	3,410,000	2,728,134	681,866
Rent and Location Related Expenses	4,294,001	4,346,304	(52,303)
Office, Computer & Other Expenses	2,569,970	2,659,982	(90,012)
Warranty Management	268,000	258,586	9,414
Total Operating Expenses	41,080,333	38,629,880	2,450,453
Program Incentives and Grants			
Financial Incentives-CGB Grants	940,000	855,000	85,000
Program Expenditures-Federal Grants	40,000	40,000	0
EPBB/PBI/HOPBI Incentives	3,000,000	6,939,391	(3,939,391)
Battery Storage Incentives	5,235,000	2,000,000	3,235,000
Total Program Incentives and Grants	$ 9,215,000	$ 9,834,391	$ (619,391)
Operating Income/(Loss)	$ 16,642,066	$ 13,441,061	$ 3,201,005
Non-Operating Expenses			
Interest Expense	2,065,558	2,288,076	(222,518)
Realized (Gain) Loss	0	65,160	(65,160)
Provision for Loan Loss	1,973,600	1,800,300	173,300
Interest Rate Buydowns-ARRA	242,000	242,000	0
Taxes	0	145,854	(145,854)
Total Non-Operating Expenses	$ 4,281,158	$ 4,541,390	$ (260,232)
Net Revenues Over (Under) Expenses	12,360,908	8,899,671	3,461,237
Margin	18%	14%	

	Total CT Green Bank		
	FY26	FY25	YOY
	Budget	Budget	Variance
Revenue			
Operating Income	144,359,609	64,584,336	79,775,273
Interest Income	11,006,537	9,346,409	1,660,128
Interest Income, Capitalized	150,000	90,000	60,000
Other Income	4,581,852	3,884,587	697,265
Total Revenue	$ 160,097,998	$ 77,905,332	82,192,666
Operating Expenses			
Compensation and Benefits			
Employee Compensation	13,930,358	10,581,285	3,349,073
Employee Benefits	10,119,704	9,214,340	905,364
Total Compensation and Benefits	24,050,062	19,795,625	4,254,437
Program Development & Administration	7,177,026	5,290,069	1,886,956
Program Administration-IPC Fee	341,554	683,110	(341,555)
Lease Origination Services	5,000	5,000	0
Marketing Expense	1,483,220	1,568,070	(84,850)
E M & V	500,000	585,000	(85,000)
Research and Development	625,000	710,000	(85,000)
Consulting and Professional Fees	3,410,000	2,728,134	681,866
Rent and Location Related Expenses	4,294,001	4,346,304	(52,303)
Office, Computer & Other Expenses	2,569,970	2,659,982	(90,012)
Warranty Management	268,000	258,586	9,414
Total Operating Expenses	44,723,833	38,629,880	6,093,953
Program Incentives and Grants			
Program Expenditures-State/Other Grants	940,000	855,000	85,000
Program Expenditures-Federal Grants	4,213,779	40,000	4,173,779
RSIPI Incentives	3,000,000	6,939,391	(3,939,391)
Battery Storage Incentives	5,235,000	2,000,000	3,235,000
Total Program Incentives and Grants	$ 13,388,779	$ 9,834,391	3,554,388
Operating Income/(Loss)	$ 101,985,387	$ 29,441,061	72,544,326
Non-Operating Expenses			
Interest Expense	2,065,558	2,288,076	(222,518)
Realized (Gain) Loss	0	65,160	(65,161)
Provision for Loan Loss	1,973,600	1,800,300	173,300
Interest Rate Buydowns-ARRA	242,000	242,000	0
Taxes	0	145,854	(145,853)
Total Non-Operating Expenses	$ 4,281,158	$ 4,541,390	(260,232)
Net Revenues Over (Under) Expenses	97,644,229	24,899,671	72,744,558

Resolution #4

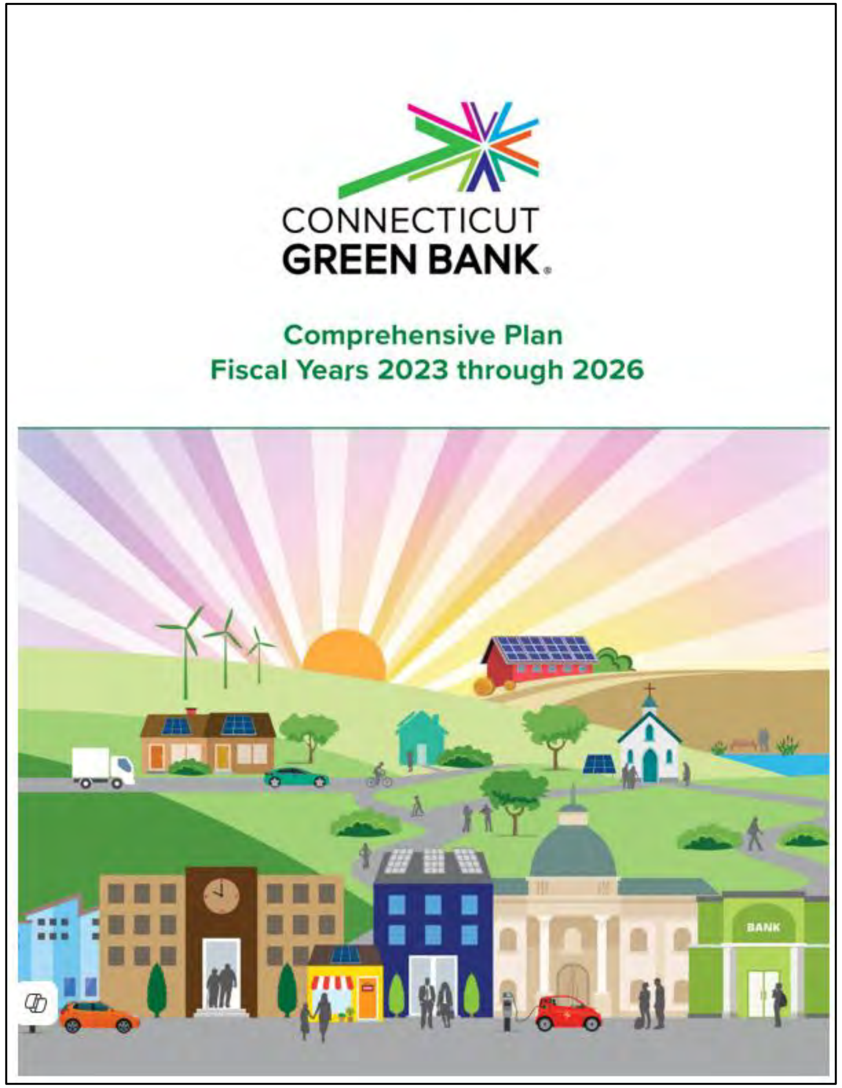
NOW, therefore be it:

RESOLVED, that the Board of Directors approves the FY2026 Budget comparing with GGRF-NCIF to without GGRF-NCIF.

Board of Directors

Agenda Item #5
Comprehensive Plan
FY 2026

Comprehensive Plan
FY26 Proposed Revisions



- Basic Edits – including tables of contents, footnotes, figures, acronyms, links, policy, performance updates, etc.
- Introduction – updated entirely to reflect the transitionary period we are in with federal (i.e., "One Big Beautiful Bill Act") and state (e.g., Public Act 25-33, Public Act 25-125) policy
- Program Updates – beyond including FY26 targets for various programs, included Electric School Buses under Green Bank Capital Solutions, and detailed "Waste and Recycling" update within Environmental Infrastructure section given release of primer

Resolution #5

NOW, therefore be it:

RESOLVED, that Board has reviewed and approved the revisions to the Comprehensive Plan as revised in a memo dated July 18, 2025 and as presented to the Board on July 25, 2025.

Board of Directors

Agenda Item #6a

Greenhouse Gas Reduction Fund

National Clean Investment Fund – Green School Buses

Autumn in Hartford

Project Summary

School District: Hartford Public Schools

Transportation Provider: Autumn

Buses: 25 Class C IC Buses

Chargers: 25, 30 kW Chargers manufactured by InCharge US

Federal and State Grants

- EPA Clean School Bus Program: $9.7MM for 25 buses → DeVivo Bus Sales → Autumn
- $837k in supplemental DEEP funds

Outstanding Costs = $1,046,488

Total Financing Request = $1,883,888 including DEEP bridge loan for $837K

Public Health + Community Impact

Autumn, Hartford Public Schools	
State EJ Community?	Yes
Federal LIDAC?	Yes
Free and Reduced Price Meals* %	78.5%
Student Asthma** %	16.8%
Nitrogen Dioxide	96th percentile in CT
Diesel Particulate Matter	80th percentile in CT

*National and CT FRP Averages = 53.3% and 41.9%, respectively

**National and CT Child Asthma Rates = 6.5% and 12.3%, respectively

Investment Structuring

- Clean Energy Fund → National Clean Investment Fund flexibility
  - o Buses and Chargers are BABA-waived/compliant
- Facility Term: October 2025 – July 2029
- Autumn, HBOE Contract Term: August 1, 2024 - July 31, 2027
  - o Includes two, one-year extension options until July 31, 2028, and July 31, 2029
- Payment Structure: mortgage-style payments over full contract term
  - o Balloon payment requirements for 2028 and 2029 if HBOE-Autumn contract is not extended
  - o Includes refinancing options if the Autumn-HBOE contract is extended

Opportunities & Green Bank Impact

- **The Green Bank's investment in the Autumn-Hartford Public Schools school bus electrification project will support:**
  - **The delivery of $9.7MM in federal grant funds**
  - **A 25-ESB deployment in one of CT's largest school districts and momentum for further ESB planning and investment in Hartford**
  - **Public health-focused investment in an overburdened community**
  - **Lifetime on-road emissions savings of approximately 250 metric tons of CO_2 per ESB**
  - **Proof-of-concept delivery of braided funding models in the clean transportation/ESB sector**

Resolution #6

NOW, therefore be it:

RESOLVED, that the Green Bank Board of Directors approves the applicant's Capital Solutions proposal for the Green Bank to provide a term loan not to exceed $2,000,000 to Autumn to support the deployment of 25 ESBs to serve Hartford Public Schools;

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 Autumn in an amount not to exceed $2,000,000 in with terms and conditions materially consistent with the Committee Memo including approval to extend the maturity of the loan to Autumn to match any extension of the underlying contracts between Autumn and the Hartford Board of Education ("HBOE"), 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.

Board of Directors

Agenda Item #6b
Greenhouse Gas Reduction Fund
National Clean Investment Fund – Green School Buses
Dattco in East Hartford

Project Summary

<u>School District</u>: East Hartford Public Schools

<u>Transportation Provider</u>: Dattco

<u>Vehicles</u>: Two Class C Buses, One Class A Bus, One electric van

<u>Chargers</u>: 3, 30 kW chargers and one Level 2 charger manufactured by InCharge US

<u>Federal and State Grants</u>

- EPA Clean School Bus Program: $400k for 2 buses → Dattco
- $80k in supplemental DEEP funds

<u>Outstanding Costs</u> = $978k

<u>Total Financing Request</u> = $1,058,000 including DEEP bridge loan for $80k

Public Health + Community Impact

CONNECTICUT GREEN BANK

Dattco, East Hartford Public Schools	
State EJ Community?	Yes
Federal LIDAC?	Yes
Free and Reduced Price Meals* %	60.9%
Student Asthma** %	19.7%
Nitrogen Dioxide	89th percentile in CT
Diesel Particulate Matter	70th percentile in CT

*National and CT FRP Averages = 53.3% and 41.9%, respectively

**National and CT Child Asthma Rates = 6.5% and 12.3%, respectively

Investment Structuring

- Clean Energy Fund → National Clean Investment Fund flexibility
  - Buses and Chargers are BABA-waived/compliant
- Facility Term: October 2025 – July 2029
- Dattco, East Hartford Public Schools Contract Term: Aug 23, 2024 - June 30, 2029
  - Includes two, one-year extension options until July 31, 2028, and July 31, 2029
- Payment Structure: mortgage-style payments over full contract term
  - Includes refinancing options if the contract is extended

Opportunities & Green Bank Impact

The Green Bank's investment in the Dattco-East Hartford Public Schools school bus electrification project will support:

- **A 4-vehicle deployment in partnership with one of CT's key school bus operators with previous ESB deployment experience**
  - **Dattco serves many other EJ school districts, including Bloomfield, Coventry, Cromwell, East Haddam, Middletown, Plainfield, Plainville, and Thompson**
- **Investment aligned with the electrification provisions in the Dattco-East Hartford contract**
- **Public health-focused investment in an overburdened community**
- **Lifetime on-road emissions savings of approximately 250 metric tons of CO_2 per ESB**
- **Proof-of-concept delivery of braided funding models in the clean transportation/ESB sector**

Resolution #7

NOW, therefore be it:

RESOLVED, that the Green Bank Board of Directors approves the applicant's Capital Solutions proposal for the Green Bank to provide a term loan not to exceed $1,100,000 to Dattco to support the deployment of three ESBs and one electric van to serve East Hartford Public Schools;

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 Dattco in an amount not to exceed $1,100,000 in with terms and conditions materially consistent with the Committee Memo including approval to extend the maturity of the loan to Dattco to match any extension of the underlying contracts between Dattco and East Hartford Public Schools, 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)
- **July 3 - 4** – Congress passes budget reconciliation bill that rescinds unobligated GGRF funds (NCIF already obligated); EPA makes filing in Court of Appeals

Board of Directors

Agenda Item #8a

Financing Programs Updates and Recommendations

C-PACE Transaction – Beacon Falls

17 Old Turnpike Road, Beacon Falls

Introduction & Overview

CONNECTICUT GREEN BANK

Overview

Property Owner:
Turnpike Center LLC

Property Type:
Industrial

Contractor[redacted]
[redacted]

Project Description:
297.54 kW DC rooftop solar installation

Year Built:
1952

[redacted]

17 Old Turnpike Road, Beacon Falls

Transaction Summary

Loan Terms

Benefit Assessment:
$581,687

Loan Term:
20 Year

Term Loan Interest:
5.25%

Construction Interest:
5.25%

Financial Metrics

[redacted]

Energy Metrics

[redacted]

Savings / EUL:
$1,581,653

Annual Savings:
$79,083

Incentives:
NRES

17 Old Turnpike Road, Beacon Falls

Cash Flow - Standard

[redacted]

Resolution #8

NOW, therefore be it:

RESOLVED, that the President of the Green Bank and any other duly authorized officer of the Green Bank is authorized to execute and deliver the Loan 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 #8b

Financing Programs Updates and Recommendations

C-PACE Transaction – Branford #1

CONNECTICUT GREEN BANK

9 Baldwin Drive, Branford
Introduction & Overview

Overview

Property Owner:
Massey Properties LLC

Co-Borrower:
Massey's Plate Glass and Aluminum, Inc

Property Type:
Industrial

Contractor:
[redacted]

Project Description:
301.3 kw DC rooftop solar PV

Year Built:
2013

[redacted]

9 Baldwin Drive, Branford
Transaction Summary

CONNECTICUT GREEN BANK

Loan Terms

Benefit Assessment:
$743,698

Total CPACE Debt: $1,453,087

Loan Term:
20 Year

Term Loan Interest:
5.25%

Construction Interest:
5.25%

Financial Metrics

[redacted]

Energy Metrics

[redacted]

Savings / EUL:
$1,591,117

Annual Savings:
$79,556

Incentives:
NRES

9 Baldwin Drive, Branford
Cash Flow - Standard

[redacted]

9 Baldwin Drive, Branford

Cash Flow - Sculpted

[redacted]

Resolution #9

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 #8c
Financing Programs Updates and Recommendations
C-PACE Transaction – Branford #2

734 East Main Street, Branford

Introduction & Overview

CONNECTICUT GREEN BANK

Overview

Property Owner:
732-735 E Main Street, LLC

Property Type:
Flex Industrial

Contractor:
[redacted]

Project Description:
135.3 kW DC rooftop solar installation

Year Built:
1979

[redacted]

734 East Main Street, Branford
Transaction Summary

Loan Terms	Financial Metrics	Energy Metrics
Benefit Assessment: $458,817	[redacted]	[redacted]
Loan Term: 20 Year		**Savings / EUL:** $772,204
Term Loan Interest: 5.25%		**Annual Savings:** $64,350
Construction Interest: 5.25%		**Incentives:** NRES

734 East Main Street, Branford

Cash Flow - Standard

[redacted]

734 East Main Street, Branford
Cash Flow - Sculpted

[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.

Board of Directors

Agenda Item #8d

Financing Programs Updates and Recommendations

C-PACE Transaction – Bridgeport

270 Fifth Street, Bridgeport
Introduction & Overview

CONNECTICUT GREEN BANK

Overview

Property Owner:
250 Fifth Street, LLC

Property Type:
Industrial

Contractor:
[redacted]

Project Description:
243 kW DC rooftop solar installation

Year Built:
1930

[redacted]

270 Fifth Street, Bridgeport

Transaction Summary

Loan Terms

Benefit Assessment:
$866,079

Loan Term:
20 Year

Term Loan Interest:
5.25%

Construction Interest:
5.25%

Financial Metrics

[redacted]

Energy Metrics

[redacted]

Savings / EUL:
$1,475,918

Annual Savings:
$73,795

Incentives:
NRES

270 Fifth Street, Bridgeport

Cash Flow - Standard

[redacted]

270 Fifth Street, Bridgeport
Cash Flow - Sculpted

[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.

Agenda Item #8e

Financing Programs Updates and Recommendations

C-PACE Transaction – Manchester

50 Harrison Street, Manchester
Introduction & Overview

Overview

Property Owner:
DuBaldo Realty 50 Harrison LLC

Coborrowers: D. DuBaldo Electric LLC and Silk City Storage, LLC

Property Type:
Industrial

Contractor:
[redacted]

Project Description:
291.6 kW DC rooftop solar installation

Year Built:
1980

[redacted]

50 Harrison Street, Manchester
Transaction Summary

CONNECTICUT GREEN BANK

Loan Terms	Financial Metrics	Energy Metrics
Benefit Assessment: $748,188 **Loan Term:** 20 Year **Term Loan Interest:** 5.25% **Construction Interest:** 5%	[redacted]	[redacted] **Savings / EUL:** $1,340,244 **Annual Savings:** $67,012 **Incentives:** NRES

50 Harrison Street, Manchester
Cash Flow - Standard

[redacted]

50 Harrison Street, Manchester
Cash Flow – Sculpted

[redacted]

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

Agenda Item #8f

Financing Programs Updates and Recommendations

C-PACE Transaction – Simsbury

689 Hopmeadow Street, Simsbury
Introduction & Overview

CONNECTICUT GREEN BANK

Overview

Property Owner:
First Church of Christ and Ecclesiastical Society of Simsbury

Property Type:
Place of Worship

Contractor:
[redacted]

Project Description:
142.56 kW DC carport solar installation

Year Built:
1967

[redacted]

689 Hopmeadow Street, Simsbury
Transaction Summary

Loan Terms

Benefit Assessment:
$514,073

Loan Term:
20 Year

Term Loan Interest:
5.25%

Construction Interest:
5.25%

Financial Metrics

[redacted]

Energy Metrics

[redacted]

Savings / EUL:
$1,199,991

Annual Savings:
$59,999

Incentives:
NRES

689 Hopmeadow Street, Simsbury

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.

Agenda Item #8g

Financing Programs Updates and Recommendations

C-PACE Transaction – Waterbury

266 Brookside Road, Waterbury

Introduction & Overview

Overview

Property Owner:
17 Berkshire Road, LLC

Property Type:
Flex Industrial

Contractor:
[redacted]

Project Description:
281.60 kW DC rooftop solar installation

Year Built:
1963

[redacted]

266 Brookside Road, Waterbury
Transaction Summary

CONNECTICUT GREEN BANK

Loan Terms

Benefit Assessment:
$674,901

Loan Term:
25 Year

Term Loan Interest:
5.45%

Construction Interest:
5.45%

Financial Metrics

[redacted]

Energy Metrics

[redacted]

Savings / EUL:
$1,515,398

Annual Savings:
$60,616

Incentives:
NRES

266 Brookside Road, Waterbury
Cash Flow - Standard

[redacted]

266 Brookside Road, Waterbury

Cash Flow - Sculpted

[redacted]

Resolution #14

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.

CONNECTICUT GREEN BANK

Agenda Item #7h

Financing Programs Updates and Recommendations

C-PACE Restructuring – East Hartford

580 Tolland Street, East Hartford
Introduction & Overview

Overview

Property Owner:
580 Tolland Street LLC

Property Type:
Office

Contractor:
Construction Complete

Project Description:
223kW DC Solar Project

Year Built:
1949

580 Tolland Street, East Hartford

Transaction Summary

	Original (April ‘23)	Revised (December ‘23)	Revised (July ‘25)
Solar PV C-PACE Project	$491,537	$572,250	$577,049

[redacted]

580 Tolland Street, East Hartford
Cash Flow – Restructured

[redacted]

Resolution #15

NOW, therefore be it:

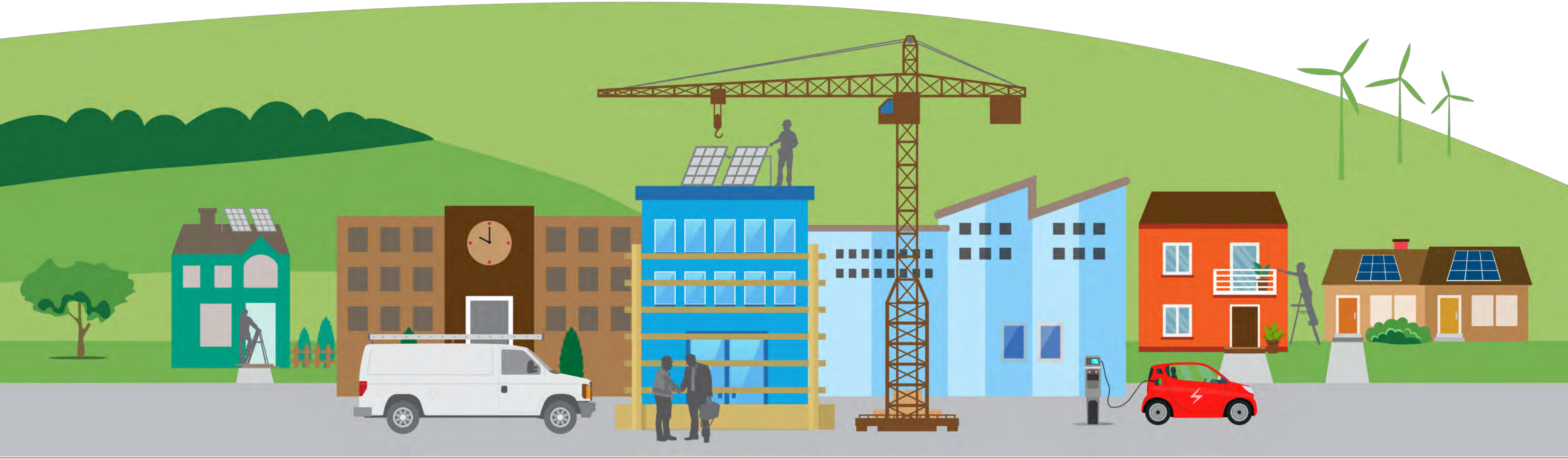
RESOLVED, that the President of the Green Bank and any other duly authorized officer of the Green Bank is authorized to execute and deliver the Loan in an amount not to be greater than one hundred ten percent of the Loan amount with terms and conditions consistent with the Memo , and as he or she shall 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
Commercial Solar PPA Program



Commercial Solar & Storage Program Request for Expansion

CONNECTICUT GREEN BANK

- Program Evolution: Since the its launch in 2018, the Program has expanded to support a broad range of financing structures and target markets.
- Deployment to Date: ~$38M deployed across 75+ projects totaling over 13 MW, spanning municipal, affordable housing, and commercial sectors.
- Justification: Additional capital is needed to accommodate the active development pipeline of ~$43M, particularly given the urgency to safe harbor created by upcoming ITC/Foreign Entity of Concern (FEOC) guidance.

Capital Allocated Under Current Program Authority

Category	# of Projects	Combined kW	Capital Deployed
Closed Loans	~60	~8,500	$11.6M
Active Loans	7	2,755	$19.6M
MAP: Affordable Multifamily Housing (AMFH) Round 1	7	1,715	$6.1M
MAP: Municipal Round 2	2	445	$0.8M
Total	**76**	**13,415**	**$38.1M**

Commercial Solar & Storage Program Request for Expansion

CONNECTICUT GREEN BANK

<u>Expansion Request & Justification:</u> Requesting $88M in total authority to support $43M in near-term pipeline, with added contingency to address timing, cost variability, and upcoming ITC/FEOC guidance impacts.

Requested Allocation Breakdown

Category	Amount
Capital Deployed	$38.1M
Pipeline	$43.0M
Subtotal (Projected Need)	**$81.1M**
Contingency (~20%)	$6.9M
<u>Total Requested Allocation</u>	**<u>$88.0M</u>**

Projected Capital Needs Based on Pipeline

Category		# of Projects	Combined kW	Projected Capital Deployed
Loans	Budderfly	TBD	TBD	~$7.5M
	SCEF	1	5,884	$5.0M
	Winn	TBD	TBD	$2.5M
MAP: Affordable Multifamily Housing (AMFH)		11	3,197	$8.7M
MAP: Municipal		6	3,189	$9.6M
Developer Pipeline		12	2,943	$9.6M
Total		**30+**	**15,213+**	**$43.0M**

Resolution #16

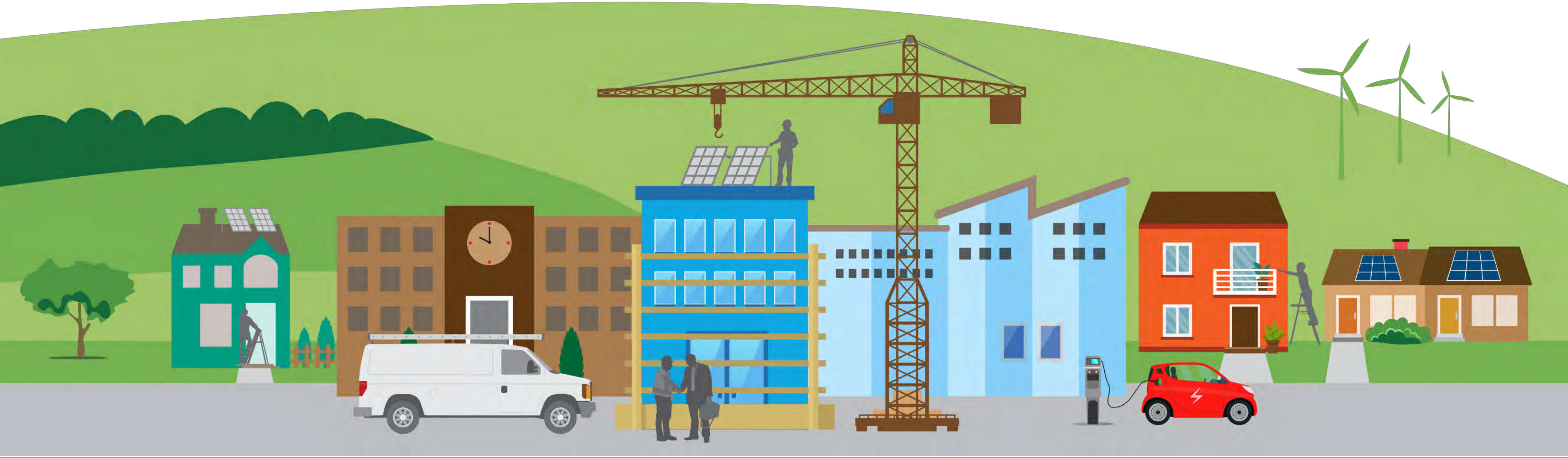
NOW, therefore be it:

RESOLVED, that the Board approves the increase of the allocation of $50 million to the revised allocation of $88 million, subject to budget constraints, use cases, and appropriate approval of investments as explained in the Board Memo;

RESOLVED, that the President of Green Bank; and any other duly authorized officer of Green Bank, is authorized to execute and deliver, any contract or other legal instrument necessary to continue to develop and finance commercial projects on such terms and conditions as are materially consistent with the Board Memo; and,

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

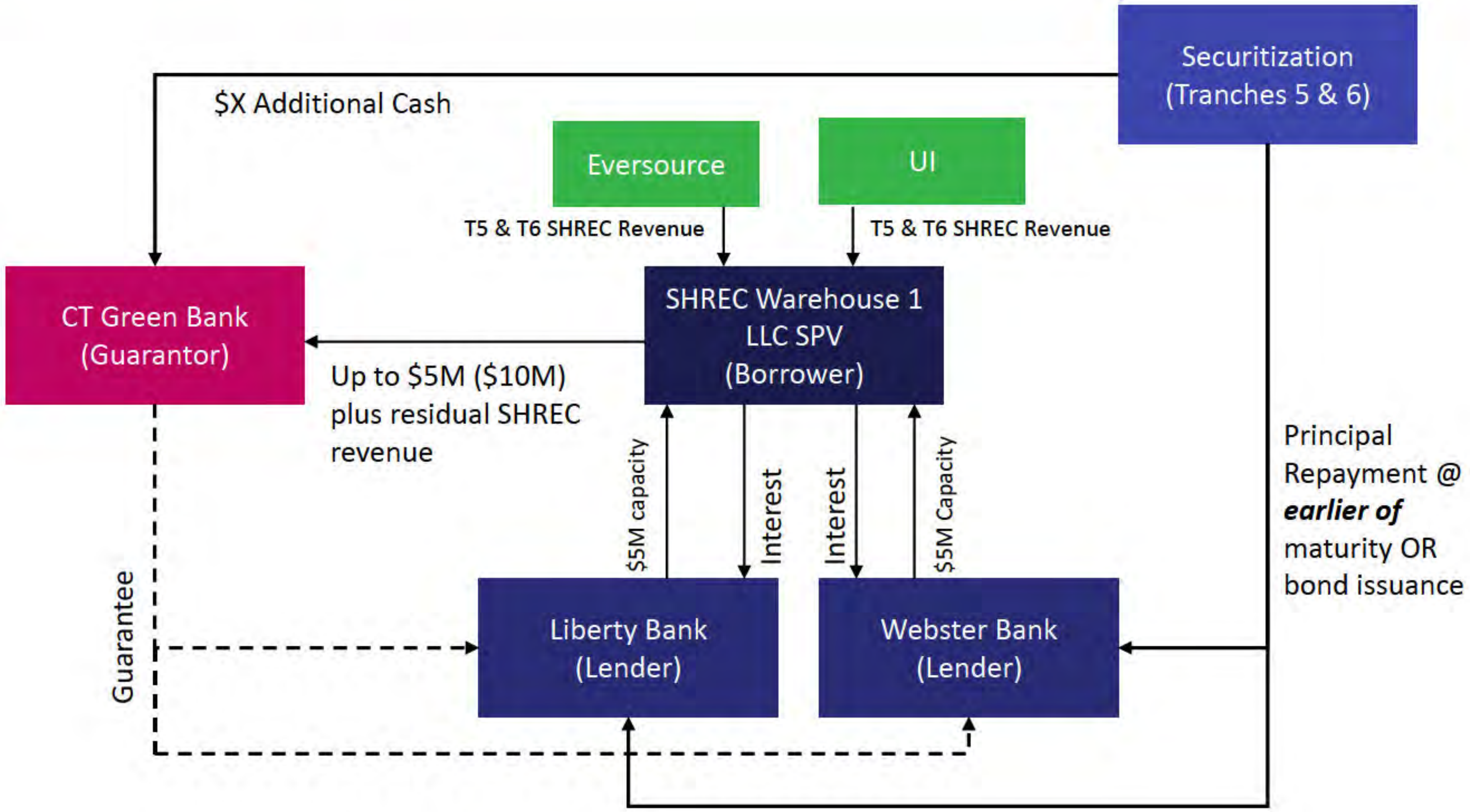
Agenda Item #8b
Investment Updates and Recommendations
SHREC Warehouse



SHREC Warehouse
Review and Approval

- Renewal of Revolving Credit Facility established with Liberty Bank and Webster Bank:
  - Previously Approved at the July 26, 2024 Board Meeting (Original facility: June 2018)
  - Secured by SHREC revenues & CGB Guaranty of SPV's obligations
  - $5 million initial sizing plus an additional $5 million upsizing if needed
  - Interest only
  - Maturity – 3-4 months
  - Interest rate – [to be discussed]
  - Upfront fee – [to be discussed]
  - Unused fee – [to be discussed]
- Strategic benefits:
  - Solidify banking relationships within the State
  - Improves Green Bank leverage vis-à-vis securitizations (T5, T6)
  - Improved liquidity

SHREC Warehouse
Structure Diagram:



Resolution #17

NOW, therefore be it:

RESOLVED, that the Board of the Green Bank hereby authorizes, ratifies and approves the Loan, as modified, from Webster-Liberty to the Company pursuant to the terms of the Sixth Amendment and any ancillary documentation and authorizes, ratifies, directs and approves the Company's and the Green Bank's entering into the Sixth Amendment and any ancillary documentation to which it is a party and of each other contract or instrument to be executed and delivered by the Company and the Green Bank in connection with the transactions contemplated by the Sixth Amendment;

RESOLVED, that the Board of the Green Bank hereby reauthorizes, ratifies and reaffirms the Green Bank's obligations under the Guaranty;

RESOLVED, that each of the Company and the Green Bank be and it hereby is, authorized to continue to secure the Loan and the Guaranty by, among other things, granting to Agent and/or Webster-Liberty a first priority security interest in and to the Company's property, including, without limitation the SHREC Collateral;

RESOLVED, that the Board hereby authorizes, directs, ratifies and approves Green Bank's and the Company's execution, delivery and performance of the Sixth Amendment and any ancillary documentation and all of the Green Bank's and the Company's obligations under the Sixth Amendment and any ancillary documentation;

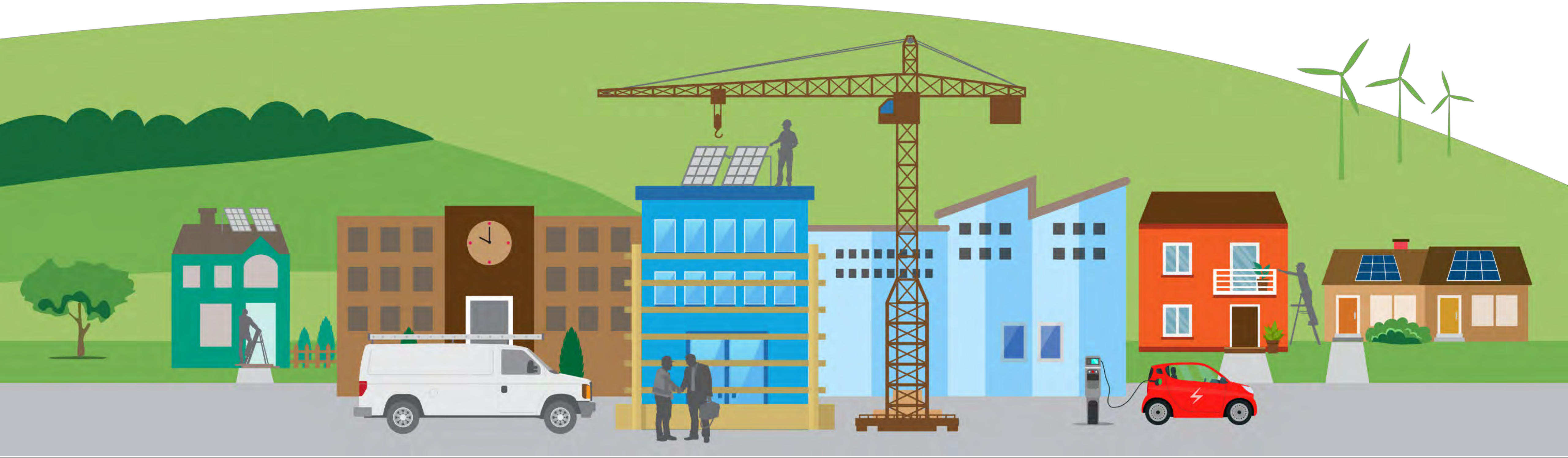
RESOLVED, that the actions of Bryan Garcia in his capacity as the President and Chief Executive Officer of Green Bank ("Garcia"), Roberto Hunter in his capacity as the Chief Investment Officer of Green Bank ("Hunter") and Brian Farnen in his capacity as General Counsel and Chief Legal Officer of Green Bank ("Farnen"; and together with Garcia and Hunter, each an "Authorized Signatory"), are hereby ratified and approved with regard to the negotiation, finalization, execution and delivery, on behalf of Green Bank and the Company, of the Sixth Amendment and any ancillary documentation and any other agreements that they deemed necessary and appropriate to carry out the foregoing objectives of Green Bank and/or the Company, and any other agreements, contracts, legal instruments or documents as they deemed necessary or appropriate and in the interests of Green Bank and/or the Company in order to carry out the intent and accomplish the purpose of the foregoing resolutions are hereby ratified and approved;

RESOLVED, that the Authorized Signatories be, hereby are, acting singly, authorized, empowered and directed, for and on behalf of the Green Bank and the Company (in the Green Bank's capacity as the sole member of the Company), to execute and deliver the Sixth Amendment and the other Modification Documents; and,

RESOLVED, that any other actions taken by any Authorized Signatory are hereby approved and ratified to the extent that such Authorized Signatory or Authorized Signatories have deemed such actions necessary, appropriate and desirable to effect the above-mentioned legal instrument or instruments.

Board of Directors

Agenda Item #8c
Investment Updates and Recommendations
PosiGen – ESS Facility Renewal



ESS PosiGen Funding Facility
1-year extension to working capital line

Timeline of Approvals

Apr 2022
- Board approves, in support of ESS:
  - $2 million working capital line
  - $6 million term loan

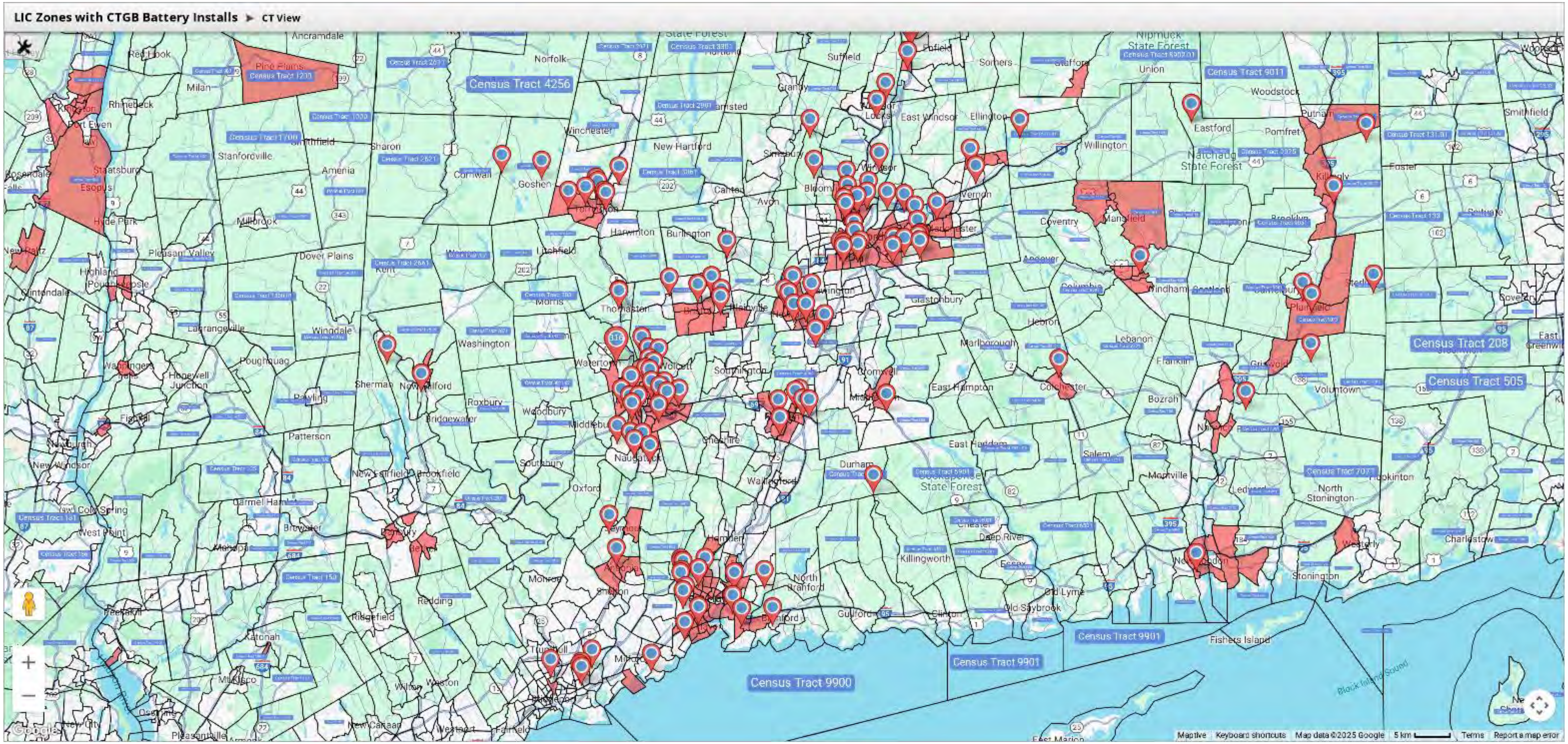
Jan 2024 (with revisions March 2024)
- Board approves a reduction of the term to $1 million (increase to $3M with Tax Equity Bridge Payoff), combined cap of $3M

July 2024
- Board approves 1-year extension to Working Capital Line to Sept 30, 2025

Oct 2024
- Tax Equity Bridge paid off ($6M)

ESS limits currently $2M ($2M drawn) working capital & $3M ($0 drawn). There is a $3M combined cap.

ESS PosiGen Funding Facility
1-year extension to working capital line



ESS PosiGen Funding Facility
1-year extension to working capital line

Month	# Installed (Current)	# Activated (Cumulative)	Working Capital	Interest @2%	Term Loan	Interest @ 4.33% Blended	Total Interest	Total Drawn
Sep-25	150		2,000,000	3,333	-	-	3,333	2,000,000
Oct-25	150	5	2,000,000	3,333	60,000	217	3,550	2,060,000
Nov-25	150	10	2,000,000	3,333	120,000	433	3,766	2,120,000
Dec-25	150	20	2,000,000	3,333	240,000	866	4,199	2,240,000
Jan-26	150	40	2,000,000	3,333	480,000	1,732	5,065	2,480,000
Feb-26	150	65	2,000,000	3,333	780,000	2,815	6,148	2,780,000
Mar-26	150	90	1,920,000	3,200	1,080,000	3,897	7,097	3,000,000
Apr-26	150	115	1,620,000	2,700	1,380,000	4,980	7,680	3,000,000
May-26	150	140	1,320,000	2,200	1,680,000	6,062	8,262	3,000,000
Jun-26	150	165	1,020,000	1,700	1,980,000	7,145	8,845	3,000,000
Jul-26	150	190	720,000	1,200	2,280,000	8,227	9,427	3,000,000
Aug-26	150	215	420,000	700	2,580,000	9,310	10,010	3,000,000
Sep-26	150	240	120,000	200	2,880,000	10,392	10,592	3,000,000
Oct-26	150	265	-	-	3,000,000	10,825	10,825	3,000,000
Subtotal				31,900		66,899		
Annual Run Rate			2,000,000	40,000	3,000,000	129,900		

Resolution #18

NOW, therefore be it:

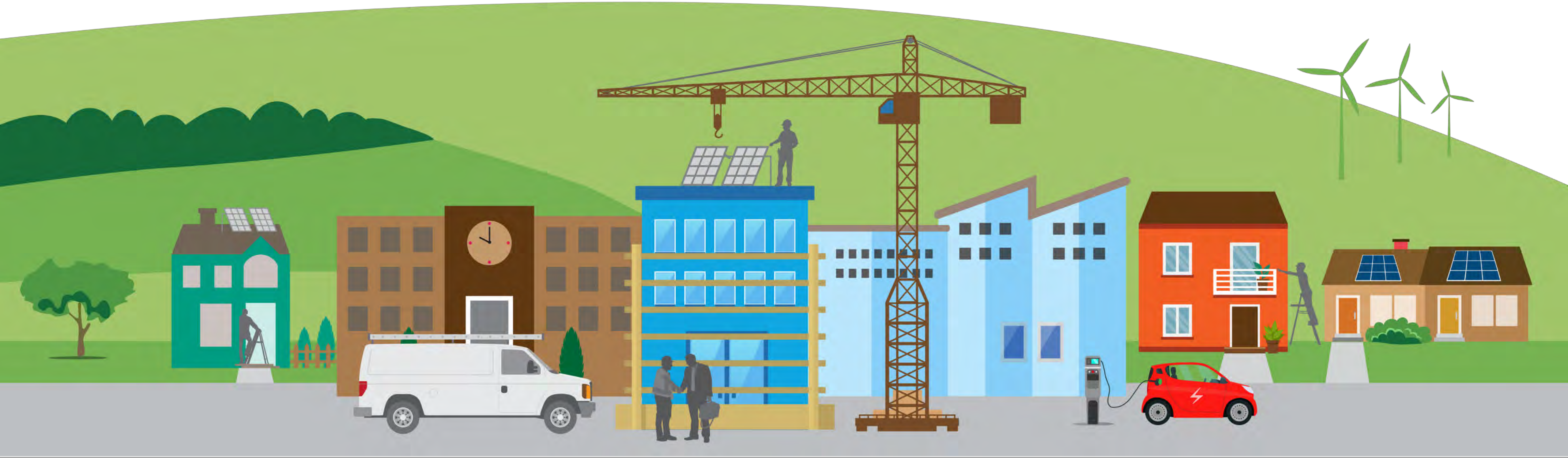
RESOLVED, that the Green Bank is authorized to extend the working capital line to PosiGen for the purchase of ESS for an additional term of one year and changes to the related term loan facility for the ESS as may be required to accommodate the extension of the working capital line (such as an extension of the availability period and ultimate maturity date), otherwise following terms substantially similar to those described in the original working capital line agreement, as well as decisions approved by the Board since the approval of the working capital line and term loan in support of ESS;

RESOLVED, that the cap of $3 million in funding available for both PosiGen ESS facilities combined, which includes the working capital line and term loan, is hereby affirmed; and,

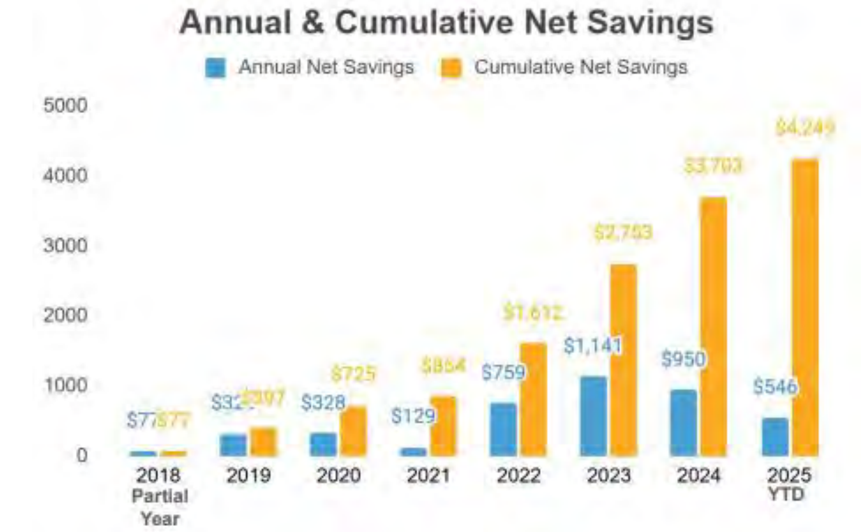
RESOLVED, that the proper Green Bank officers are authorized and empowered to do all other acts and negotiate and deliver all other documents and instruments as they shall deem necessary and desirable to effect the above-mentioned legal instruments.

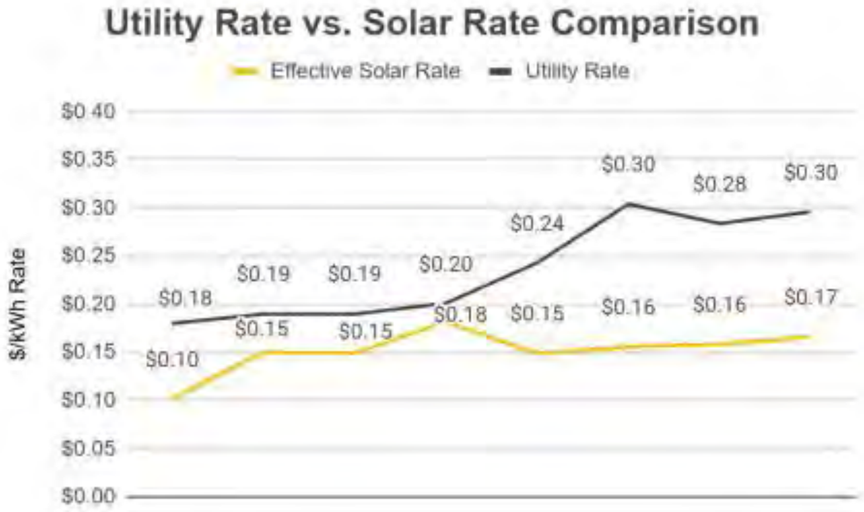
Board of Directors

Agenda Item #8d
Investment Updates and Recommendations
PosiGen – Modification



"Solar for All" Hartford
July 24, 2025





PosiGen Refinancing
PosiGen's impact in CT

PosiGen has been a key partner in expanding access to residential solar + energy efficiency upgrades in low- and moderate-income communities—helping to reduce energy burden for underserved households while advancing the state's clean energy goals.

Incentive Program	# Projects	Installed Capacity (kW)	Estimated Cumulative Savings ($MM's) (through August 31, 2024)	Estimated Cumulative Average Savings per Family (through August 31, 2024)	Note
RSIP	4,522	30,179	$14	$3,100	Through the end of 2024, estimate $17+ million and $3,900 cumulative family savings
RRES	2,223	16,072	$5	$2,343	Through end of 2024 estimates
Total	**6,745**	**46,251**	**$19**	**$2,722**	

Incentive Program	# Projects	Installed Capacity (kW)
ESS	133	891

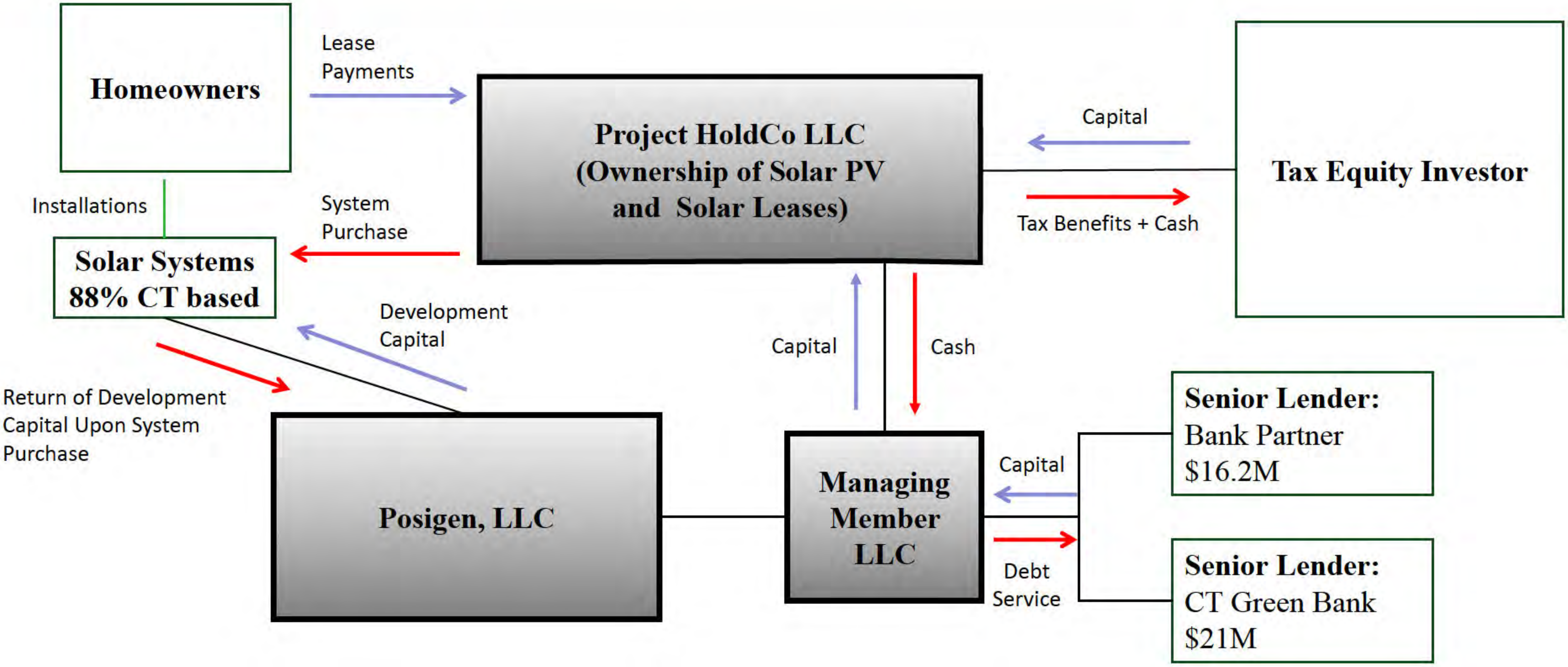
PosiGen Refinancing Goals

- Better manage / reduce exposure in PosiGen's 2L facility
  - Structured investment - highly performing / discrete pool of leases
  - Senior secured jointly with a bank partner
  - Good potential for participation with two other lenders
  - Fully amortizing investment following I/O period
  - Material reduction in 2L exposure "Day 1" with progressive improvement
- Bottom Line - while no immediate concerns with PosiGen's performance (fully performing and preparing for inaugural ABS) staff sees this as an excellent opportunity to manage our exposure now that the LPO facility won't proceed.

PosiGen Refinancing Summary

- New 1st lien financing for a portfolio of 5,102 projects highly concentrated in Connecticut (88%), with the nearly all remaining leases in New Jersey
- Borrowing Base (based on PV7) = $40M
  - Excludes benefits of RECs = ~ $2M (PV7)
- CGB + Bank partner lend $37.2M
  - ~40% for Bank Partner's advance; ~53% for CGB advance
  - Bank partner familiar with PosiGen (prior lending relationship)
  - Green Bank is using best efforts attract other lenders

PosiGen Refinancing for High Level Cash Flow & Security

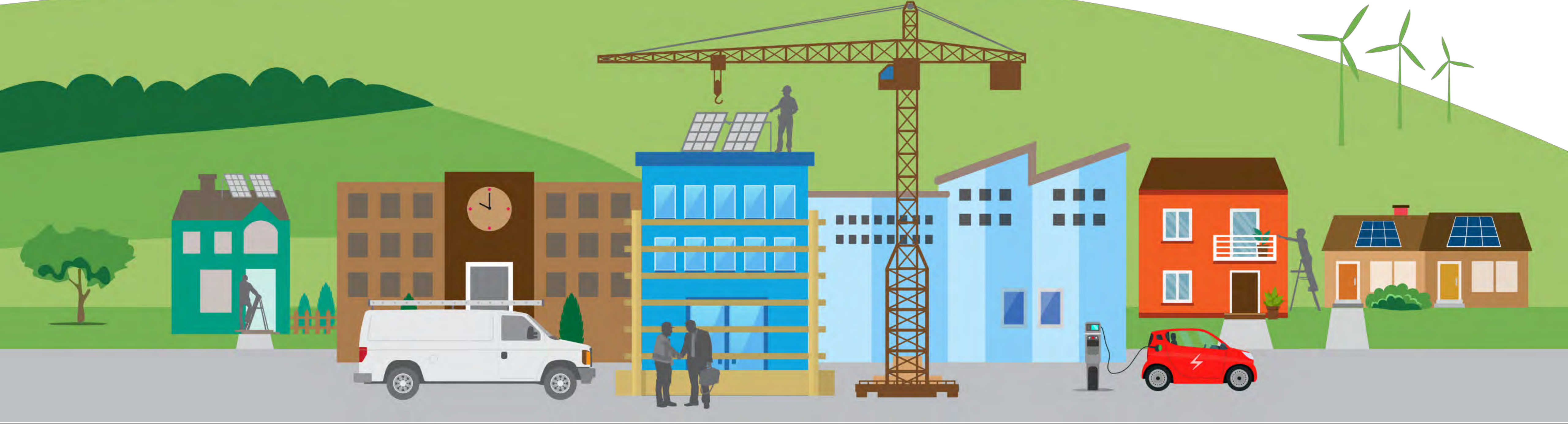


Board of Directors

Agenda Item #8e
Executive Session
Trade Secrets and Commercial Information Given in Confidence and Personnel Related Matters

Board of Directors

Agenda Item #8e
Executive Session
Trade Secrets and Commercial Information Given in Confidence and Personnel Related Matters



Resolution #19

NOW, therefore be it:

RESOLVED, that the Board hereby authorizes the Green Bank to commit up to $21 million in the proposed senior secured debt facility to PosiGen, PBC, as outlined in the July 22, 2025 memorandum presented to the Board provided staff secures the participation of a bank partner of not less than $16.2 million, and further provided that the Board directs staff to use its best efforts to secure additional participations in the New Facility in order to reduce Green Bank's retained position in the New Facility;

RESOLVED, staff is authorized to finalize loan terms, support due diligence, coordinate with other lenders, and conduct internal due diligence; 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 #9a

Incentive Programs Updates and Recommendations

ESS Transaction – ESS-02322 – ACME (New Canaan)

ESS Transaction – ESS-02326 – ACME (Stamford)

CANCELLED

Resolution #20

CONNECTICUT GREEN BANK

NOW, therefore be it:

RESOLVED, that the Board of Directors hereby approves the estimated upfront incentives sought by Scale Microgrids for two non-residential projects each for a not-to-exceed amount of $523,705.00 for a not-to-exceed total of $1,047,410.00 consistent with the approved Procedures; and,

RESOLVED, that the proper Green Bank officers are authorized and empowered to do all other acts and execute and deliver any and all documents and regulatory filings as they shall deem necessary and desirable to effect the above-mentioned incentives consistent with the Procedures.

CANCELLED

Board of Directors

Agenda Items #9b
Incentive Programs Updates and Recommendations
Smart-E Loan – Interest Rate Buydown
Battery Storage

Smart-E Program
Request for IRB on Battery Storage

CONNECTICUT GREEN BANK

- Source of Funds
  - American Recovery and Reinvestment Act (ARRA) funds received by the Green Bank in 2012. Originally over $8M, the remaining balance is just over $240,000. Given the tracking and reporting required for these funds, spending down the balance will save the Green Bank time and energy.
  - These funds have been used on multiple occasions for Smart-E IRB promotions with successful results—over 1K loans in the past 5 years.

- Why Battery Storage?
  - Smart-E loans support the Energy Storage Solutions program by providing homeowners with affordable financing for these often-costly projects.

Smart-E Program
Request for IRB on Battery Storage

CONNECTICUT GREEN BANK

<u>Promotional Details</u>

- Current Smart-E Rate for 5-10 year loans is 6.99%
- We are proposing:
  - 1.99% rate for general market loans
  - 0.99% rate for LMI applicants

$30,000 average project cost, 10-year loan	IRB: 6.99% to 1.99%	LMI option: 6.99% to 0.99%
Cost of IRB	$6,296.96	$7,447.99
Number of Loans	38	32

Resolution #21

NOW, therefore be it:

RESOLVED, the Board approves the use of ARRA funds in an amount not-to-exceed $241,405.33 for a time-limited IRB promotion for Smart-E loans in support of battery storage projects consistent with the Board Memo dated July 18, 2025;

RESOLVED, that all other Smart-E Loan Program terms and conditions remain unchanged; and,

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 IRB promotion with terms and conditions consistent with the Program.

Board of Directors

Agenda Item #10a
Other Business
SustainableCT

Sustainable CT

Grant Agreement with Sustainable CT – Community Engagement

- **Sustainable CT and Green Bank partnership focuses on:**
  - **Community-level engagement** that is inclusive, diverse and "knitted" (with ***strong*** relationships in underserved communities);
  - **Driving investment** in environmental projects led by communities and developing a model that covers the cost of the program;
  - **Delivering on the vision of thoughtful and strategic community outreach outlined in our Comprehensive Plan.**

- **Sustainable CT Program Support and Key Outcomes**
  - 138 of 169 CT towns participating,17 "climate leaders, " including 19 of 25 DECD designated distressed municipalities.
  - 13 areas of voluntary action areas, including Green Bank programs
  - Raised over $2.5M from 25,832 individuals (matched by over $2.2M from sponsors) to support 385 Match Fund projects
  - Increased awareness through community outreach (includes Solar MAP+, Fleet Electrification Accelerator, C-PACE, etc.)
    - Made direct introductions, hosted 4 C-PACE workshops with a pipeline for Fall, incorporated Green Bank programs into action items, leveraged regular communications (webinars, newsletters) to promote Green Bank offerings
  - $200,000 in funding supports:
    - $30,000 matching grant for Sustainable CT Fellows Program
    - $50,000 for yearlong Sustainable CT Fellow
    - $30,000 matching grants for projects through crowdfunding platform
    - $90,000 for organizational support

Sustainable CT
Strategic Selection

- **Special Capabilities:** Sustainable CT has exceptional experience and expertise in municipal and community engagement and ability to further the Green Bank model, especially in underserved communities.

- **Uniqueness:** Unique opportunity to leverage momentum and heightened awareness of Green Bank resources to further drive program activity and new program development.

- **Strategic Importance:** Green Bank's emphasis on community engagement and public awareness is put into action through Sustainable CT program's broad reach, consistent with our Comprehensive Plan

- **Multiphase; Follow-on Investment:** Grant bolsters Sustainable CT's capabilities to support municipalities' participation in Green Bank incentive and investment programs

- **Urgency and Timeliness:** Timely renewal of grant support allows community support and engagement in our programs to continue uninterrupted

Resolution #22

NOW, therefore be it:

RESOLVED, that the Board approves Green Bank staff to enter into a grant agreement with Sustainable CT as a strategic selection;

RESOLVED, that the President, Chief Investment Officer and General Counsel of Green Bank, and any other duly authorized officer of Green Bank, is authorized to execute and deliver on behalf of Green Bank any of the definitive agreements related to the Sustainable CT grant agreement and any other agreement, contract, legal instrument or document as he or she shall deem necessary or appropriate and in the interests of Green Bank and the ratepayers in order to carry out the intent and accomplish the purpose of the foregoing resolutions; and,

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

Board of Directors

Agenda Item #10b
Other Business
Manufacturing Innovation Fund - GreenGain

Green Gain
Manufacturing Innovation Fund Program

CONNECTICUT GREEN BANK

- **Green Gain launched in October 2024:**
  - MOU with DECD to receive $355,000 from Manufacturing Innovation Fund
  - PSA with CT Sustainable Business Council as strategic selection to administer voucher funds & provide technical, educational & outreach support.
  - Green Bank serves as an intermediary to bring program to market and connect DECD funds with manufacturing community – benefits from building stronger manufacturing relationships, supporting sustainability projects and increasing awareness of programs without cost to Green Bank or significant staff time.

GREEN GAIN

- **Year one progress:**
  - 6 manufacturers participating and 4 already applying for second cohort
  - Trainings on 'Sustainable Manufacturing,' 'Carbon Accounting,' 'Efficiency Programs,' 'Financing,' etc.
  - **CTSBC anticipates 6 voucher requests from first and second cohort in addition to initial requests:**
    - **Cricket Press, Inc.** $9,000 (with matching contribution of $9,000) for new shrink-wrap equipment that will reduce energy consumption by 20-30%,reduces idle time over current inefficient equipment, and reduces waste by 15% by enabling more sustainable packaging materials.
    - **Beekly Corporation:** $16,950 (with matching contribution of $17,564) fornew metal inkjet plate makers that will reduce energy usage by 700+ kWhra year, reduce hazardous waste by 100 pounds per year, reduce paper waste by 34,000 linear feet per year.

Green Gain

Extending Program and Strategic Selection of CTSBC

- **Extending Green Gain:**
  - CTSBC requesting additional voucher funding ($285,000), administrative and outreach support ($60,200) and funding for staff, events and mentorship services ($226,200) from Manufacturing Fund in order to provide continuity to manufacturing community for an additional two years.

- **CT Sustainable Business Council as a Strategic Selection to support Green Gain**
  - **Special Capabilities:** CTSBC designed and developed the GreenGain program. MIF approved initial funding based on the program proposal CTSBC had developed, contingent upon the Green Bank playing a fiscal role and overseeing the program and selecting CTSBC to administer the program. CTSBC has developed a proposal for a two-year extension.
  - **Strategic Importance:** Manufacturing is a critically important sector of the State's economy. Because this industry feels the burden of increasing and fluctuating energy costs more than most industries, while at the same time experiencing pressure from their customers to adopt more responsible business standards, they need the type of support GreenGain can deliver. Increasing pressure from supply chain uncertainty and raw material costs create even more need. This market sector drove over $11M in C-PACE financing from 2016-2024 during the Green Bank's previous MIF partnership, representing significant opportunity for the Green Bank to continue providing project financing.
  - **Multiphase; Follow-on Investment:** Successful implementation of this campaign may lead to investment opportunities for Green Bank programs (e.g., C-PACE financed projects).
  - **Urgency and Timeliness:** After the Energy on the Line campaign ended, there was a gap in support for this critical market sector which GreenGain closed expediently. With the first year of the program coming to an end, this strategic selection will allow for continuity of support to the manufacturing sector.

Resolution #23

NOW, therefore be it:

RESOLVED, that the Board approves staff's request to support CT Sustainable Business Council in pursuing expansion of the GreenGain Program, requesting from the Manufacturing Innovation Fund a two-year extension and additional funding up to $571,400 comprised of $285,000 in additional voucher funding, an additional $60,200 for administration, accounting and marketing and outreach, and an additional $226,200 to a support a program director, program coordinator, events, a digital learning platform, and mentorship and training services over the course of the two-year extension;

RESOLVED, that, should the Manufacturing Innovation Fund approve the request for program extension and additional funding, the Board authorizes staff to enter into a new Memorandum of Understanding with the Department of Economic and Community Development by the amount approved by the Manufacturing Innovation Fund; and

RESOLVED, that, should the Manufacturing Innovation Fund approve the request for program extension and additional funding, the Board authorizes staff to enter into a Professional Services Agreement with the Connecticut Sustainable Business Council in an amount not to exceed the amount approved by the Manufacturing Innovation Fund plus the amount of any remaining voucher funding at the end of the first Professional Services Agreement, to administer the GreenGain Program as a Strategic Selection and Award pursuant to the Green Bank Operating Procedures Section XII given the special capabilities, strategic importance, urgency and timeliness, and multi-phase characteristics of the GreenGain program; and

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

Board of Directors

Agenda Item #10c

Other Business

FY 2025 Report Out

Financing, Incentive, and Environmental Infrastructure Programs

Progress to Targets FY25 (Preliminary)
Financing Programs

Progress to Targets

ProgramSegment	Project Counter Actual	Project Counter Target	% of Target	Capital Deployed Actual	Capital Deployed Target	% of Target	MW Actual	MW Target	% of Target	Total CGB Investment2	Total Private Investment2	Total Investment2
Financing	519	553	93.9%	$68,813,837	$56,657,520	121.5%	7.7	3.47	222.2%	$19,562,904	$49,250,933	$68,813,837

Progress to Targets

Program2	Project Counter Actual	Project Counter Target	% of Target	Capital Deployed Actual	Capital Deployed Target	% of Target	MW Actual	MW Target	% of Target	Total CGB Investment	Total Private Investment	Total Investment
Commercial Lease	3	4	75.0%	$3,353,659	$3,060,000	109.6%	1.3	0.00		$2,020,176	$1,333,483	$3,353,659
CPACE	24	23	104.3%	$42,950,301	$32,200,000	133.4%	2.9	0.00		$9,482,782	$33,467,519	$42,950,301
MAP	13	8	162.5%	$9,404,634	$8,797,520	106.9%	3.6	3.47	103.0%	$5,642,780	$3,761,854	$9,404,634
SBEA	479	518	92.5%	$13,105,243	$12,600,000	104.0%	0.0	0.00		$2,417,166	$10,688,077	$13,105,243

Table 4. Financing Programs Vulnerable Communities (excluding SBEA)

Vulnerable Community (excluding SBEA)

Vintage Vulnerable Community	Not Vulnerable						Vulnerable						**Total**					
ProgramSegment	Capital Deployed	% of Total	# Projects	% of Total	Sum of MW	% of Total	Capital Deployed	% of Total	# Projects	% of Total	Sum of MW	% of Total	**Capital Deployed**	**% of Total**	**# Projects**	**% of Total**	**Sum of MW**	**% of Total**
Financing	$28,720,968	49.78%	28	65.12%	6.8	80.93%	$28,976,164	50.22%	15	34.88%	1.6	19.07%	**$57,697,132**	**100.00%**	**43**	**100.00%**	**8.3**	**100.00%**

Progress to Targets FY25 (Preliminary)
Incentive Programs

Progress to Targets

ProgramSegment	Project Counter Actual	Project Counter Target	% of Target	Capital Deployed Actual	Capital Deployed Target	% of Target	MW Actual	MW Target	% of Target	Total CGB Investment2	Total Private Investment2	Total Investment2
Incentive	1,324	1,830	72.3%	$48,037,025	$55,312,195	86.8%	21.5	16.42	131.1%	$6,319,154	$45,208,426	$51,527,580

Progress to Targets

Program2	Project Counter Actual	Project Counter Target	% of Target	Capital Deployed Actual	Capital Deployed Target	% of Target	MW Actual	MW Target	% of Target	Total CGB Investment	Total Private Investment	Total Investment
Energy Storage Solutions - Commercial	6	5	120.0%	$14,751,756	$12,500,000	118.0%	11.4	10.00	113.7%	$2,609,394	$12,142,362	$14,751,756
Energy Storage Solutions - Residential	474	500	94.8%	$12,583,544	$16,000,000	78.6%	6.5	4.30	152.3%	$3,709,760	$8,873,784	$12,583,544
Smart-E	844	1,345	62.8%	$20,701,725	$26,912,195	76.9%	3.6	2.12	170.3%	$0	$24,192,280	$24,192,280

Vulnerable Community

Vintage Vulnerable Community	Not Vulnerable						Vulnerable						**Total**					
ProgramSegment	Capital Deployed	% of Total	# Projects	% of Total	Sum of MW	% of Total	Capital Deployed	% of Total	# Projects	% of Total	Sum of MW	% of Total	**Capital Deployed**	**% of Total**	**# Projects**	**% of Total**	**Sum of MW**	**% of Total**
Incentive	$44,091,876	91.79%	1,121	84.67%	21.0	97.71%	$3,945,149	8.21%	203	15.33%	0.5	2.29%	**$48,037,025**	**100.00%**	**1,324**	**100.00%**	**21.5**	**100.00%**

Vulnerable Community

Vintage Vulnerable Community	Not Vulnerable						Vulnerable						**Total**					
ProgramName	Capital Deployed	% of Total	# Projects	% of Total	Sum of MW	% of Total	Capital Deployed	% of Total	# Projects	% of Total	Sum of MW	% of Total	**Capital Deployed**	**% of Total**	**# Projects**	**% of Total**	**Sum of MW**	**% of Total**
Energy Storage Solutions - Commercial	$14,751,756	100.00%	6	100.00%	11.4	100.00%							**$14,751,756**	**100.00%**	**6**	**100.00%**	**11.4**	**100.00%**
Energy Storage Solutions - Residential	$12,583,544	100.00%	474	100.00%	6.5	100.00%							**$12,583,544**	**100.00%**	**474**	**100.00%**	**6.5**	**100.00%**
Smart-E	$16,756,576	80.94%	641	75.95%	3.1	86.35%	$3,945,149	19.06%	203	24.05%	0.5	13.65%	**$20,701,725**	**100.00%**	**844**	**100.00%**	**3.6**	**100.00%**

Progress to Targets FY25 (Preliminary) Environmental Infrastructure Programs

Program Segment	Project Counter Actual	Project Counter Target	% of Target	Capital Deployed Actual	Capital Deployed Target	% of Target	MW Actual	MW Target	% of Target	Total CGB Investment2	Total Private Investment2	Total Investment2
Incentive	41	21	195.2%	$1,204,255	$2,100,000	57.3%	0.0	0.00		$0	$1,388,682	$1,388,682

- Bright Feeds transaction (not captured above)
  - $1.3MM transaction approved May Deployment Committee in May, expected to close Q1 FY26.

- Progress by Project Type

# Projects	Category	Measure Sub-Category
17	RE/CR	Battery Storage & PV
13	CR	Battery Storage
3	CR	Septic
3	CR	Flood Proofing
3	EE/CR	Flood Proofing & Mold Remediation
1	CR	Wells
1	CR	Flood Proofing & Landscaping
41		Total Projects

Progress to Targets FY25 (Preliminary)
Environmental Infrastructure Programs

- Environmental Infrastructure Programs Progress by Measure

Progress to Targets

ProgramSegment & Project Type	Project Counter Actual	Capital Deployed Actual	MW Actual
Incentive	**41**	**$1,204,255**	**0.0**
CR	22	$489,924	0.0
EE/CR	3	$37,562	0.0
RE/CR	16	$676,770	0.0
Total	**41**	**$1,204,255**	**0.0**

- Environmental Infrastructure Programs Vulnerable Communities

Vulnerable Community

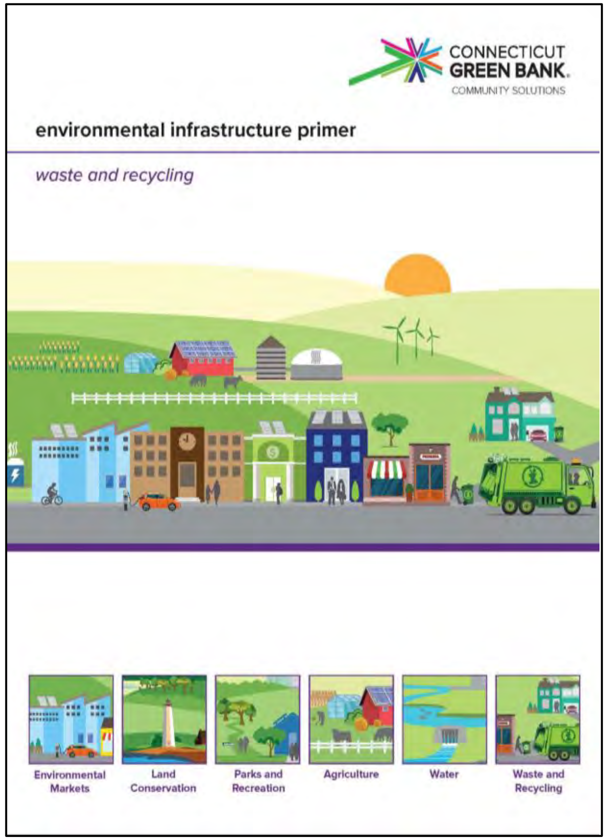
Vintage Vulnerable Community	Not Vulnerable						Vulnerable						**Total**					
ProgramSegment	Capital Deployed	% of Total	# Projects	% of Total	Sum of MW	% of Total	Capital Deployed	% of Total	# Projects	% of Total	Sum of MW	% of Total	**Capital Deployed**	**% of Total**	**# Projects**	**% of Total**	**Sum of MW**	**% of Total**
Incentive	$850,831	70.65%	27	65.85%	0.0	100.00%	$353,424	29.35%	14	34.15%	0.0	0.00%	**$1,204,255**	**100.00%**	**41**	**100.00%**	**0.0**	**100.00%**

Vulnerable Community

Vintage Vulnerable Community	Not Vulnerable						Vulnerable						Total					
ProgramName	Capital Deployed	% of Total	# Projects	% of Total	Sum of MW	% of Total	Capital Deployed	% of Total	# Projects	% of Total	Sum of MW	% of Total	**Capital Deployed**	**% of Total**	**# Projects**	**% of Total**	**Sum of MW**	**% of Total**
Smart-E	**$850,831**	**70.65%**	**27**	**65.85%**	**0.0**	**100.00%**	**$353,424**	**29.35%**	**14**	**34.15%**	**0.0**	**0.00%**	**$1,204,255**	**100.00%**	**41**	**100.00%**	**0.0**	**100.00%**
CR	$393,104	80.24%	16	72.73%	0.0	100.00%	$96,820	19.76%	6	27.27%	0.0	0.00%	**$489,924**	**100.00%**	**22**	**100.00%**	**0.0**	**100.00%**
RE/CR	$445,380	65.81%	10	62.50%	0.0	100.00%	$231,390	34.19%	6	37.50%	0.0	0.00%	**$676,770**	**100.00%**	**16**	**100.00%**	**0.0**	**100.00%**
EE/CR	$12,347	32.87%	1	33.33%	0.0		$25,215	67.13%	2	66.67%	0.0		**$37,562**	**100.00%**	**3**	**100.00%**	**0.0**	
Total	**$850,831**	**70.65%**	**27**	**65.85%**	**0.0**	**100.00%**	**$353,424**	**29.35%**	**14**	**34.15%**	**0.0**	**0.00%**	**$1,204,255**	**100.00%**	**41**	**100.00%**	**0.0**	**100.00%**

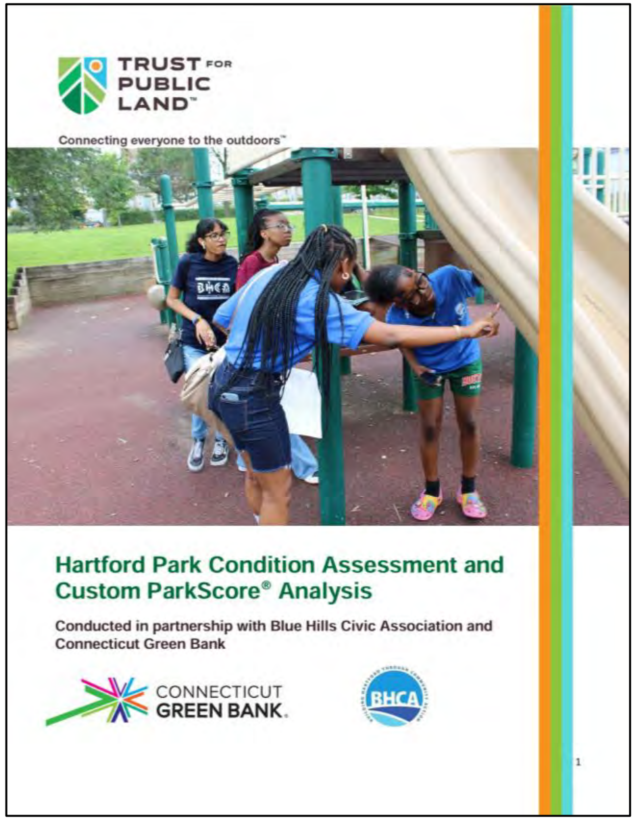
Progress to Targets FY25 (Preliminary) Environmental Infrastructure Programs

- **Expand and Implement Existing Products**
  - Measure expansion and support for market development
- **Identify Unique Project Opportunities**
  - Bright Feeds transaction
  - Active pipeline development from origination activities
- **Continuing Engagement**
  - Finalized and launched Waste and Recycling primer
  - Support for community engagement
- **Support Public Policy that Unlocks Private Capital Investment**
  - Two big achievements: PA 25-33 (SB 9), PA 25-125 (HB 5004)



Progress to Targets FY25 (Preliminary)
Environmental Infrastructure Programs

- **Raising Resources**
  - Pursued opportunities and partnerships
  - Determined the ability for Green Liberty Bonds to support EI
- **Market Research and Development**
  - Stormwater Solutions project
  - DOE NREL TA on municipal solutions for organic waste
  - ParkScores with Trust for Public Land (Hartford, Bridgeport)
  - Resilience Improvement District Pilot with Resilient Cities Catalyst
- **Data, Targeting, and Impact**
  - Organic waste data mapping
  - Initial exploration of impact metrics, methodologies



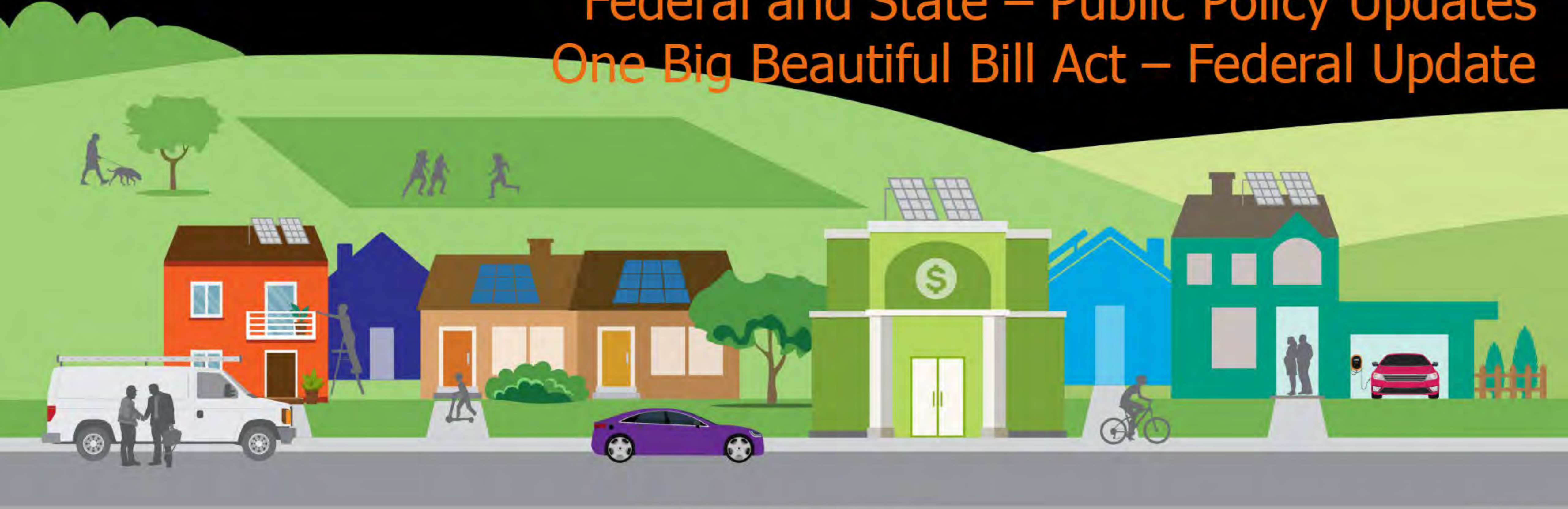
Board of Directors

Agenda Item #10di

Other Business

Federal and State – Public Policy Updates

One Big Beautiful Bill Act – Federal Update



OBBBA Update
Investment Tax Credit Updates

CONNECTICUT GREEN BANK

- Solar: Projects that begin construction on or before 7/4/26 are eligible for full credit (subject to new FEOC rules beginning 1/1/26). Projects that begin construction after 7/4/26 must be placed in service by end of 2027 to qualify for full credit. No credit after 2027.

- Storage: Full credit available for projects that begin construction by end of 2033. 25% phasedown each year for projects that begin construction in 2034-2036.

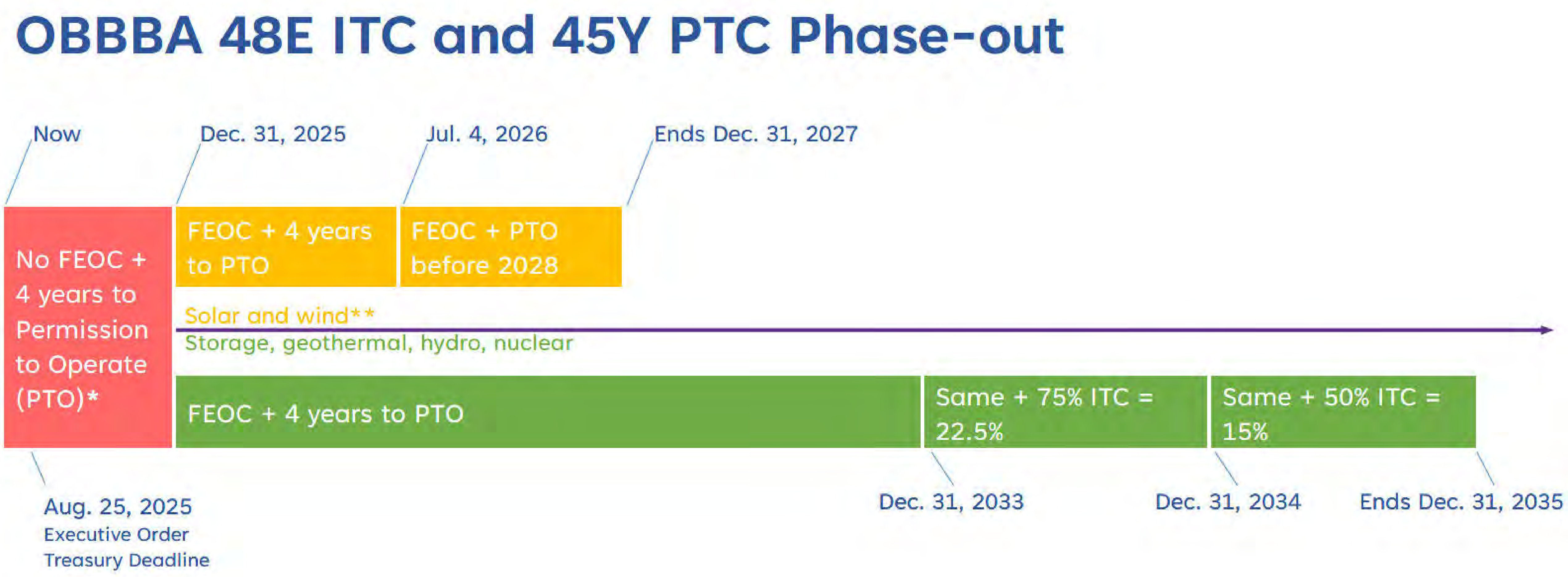
- Fuel Cells: Newly eligible for 30% credit for property beginning construction after 12/31/25. No GHG emission requirements.

- Solar (25D): Homeowners cannot claim a 30% residential solar credit under section 25D for spending on solar generating equipment, geothermal heat pumps, and batteries and after 2025. TPO remains an option.

OBBBA Update
Investment Tax Credit Updates

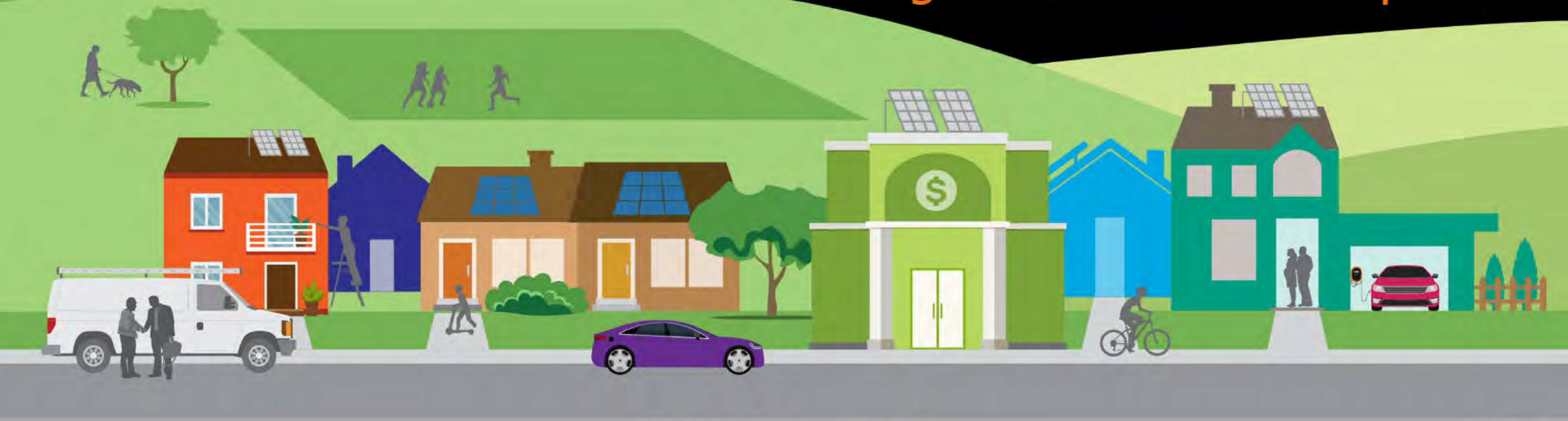
- Adders: Low-Income Bonus, Energy Community Bonus, and Domestic Content Bonus adders remain unchanged, subject to qualifying for underlying credit.
- Transferability and Elective Pay: Remains unchanged, subject to qualifying for underlying credit and FEOC rules.
- FEOC Rules: Foreign Entity of Concern (FEOC) rules will deny tax credits on new ITC eligible projects that use too much Chinese equipment ("material assistance" test). Required percentage of manufactured products used in the project that are not made by FEOCs: 40% for solar (55% for storage). Complying with FEOC provisions will be very difficult and further clarity is needed.
- Safe Harboring and July 7th EO: Currently existing IRS safe harbor rules apply. However, July 7th EO Directs Treasury to issue new guidance within 45 days as to what constitutes "beginning of construction" for purposes of qualifying for the credits.

OBBBA Update
ITC Sunset and Start of Construction



Board of Directors

Agenda Item #10dii
Other Business
Federal and State – Public Policy Updates
2025 Legislative Session – Update



Summary:

The 2025 Legislative Session convened on January 8th and adjourned at midnight on June 4th.

CONNECTICUT GREEN BANK

"Long Session" – Two-Year Biennial Budget - Bonding Bill - Tax Package

4,064 Proposed Bills – CGB Tracked 321

203 Bills passed to become Public Acts (P.A.)

Governor Lamont Signed 198 P.A.'s into law

Governor Lamont Vetoed 3 P.A.s into law

Governor Lamont Line-Item Vetoed/Signed 2 P.A.s into law

Driving the debate this session: High cost of electricity and the Public Benefits Charge

SB 647: Republican Caucus Bill – Six Pillars. Shifted Public Benefits Charge to State Budget as individual line-items. Section 4 would have eliminated funding to Clean Energy Fund after July 1, 2025. Died in Committee.

SB 1560: "Pura/Quasi" Sen. John Fonfara Bill. Would have created the "CT Energy Procurement Authority". Sought to bond $2.4 Billion in GO bonds over a three-year period to remove Public Benefits from electric bills. Died on Senate Calendar but elements were incorporated into SB 4. (Securitization, Time of Use)

SB 4: Omnibus Energy Legislation for the 2025 legislative Session. **Green Bank funding was protected.**

Clean Energy Legislation

(SB 4) Public Act No. 25-173 AN ACT CONCERNING ENERGY AFFORDABILITY, ACCESS AND ACCOUNTABILITY.

(HB 5004 – "Green Monster") Public Act No. 25-125: AN ACT CONCERNING THE PROTECTION OF THE ENVIRONMENT AND THE DEVELOPMENT OF RENEWABLE ENERGY SOURCES AND ASSOCIATED JOB SECTORS

Public Act No. 25-127: AN ACT REQUIRING SOLAR DEVELOPERS TO PROVIDE FARMLAND RESTORATION BONDS FOR BOTH PETITION AND APPLICATION PROJECTS APPROVED BY THE SITING COUNCIL.

SB 4: AN ACT CONCERNING ENERGY AFFORDABILITY, ACCESS AND ACCOUNTABILITY (P.A. 25-173)

CONNECTICUT GREEN BANK

Section 1: BONDING FOR HARDSHIP PROTECTION MEASURES (OPM)

$250 million in new general obligation (GO) bonds ($125 million each in FYs 26 and 27) "Hardship Protection Measures"

Sections 2-3: BONDING FOR ELECTRIC VEHICLE CHARGING PROGRAM (OPM)

$30 million for FY 26 and $20 million for FY 27 in new GO bonds for OPM to fund the EV charging program.

Section 6: PURA STUDY OF RENEWABLE TARIFFS - "Current PURA Docket 25-02-14" PURA to report by 3/1/2026

1. a framework to encourage the aggregation of distributed energy resources that can respond and provide grid and retail market services;
3. how nonparticipating electric customers may be impacted by renewable energy tariff programs;
5. the costs and benefits of the renewable energy tariff programs and methods to maximize benefits to nonparticipating customers (e.g., reducing electric system distribution congestion).

Section 9: RENEWABLE ENERGY TARIFFS (PURA)

Fuel cells and anaerobic digestion facilities ineligible for the Non-Residential Renewable Energy Solutions (NRES) program
After January 1, 2026 requires RRES, SCEF projects, to emit no pollutants
After January 1, 2026 requires PURA to establish for RRES a nonbypassable charge of at least $3.25 cents/ buy-all to be similar.

Sections 10-16: SECURITIZATION OF FINANCED UTILITY SERVICES (PURA)

"Financed Utility Services" - Definition

Storm Costs (2018 -2025), AMI Infrastructure (smart meters), Fees associated with retiring bonds.

SB 4: AN ACT CONCERNING ENERGY AFFORDABILITY, ACCESS AND ACCOUNTABILITY (P.A. 25-173)

CONNECTICUT GREEN BANK.

- The bonding limit of these state issued Revenue Bonds is capped at $2.2 billion in the aggregate
- Bonds will be repaid by and backed by a charge on ratepayer bills called the Competitive Transition Assessment or "CTA"

Section 17: PROGRAM ADMINISTRATION

Allows PURA to select **the Green Bank,** the Department of Energy and Environmental Protection (DEEP), an EDC, a third party that PURA deems appropriate, or any combination of these entities, to administer any ratepayer-funded clean energy or renewable energy program PURA establishes in a proceeding.

Section 18: PUBLIC BENEFITS CHARGE STUDY

OCC with PURA/DEEP to study line items under the combined public benefits charge on EDC customer bills. Report to E&T by October 1, 2026. Cost & Benefits.

Sections 25-26: GRID ENHANCING TECHNOLOGIES or "GETS"

Requires EDC's and transmission owners to include project alternatives to siting council.
Requires EDC's to report to PURA on deployment of GETs.

" Grid-enhancing technology" is any hardware or software that increases the electric distribution or transmission system's capacity, performance, or efficiency. GETs include at least the following technologies:

4. energy storage (e.g., a battery).

Section 32: THERMAL ENERGY NETWORK GRANTS AND LOANS

Requires the DEEP to establish a thermal energy network grant and loan program, <u>within available appropriations</u>.
to support the development of thermal energy network projects on the customer's side of an electric meter.

SB 4: AN ACT CONCERNING ENERGY AFFORDABILITY, ACCESS AND ACCOUNTABILITY (P.A. 25-173)

CONNECTICUT GREEN BANK.

Section 43: INTEGRATED RESOURCES PLAN AND RENEWABLE PROCUREMENTS

DEEP to set targets within IRP after January 1, 2025 for new zero carbon Class I renewable sources to achieve additional 7% of load served by EDC's by 2030.

2. Class I renewable energy resources or large-scale hydropower to meet up to 5% of the state's load (CGS § 16a-3g);
3. certain Class I renewable energy resources and energy storage for up to 6% of the state's load (CGS § 16a-3h);
5. demand response resources, Class I and Class III resources, largescale hydropower, and natural gas resources (CGS § 16a-3j);
8. anaerobic digestion (CGS § 16a-3p).

Section 55: ELIMINATES PROGRAM FOR CERTAIN ENERGY STORAGE SYSTEMS

PURA Docket 25-01-15 – To develop a Front-of-the-meter storage program

Section 57: UNIFORM SOLAR CAPACITY TAX

$10,000 per MW Uniform Tax applied to projects over 1MW, exceed onsite load and receive PTO after July 1, 2026
Fixed over 20-year period. Municipal option exists to stabilize or freeze taxes.

Section 58: PROPERTY TAX EXEMPTION FOR CLASS I RENEWABLE ENERGY SOURCES

Exempts Solar projects from the personal property tax.
Assessment years on or after October 1, 2025.

Section 59: SOLAR CONSUMER PROTECTION TASK FORCE "E&T by January 1, 2026"

To develop protections for consumers who purchase, lease, or enter into PPAs for solar facilities.

The Green Bank has a designee on this Task Force (Stephanie Attruia has been appointed)

HB 5004: AN ACT CONCERNING THE PROTECTION OF THE ENVIRONMENT AND THE DEVELOPMENT OF RENEWABLE ENERGY SOURCES AND ASSOCIATED JOB SECTORS (P.A. 25-125)

CONNECTICUT GREEN BANK.

"GREEN MONSTER"

Sections 1-3: GREENHOUSE GAS EMISSIONS REDUCTION AND ZEROCARBON GOALS

Requires the state to reach an economy-wide net zero greenhouse gas (GHG) emission level by January 1, 2050.
Sets a goal for State Agencies to use only zero-carbon generating electricity by 2030.

Sections 6 & 7: CONNECTICUT CLEAN ECONOMY COUNCIL

Establishes a Connecticut Clean Economy Council to advise on strategies and policies to further climate mitigation, clean energy, resilience, and sustainability efforts. Develop plan to transition workers to clean energy jobs / submit annual report.
The Green Bank has a designee on this Council (Sara Harari has been appointed)

Section 9: RESIDENTIAL HEAT PUMP SYSTEMS PLAN & REBATE PROGRAM

DEEP to develop a plan for installing affordable heat pumps and (2) report on the plan to E&T by January 1, 2027.

Section 13: SOLAR CANOPY STRATEGIC PLAN

PURA to report to E&T on a solar canopy strategy and program design by January 15, 2027.

HB 5004: AN ACT CONCERNING THE PROTECTION OF THE ENVIRONMENT AND THE DEVELOPMENT OF RENEWABLE ENERGY SOURCES AND ASSOCIATED JOB SECTORS (P.A. 25-125)

CONNECTICUT GREEN BANK.

Section 15: HOUSING ENVIRONMENTAL IMPROVEMENT REVOLVING LOAN AND GRANT FUND REVISIONS

$125 million in GO bonds have been authorized to capitalize the fund. Funding yet to be allocated.
Makes various changes to the existing program:

(1) the program to finance qualifying projects located anywhere, rather than just in targeted areas,
(2) allows the program to provide financing to single-family homes in addition to multifamily homes, and
(3) expands the list of qualifying retrofit projects to include (a) adding resilience measures (e.g., flood protection) and (b) replacing heating, ventilation, and air conditioning systems of homes impacted by extreme weather events.

DEEP may enter into contracts with EDC’s, non-profits or quasi-public agencies to administer the fund. The section also limits the projects DEEP may approve to those benefitting current or prospective low-income residents.

Section 14: ENERGY COSTS REPORT

DEEP, in consultation with the OCC, to report to the E&T Committees on lowering energy costs, increasing community extreme weather resilience, and contributing to GHG emission reductions by February 1, 2026.

Section 17: RENTER UTILIZATION STUDY

Requires DEEP to study renters’ use of certain state energy efficiency and clean energy programs and report its findings and recommendations to the Environment and Energy and Technology committees by July 1, 2026

Environmental Infrastructure Legislation

** HB 5004 "Green Monster (Section)*

Public Act No. 25-33: AN ACT CONCERNING THE ENVIRONMENT, CLIMATE AND SUSTAINABLE MUNICIPAL AND STATE PLANNING, AND THE USE OF NEONICOTINOIDS AND SECOND-GENERATION ANTICOAGULANT RODENTICIDES

Public Act No. 25-152 AN ACT CONCERNING PROGRAMMING AT THE DEPARTMENT OF AGRICULTURE AND OTHER FARMING AND AGRICULTURE RELATED PROVISIONS. "CT FARM BILL"

HB 5004: AN ACT CONCERNING THE PROTECTION OF THE ENVIRONMENT AND THE DEVELOPMENT OF RENEWABLE ENERGY SOURCES AND ASSOCIATED JOB SECTORS (P.A. 125)

CONNECTICUT GREEN BANK.

Section 12: NATURE-BASED SOLUTIONS INITIATIVE

Requires DEEP to:

(1) evaluate how to integrate and advance nature-based solutions in specified programs to support climate change mitigation and adaptation, ecosystem resilience, and biodiversity;

(2) consider specified best practices as part of this evaluation; and

(3) post the evaluation on its website, hold a listening session for public comment, and give it to specified state agencies for their review and input including the Agriculture, Housing, Insurance, Public Health, and Transportation departments; the Connecticut Green Bank; and OPM.

Public Act No. 25-33: AN ACT CONCERNING THE ENVIRONMENT, CLIMATE AND SUSTAINABLE MUNICIPAL AND STATE PLANNING, AND THE USE OF NEONICOTINOIDS AND SECOND-GENERATION ANTICOAGULANT RODENTICIDES. (SB 9)

CONNECTICUT GREEN BANK

Governor Lamont – "Legislative Priority"

Section 1: FLOOD DISCLOSURES

Requires insurers who issue homeowners or renters insurance policies to provide insureds notice about flood insurance availability and requires financial institutions to notify mortgage applicants of flood damage risk and who to contact for flood insurance information. Revises the residential property condition report to include questions and statements about flood risk and flood insurance.

Section 7: LOCAL EVACUATION AND HAZARD MITIGATION PLANS

Beginning October 1, 2027, requires municipal evacuation or hazard mitigation plans to identify and address certain threats due to sea level change (e.g., to critical infrastructure) and ways to avoid or reduce climate change's effects. Requires the use of geospatial data in identifying those threats.

Section 11: PLANS OF CONSERVATION AND DEVELOPMENT

Expands the information that must be included in local, regional, and the state's plans of conservation and development to include strategies for responding to, and information related to, climate change effects (e.g., increased precipitation or extreme heat).

Public Act No. 25-33: AN ACT CONCERNING THE ENVIRONMENT, CLIMATE AND SUSTAINABLE MUNICIPAL AND STATE PLANNING, AND THE USE OF NEONICOTINOIDS AND SECOND-GENERATION ANTICOAGULANT RODENTICIDES. (SB 9)

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Section 16: ZONING REGULATIONS

Requires that municipal zoning regulations provide for proper ways to mitigate and avoid the negative effects of sea level change by allowing the regulations to (1) require or promote resilience and (2) give incentives for using flood-risk reduction building methods.

Sections 21-30: RESILIENCY IMPROVEMENT DISTRICTS

Creates a framework authorizing municipalities to establish Resiliency Improvement Districts (RID's) to finance capital projects addressing climate change mitigation, adaptation, or resilience. Allows municipalities to finance projects in these districts by designating incremental property tax revenue and specified savings generated in the district, imposing benefit assessments on real property in the district, and issuing bonds backed by these revenue streams and other sources. Allows municipalities to fix property tax assessments in the district for up to 30 years.

"Increased Savings" Definition - The current cost of any existing insurance premium, or other premium, surcharge or other fee identified within the resiliency improvement district may be reduced after the implementation of such district, resulting in a monetary savings to a resident of, or a business located in, such district.

Permits RID's to accept grants, advances, loans or other financial assistance from the federal government, the state, private entities or any other source, including, but not limited to, such funds as allowable from sections 7-159d, 16-245n, 22a-498 and 25-85 of the general statutes, and undertake any additional actions necessary or desirable to secure such financial aid.

Public Act No. 25-152 AN ACT CONCERNING PROGRAMMING AT THE DEPARTMENT OF AGRICULTURE AND OTHER FARMING AND AGRICULTURE RELATED PROVISIONS. "CT FARM BILL"

Section 9: FARMERS' CROP LOSS REIMBURSEMENT GRANT PROGRAM

Creates a grant program at DoAG to reimburse farmers for crop loss from major weather events.
The program must use funds to reimburse Connecticut farmers who incur crop loss from "significant acute" weather events.

The bill requires DoAg to set the program's parameters and post them on the agency's website.

Section 18: MANURE MANAGEMENT GRANT PROGRAM

Establishes the Manure Management Grant Program within DoAg. The department must use program funds to support farmers in adopting best practices for maintaining manure management systems.
The bill requires DoAg to set the program's parameters and post them on the agency's website.

Sections 21-22: FERTILIZERS AND SOIL AMENDMENTS WITH PFAS

Current law bans using, selling, or offering for sale as a soil amendment any biosolids (i.e. residue from treating domestic sewage) or wastewater sludge containing per- and polyfluoroalkyl substances (PFAS).

The bill instead bans using, selling, or offering for sale any fertilizer intended to be applied to land or soil amendment that contains biosolids or wastewater sludge containing PFAS.

The bill requires the DoAg commissioner to enforce it opposed to DEEP.

General Impact Legislation

Public Act No. 25-168 AN ACT CONCERNING THE STATE BUDGET FOR THE BIENNIUM ENDING JUNE 30, 2027, AND MAKING APPROPRIATIONS THEREFOR, AND PROVISIONS RELATED TO REVENUE AND OTHER ITEMS IMPLEMENTING THE STATE BUDGET.

Public Act No. 25-174 AN ACT AUTHORIZING AND ADJUSTING BONDS OF THE STATE AND CONCERNING GRANT PROGRAMS, STATE GRANT COMMITMENTS FOR SCHOOL BUILDING PROJECTS, REVISIONS TO THE SCHOOL BUILDING PROJECTS STATUTES AND VARIOUS PROVISIONS REVISING AND IMPLEMENTING THE BUDGET FOR THE BIENNIUM ENDING JUNE 30, 2027.

Public Act No. 25-168 AN ACT CONCERNING THE STATE BUDGET FOR THE BIENNIUM ENDING JUNE 30, 2027, AND MAKING APPROPRIATIONS THEREFOR, AND PROVISIONS RELATED TO REVENUE AND OTHER ITEMS IMPLEMENTING THE STATE BUDGET.

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Sections 152-153: HIGHER EDUCATION CONSTITUENT UNITS AND ENERGY-SAVINGS PERFORMANCE CONTRACTS

Allows a constituent unit of higher education to establish its own energy-savings performance contract process. Currently, municipalities and state agencies (including constituent units of higher education) may participate in DEEP's process, but only municipalities are currently authorized to opt out and establish their own process.

Sections 245-246: MUNICIPAL LIEN ASSIGNMENT (C-Pace)

Starting July 1, 2026, the bill reduces, from 18% to 12%, the annual interest rate on delinquent property taxes when a municipal tax collector files a lien on the property and assigns the lien (i.e. sells it to an outside party).

Under existing law, unchanged by the bill, delinquent property taxes generally accrue interest at a rate of 18% per year (CGS § 12-146).

However, for assignments executed on or after July 1, 2026, and beginning on the date a lien is assigned, the bill reduces this amount to 12% on the delinquent portion of the principal of the assigned taxes.

Public Act No. 25-168 AN ACT CONCERNING THE STATE BUDGET FOR THE BIENNIUM ENDING JUNE 30, 2027, AND MAKING APPROPRIATIONS THEREFOR, AND PROVISIONS RELATED TO REVENUE AND OTHER ITEMS IMPLEMENTING THE STATE BUDGET.

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Sections 273-274: SOLAR PHOTOVOLTAIC FACILITY EMERGENCY PREPAREDNESS PROGRAM (1MW or greater)

General Fund Account: The bill requires the Connecticut Siting Council to establish a solar photovoltaic facility emergency preparedness account, as a separate, non-lapsing account within the General Fund. Any federal reimbursements and grants received in support of DESPP's solar photovoltaic facility emergency preparedness program (see below) must be credited to the account. The treasurer must invest the funds and return any interest earned to the account.

Emergency Preparedness Program: The bill requires the DESPP commissioner to establish and administer a solar photovoltaic facility emergency preparedness program to (1) develop solar photovoltaic facility emergency response plans and (2) provide training and equipment to emergency response personnel in connection with these plans. Within available funds, the program must include:

1. development of a detailed solar photovoltaic facility emergency response plan for areas surrounding each facility,
2. annual training of state and local emergency response personnel concerning emergency responses to fires or other hazards located at or near these facilities,
3. development of accident scenarios and exercises for solar photovoltaic facility emergency response plans, and
4. provision of specialized response equipment necessary to respond to such emergencies.

Public Act No. 25-174 AN ACT AUTHORIZING AND ADJUSTING BONDS OF THE STATE AND CONCERNING GRANT PROGRAMS, STATE GRANT COMMITMENTS FOR SCHOOL BUILDING PROJECTS, REVISIONS TO THE SCHOOL BUILDING PROJECTS STATUTES AND VARIOUS PROVISIONS REVISING AND IMPLEMENTING THE BUDGET FOR THE BIENNIUM ENDING JUNE 30, 2027.

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Section 2: (Effective July 1, 2025) - DAS

(2) Installation of solar photovoltaic systems on state property, excluding state forests, parks, open spaces, farmland and natural area preserves, not exceeding $40,000,000.

Section 21: (Effective July 1, 2026) - DAS

(3) Installation of solar photovoltaic systems on state property, excluding state forests, parks, open spaces, farmland and natural area preserves, not exceeding $20,000,000.

Section 2: (Effective July 1, 2025) -DEEP/DAS

(4) For the purpose of funding projects in state buildings and assets that result in decreased environmental impacts, including projects: That improve energy efficiency pursuant to section 16a-38l of the general statutes; that reduce greenhouse gas emissions from building heating and cooling, including installation of renewable thermal heating systems; that expand electric vehicle charging infrastructure to support charging on state property; that reduce water use; that reduce waste generation and disposal; or for any renewable energy, or combined heat and power project in state buildings, not exceeding $5,000,000;

Section 21: (Effective July 1, 2026) - DEEP/DAS

Same as Above: $5,000,000 Allocation.

Section 108: (Effective July 1, 2025) (Subsection (b) of section 57 of public act 24-151 "2024 Bond Bill")
(b) The proceeds of the sale of such bonds, to the extent of the amount stated in subsection (a) of this section, shall be used by DEEP for the purpose of **supporting the cost-effective deployment of heat pumps for thermal needs throughout the state.**

Sec. 136. (Effective July 1, 2025) – Linked to funding in Section 21 for FY 26/27
Not later than January 1, 2026, the Department of Administrative Services shall develop a plan to implement the installation of solar photovoltaic systems on developed state properties and submit such plan, in accordance with the provisions of section 11-4a of the general statutes, to the joint standing committees of the General Assembly having cognizance of matters relating to finance, revenue and bonding and government administration and elections.

Board of Directors

Agenda Item #11
Adjourn

BOARD OF DIRECTORS OF THE
CONNECTICUT GREEN BANK
Regular Meeting Minutes

Friday, June 20, 2025
9:00 a.m. – 12:00 p.m.

A regular meeting of the Board of Directors of the **Connecticut Green Bank** (the "Green Bank") was held on June 20, 2025.

Board Members Present: Jamie Cosgrove, Joseph DeNicola, Adrienne Farrar Houël, Thomas Flynn, Dominick Grant, Kimberly Mooers, Lonnie Reed, Joanna Wozniak-Brown

Board Members Absent: John Harrity, Allison Pincus, Matthew Ranelli, Brenda Watson,

Staff Attending: Stephanie Attruia, David Beech, Joseph Bentley, Priyank Bhakta, Joe Boccuzzi, Joe Buonannata, Larry Campana, Shawne Cartelli, Sara Cody, Louise Della Pesca, James Desantos, Catherine Duncan, Mackey Dykes, Austin Dziki, Emma Ellis, Brian Farnen, Bryan Garcia, Sara Harari, Bert Hunter, Brett Hyska, Eleanor Keohane, Stefanie Keohane, Alex Kovtunenko, Edward Kranich, Cheryl Lumpkin, Kevin Moss, Jane Murphy, Tyler Rubega, Ariel Schneider, Janak Sekaran, Eric Shrago, Dan Smith, Heather Stokes, Marianna Trief, Leigh Whelpton

Others present: CT-N, Alyssa Curran, Erin McHugh, Satyen Moray, Ana Semeghini, Pallav Parakash and Pawan from Zum Services

1. Call to Order

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

2. Public Comments

- No public comments.

Lonnie Reed introduced First Selectman Jamie Cosgrove as the newest member of the Board of Directors.

3. Consent Agenda

a. Meeting Minutes of the April 25, 2025 meeting

<u>Resolution #1</u>

Motion to approve the meeting minutes of the Board of Directors for April 25, 2025.

b. C-PACE Transaction Extension – Enfield

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.

c. Authorized Signers

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

d. Position Descriptions

Resolutions #4

Motion to approve the position specifications for the Director of Smart-E Loan Program and

Director of Financing Programs, Solar MAP+.

Upon a motion made by Kimberly Mooers and seconded by Thomas Flynn, the Board of Directors voted to approve the Consent Agenda which includes Resolution 1 – 4. None opposed or abstained. Motion approved unanimously.

4. Committee Updates and Recommendations – Update and Recommendations

a. Budget, Operations, and Compensation Committee Updates

i. Proposed FY26 Targets, Budget, and Investments

- Eric Shrago summarized the FY26 targets for Financing Programs which includes 491 projects and over $98 million in capital deployed. For Incentive Programs, the FY26 targets include 1420 projects in over $53 million in capital deployed. For Environmental Infrastructure, the FY26 targets include 2 projects and $5 million in capital deployed. For Investments Programs, the FY26 targets include 37 projects and over $56.4 million in capital deployed.
- Eric Shrago summarized the FY26 projected revenues and explained the large increase which is due to REC revenue, Interest income, and mostly Grant income though that money is currently tied up in the courts. Without the increase from Grant income, there is still an overall increase in revenues. He summarized the FY26 Operating Expenses, highlighting the 4 new positions to support the growth of Environmental Infrastructure, the Smart-E program being brough back in-house from IPC, and the new reserve for when PPAs need to be abandoned after construction had started. He reviewed the FY26 Strategic Partners.
    - Thomas Flynn asked for clarification about the net income and revenue for the year and how much of the revenue is at risk. Eric Shrago responded that the Grant part is the most at risk which is about $70 million. Thomas Flynn asked what the plan is to mitigate the impact without that $70 million. Eric Shrago responded that expenses the Green Bank will wait to expend is the incentive compensation plan, other project development and consulting costs for certain programs, but that money is predominantly intended to be invested so there are other sources and partners that could be found in place of those funds. He also clarified that of the award, $40 million is the Green Bank's portion and the rest is to be re-granted onwards per CGC's awards.
    - Thomas Flynn asked why the incentive compensation plans are linked to the Grant awards and Eric Shrago responded they are specifically linked because of a time consideration; if the funds are not deployed within 1 year they are transformed from a grant to a loan and interest has to be paid on them. Thomas Flynn expressed concern about what the budget would look like without the $40 million and Eric Shrago responded that the majority of the budget would still be present, but the impact would be being able to source it from the Green Bank instead of looking for it from other partners. The group discussed options to look at the budget without the Grant income.
    - Dominick Grant asked if the Board needs to approve the budget as if the Green Bank was going to receive the Grant funds and Bryan Garcia responded that approving it with those funds included would be ideal given the position of the court case currently. Thomas Flynn commented that in order to be a good financial steward, he would like to see the analysis of the budget without those funds.
    - Bryan Garcia and Kimberly Mooers suggested amending the Resolution to include an additional Resolved subject to a report out at the July Board meeting that includes an analysis of the budget with respects to the impacts of the GGRF NCIF not being included as part of the budget and goals. Dan Smith calculated a preliminary analysis requested and presented it, which is an 8% increase in total revenues, and the bottom line has actually improved without the grants being considered. Eric Shrago

agreed to provide the Board a presentation of these numbers for the July meeting.

- Kimberly Mooers asked how the costs of bond issuances are recognized. Bert Hunter responded that the cost is paid out of pocket.

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.

RESOLVED, that in addition to the FY2026 Targets and Budget presented by staff, the Board of Directors requests that an additional budget presentation be presented and approved at the next meeting in July comparing with and without the Greenhouse Gas Reduction Fund's National Clean Investment Fund resources in terms of revenues and expenses.

Upon a motion made by Dominick Grant and seconded by Joseph DeNicola, the Board of Directors voted to approve Resolution 5 as discussed and amended. None opposed or abstained. Motion approved unanimously.

b. Audit, Compliance, and Governance Committee

i. Recommended Selection of Audit Firm for Audit Services for FY25-27

- Dan Smith presented the proposed Audit Firm selection which is for PKF O'Connor Davies for the next 3 years.

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.

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

ii. Loss Decision Process – Proposed Revisions

- Marianna Trief summarized the proposed changes to the Loss Decision Process as the prior policy did not address commercial solar projects terminated prior to completion and forbearance. She summarized the historical examples and development process for the policy, noting these kinds of terminations are a very small percentage of the portfolio. She noted that the item include which had not been presented to the ACG or Deployment Committees is a forbearance policy which allows Staff to approve any temporary relief for transactions up to $5 million and on year in duration without Board approval, and any extensions or amendments beyond those limits would require review under the existing Loss Decision Process based on the value of the modification or principal outstanding.

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.

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

iii. Legislative Session – 2025 in Review

- James Desantos summarized the recent legislative session which concluded on June 4, 2025. He highlighted that the Green Bank's funding through the Public Benefits charge was protected and that the legislations of note were SB 4 for energy and HB 5004 and SB 9 for clean energy, decarbonization, and resilience. He is preparing a 2025 Legislative Summary broken into 4 parts: quasi, clean energy, environmental infrastructure, and general, and will have a more detailed presentation at the next Board meeting on July 25, 2025.

5. Greenhouse Gas Reduction Fund – Updates and Recommendations

a. National Clean Investment Fund

i. Green School Buses – Zum in Branford

- Kevin Moss reviewed the history of the school bus electrification project, some reasons as to why it will benefit Connecticut air quality and Connecticut children's health, and then reviewed the technology for the buses and chargers. He summarized the project cost and investment requirements, noting the total financing request is for $12,208,011 including the DEEP Bridge Loan for $1.84 million. He summarized the investment structure, including the intent to turn it from a Clean Energy Fund project into an NCIF project should those funds become available, payment sculpting over the loan term, and expected Green Bank impact.
  - Bert Hunter commented that structurally the team spent a lot of time making sure that the project was future-proofed, should anything happen to Zum, and noted all the hard work that went into the development of this project.

Resolution #8

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 affect the above-mentioned financing for the Project.

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

6. Incentive Programs Updates and Recommendations

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

- Edward Kranich summarized the project revision from a 964 kW/1,928 kWh system to a 1,928 kW/3,854 kWh system with a revised upfront incentive of $553,833 and estimated performance incentive of $1,493,739.

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

- Edward Kranich summarized the project revision from a 2,000 kW/5,590 kWh system to a 2,000 kW/10,000 kWh system with a prorated incentive of 8,333 kWh for the Passive Dispatch compliance, with a revised upfront incentive of $989,544 and estimated performance incentive of $3,533,221.
    - Joseph DeNicola asked regarding the passive dispatch, if the battery isn't used according to the expectation if there is a recovery process for the upfront incentive. Edward Kranich responded that there is a claw-back mechanism and explained the

formula for determining the trigger for it.

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 affect the above-mentioned incentives consistent with the Procedures.

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

7. Financing Programs Updates and Recommendations
a. C-PACE Transaction – Branford

- Catherine Duncan summarized the project for a 220.7 kW DC solar rooftop system with roof work costing $672,051. The loan-to-value ratio is 66.9%, the lien-to-value ratio is 13.7%, the DSCR is 6.20x, the SIR is 1.16 and noted the owner has chosen not to sculpt the repayment schedule. She reviewed the cash flows, both standard and sculpted.

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 affect the above-mentioned legal instruments.

Upon a motion made Jamie Cosgrove by and seconded by Dominick Grant, the Board of Directors voted to approve Resolution 10. None opposed or abstained. Motion approved unanimously.

b. C-PACE Transaction – East Windsor

- Catherine Duncan summarized the project for a 331.7 kW DC solar rooftop system costing $745,625. The loan-to-value ratio is 60.7%, the lien-to-value ratio is 12.2%, the DSCR is 1.45x, and the SIR is 1.58, and she reviewed the cash flows which remain positive throughout.

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 affect the above-mentioned legal instruments.

Upon a motion made by Joseph DeNicola and seconded by Jamie Cosgrove, the Board of Directors voted to approve Resolution 11. None opposed or abstained. Motion approved unanimously.

c. C-PACE Transaction – Hartford

- Catherine Duncan summarized the project for a 460 kW DC HyAxiom Fuel Cell system and the property overview. She noted that due to the financed amount resulting in ratios that require exceptions to Green Bank standards, two financing options are being presented. She noted that a key component between the two options is related to a property tenant that has vacated the property but maintains a lease for another 11 years, which may cause them to want to buy out the lease. Catherine Duncan also noted that there is no cash flow to present because that is usually dependent on an ITC credit which begins in year 2, but there is no ITC credit for a fuel cell, and that the cash flows are positive in both presented options.
- Priyank Bhakta added that the loan-to-value and lien-to-values are exceptions because the team utilizes the book value, not the market value, of the property and a private appraisal is in process which is expected within the next 3 to 4 weeks. He also summarized the tenant paydown which seems likely that it will be honored, but as a conservative approach it was decided that if there was a lease buy out then a C-PACE assessment of up to $700,000 would be required to be repaid.

<u>**Resolution #12**</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 $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 affect the above-mentioned legal instruments.

Upon a motion made by Adrienne Farrar Houël and seconded by Thomas Flynn, the Board of Directors voted to approve Resolution 12. None opposed or abstained. Motion approved unanimously.

d. C-PACE Transaction – Milford

- Catherine Duncan summarized the project for a 250.11 kW DC carport solar system costing $1,103,748. The loan-to-value ratio is [redacted], the lien-to-value ratio is [redacted] the DSCR is [redacted], and the SIR is [redacted]. She reviewed the cash flows, both standard and sculpted, and noted the owner has chosen the standard repayment schedule.

<u>**Resolution #13**</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 $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 affect the above-mentioned legal instruments.

Upon a motion made by Dominick Grant and seconded by Jamie Cosgrove, the Board of Directors voted to approve Resolution 13. None opposed or abstained. Motion approved unanimously.

8. Investment Programs Updates and Recommendations

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

- Bert Hunter summarized the background of the Smart-E and Linked Deposits programs and reason for extension, given the higher interest rates are still holding. He summarized the history of the "Not To Exceed" rates for Smart-E and Linked Deposits program cost, including estimated for FY25 and FY26.

<u>Resolution #14</u>

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 affect 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 affect the above-mentioned legal instruments.

Upon a motion made by Joseph DeNicola and seconded by Jamie Cosgrove, the Board of Directors voted to approve Resolution 14. None opposed or abstained. Motion approved unanimously.

b. IPC – Loan Modification (Extension)

- Bert Hunter summarized the history of the IPC Loan Facility and reason for the proposed extension which is due to delays in securing and implementing funding programs associated with Solar For All award from the GGRF. There is confidence in IPC's ability to repay however as they have made their interest and principal payments to date and have taken several steps to reduce their expenses. As well, other funders have made the same accommodation through 2026 to IPC. He briefly reviewed the revised repayment schedule.

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 affect the above-mentioned legal instruments.

Upon a motion made by Joseph DeNicola and seconded by Adrienne Farrar Houël, the Board of Directors voted to approve Resolution 15. None opposed or abstained. Motion approved unanimously.

c. Department of Corrections Fuel Cell – Loan Transaction

- David Beech summarized the 800 KW DC system with 6,990 MWh expected in year 1, in partnership with HyAxiom to be the long-term owner which was selected through an RFP. He reviewed the long term debt structure, which is a sale-leaseback structure, for up to $4 million at a 3.0% interest rate based on a 1.25x DSCR.

<u>Resolution #16</u>

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 affect the above-mentioned legal instrument.

Upon a motion made by Kimberly Mooers and seconded by Jamie Cosgrove, the Board of Directors voted to approve Resolution 16. None opposed or abstained. Motion approved unanimously.

d. Cargill Falls – Loan Restructure

- Marianna Trief summarized the history of the Cargill Falls property which nears stabilization and only has a few planned vacancies remaining. She explained that while exploring how to restructure the CPACE loan the team was unable to proceed due to the financing not meeting statutory savings to investment ratio (SIR) requirement and presented the proposal for forbearance for those CPACE loan repayments at Staff discretion through August 2026 to allow the Green Bank to preserve its rights and offer cooperative solutions. She noted there is some information in regards for the proposed forbearance which is in the Board notes and not shared publicly due to confidentiality reasons.

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 August 1, 2026, 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 affect the above-mentioned legal instrument.

Upon a motion made by Dominick Grant and seconded by Joseph DeNicola, the Board of Directors voted to approve Resolution 17. None opposed or abstained. Motion approved unanimously.

e. PosiGen – Loan Modification Discussion

- Larry Campana summarized the request from PosiGen for a Convertible Note extension for 1 year and gave updates for Q1 2025 which had exceeded budgeted sales and installs, and the forecast for Q2 2025 which is expected to grow by about 150% due to newly added programs. He summarized PosiGen's history in Connecticut and as a partner of the Green Bank. However, the success of their programs has resulted in a need for more capital as the company continues to grow and is asking to delay the maturity date of the notes by 1 year.

<u>Resolution #18</u>

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 affect the above-mentioned legal instruments.

Upon a motion made by Jamie Cosgrove and seconded by Joseph DeNicola, the Board of Directors voted to approve Resolution 18. None opposed or abstained. Motion

approved unanimously.

- Joseph DeNicola asked, broadly, if there were any analysis around the impact of the changes in Washington on solar companies. Bryan Garcia responded that broadly the House-proposed bill that is in the Senate is going to impact the investment tax credit in either situation, though the Senate's proposal is less impactful. He explained the expected impacts to third-party owners and how the team is trying to develop potential responses and begin to plan in preparation for those changes. He noted that a more in-depth follow-up could be developed for future presentation.

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

Upon a motion made by Joseph DeNicola and seconded by Adrienne Farrar Houël, the Board of Directors voted to enter Executive Session at 11:10 am. None opposed or abstained. Motion approved unanimously.

Upon a motion made by Joseph DeNicola and seconded by Dominick Grant, the Board of Directors voted to return from Executive Session at 11:53 am. None opposed or abstained. Motion approved unanimously.

10. Adjourn

Upon a motion made by Joseph DeNicola and seconded by Jamie Cosgrove, the Board of Directors voted to adjourn at 11:55 am. None opposed or abstained. Motion approved unanimously.

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CONNECTICUT
GREEN BANK

Memo

To: Connecticut Green Bank Board of Directors

From: Eric Shrago (VP of Operations)

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

Date: July 25, 2025

Re: Fiscal Year 2025 Progress to Targets and Activity in Vulnerable Communities through Q4 - Preliminary

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The following memo outlines Connecticut Green Bank (CGB) progress to targets and capital deployed, including investments in vulnerable communities[1] for Fiscal Year (FY) 2025 as of June 30, 2025.

Organization

The following is progress to targets for the organization, including Financing, Incentive, and Environmental Infrastructure Programs, including vulnerable communities – see Tables 1 and 2

Table 1. CGB Totals Project Progress to Targets[2]

Actual	Target	% of Target
1,847	2,383	77.5%

Actual	Target	% of Target
$118,859,405	$113,969,715	104.3%

Actual	Target	% of Target
29.6	19.89	148.6%

$26,461,051
Total CGB Investment2

$95,905,750
Total Private Investment2

$122,366,801
Total Investment2

Table 2. CGB Totals Vulnerable Communities (excluding SBEA)

Vulnerable Community (excluding SBEA)

Vintage Vulnerable Community	Not Vulnerable						Vulnerable						Total					
YearFiscal	Capital Deployed	% of Total Capital Deployed	# Projects	% of Total Projects	Sum of MW	% of Total MW	Capital Deployed	% of Total Capital Deployed	# Projects	% of Total Projects	Sum of MW	% of Total MW	**Capital Deployed**	**% of Total Capital Deployed**	**# Projects**	**% of Total Projects**	**Sum of MW**	**% of Total MW**
2025	$56,185,445	53.13%	904	66.08%	16.6	56.10%	$49,568,717	46.87%	464	33.92%	13.0	43.90%	**$105,754,162**	**100.00%**	**1,368**	**100.00%**	**29.6**	**100.00%**

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[1] CGB Performance Metrics Power BI data source as of 7/11/2025: https://app.powerbi.com/groups/289235dd-d77d-4043-8dae-d232a51a116a/reports/dcec3754-1e52-4c0c-b579-cfa7df20379c/ReportSection3a1e4346c50856c3c008

[2] Capital Deployed is used to measure CGB Project Investment actuals to targets. It represents: the Fair Market Value (same as Amount Financed) for Commercial/Residential Leases/PPAs, the Amount Financed or Adjusted Gross System Cost (whichever is greater) for CPACE, the Amount Financed for Residential financing products and the Gross System Cost for all other programs. Total Investment represents the Total Gross System Cost for all programs and includes closing costs and capitalized interest for CPACE.

Financing Programs

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

Table 3. Financing Programs Progress to Targets

Progress to Targets

ProgramSegment	Project Counter Actual	Project Counter Target	% of Target	Capital Deployed Actual	Capital Deployed Target	% of Target	MW Actual	MW Target	% of Target	Total CGB Investment2	Total Private Investment2	Total Investment2
Financing	519	553	93.9%	$68,813,837	$56,657,520	121.5%	7.7	3.47	222.2%	$19,562,904	$49,250,933	$68,813,837

Progress to Targets

Program2	Project Counter Actual	Project Counter Target	% of Target	Capital Deployed Actual	Capital Deployed Target	% of Target	MW Actual	MW Target	% of Target	Total CGB Investment	Total Private Investment	Total Investment
Commercial Lease	3	4	75.0%	$3,353,659	$3,060,000	109.6%	1.3	0.00		$2,020,176	$1,333,483	$3,353,659
CPACE	24	23	104.3%	$42,950,301	$32,200,000	133.4%	2.9	0.00		$9,482,782	$33,467,519	$42,950,301
MAP	13	8	162.5%	$9,404,634	$8,797,520	106.9%	3.6	3.47	103.0%	$5,642,780	$3,761,854	$9,404,634
SBEA	479	518	92.5%	$13,105,243	$12,600,000	104.0%	0.0	0.00		$2,417,166	$10,688,077	$13,105,243

Table 4. Financing Programs Vulnerable Communities (excluding SBEA)

Vulnerable Community (excluding SBEA)

Vintage Vulnerable Community	Not Vulnerable						Vulnerable						Total					
ProgramSegment	Capital Deployed	% of Total	# Projects	% of Total	Sum of MW	% of Total	Capital Deployed	% of Total	# Projects	% of Total	Sum of MW	% of Total	**Capital Deployed**	**% of Total**	**# Projects**	**% of Total**	**Sum of MW**	**% of Total**
Financing	$28,720,968	49.78%	28	65.12%	6.8	80.93%	$28,976,164	50.22%	15	34.88%	1.6	19.07%	**$57,697,132**	**100.00%**	**43**	**100.00%**	**8.3**	**100.00%**

Vulnerable Community (excluding SBEA)

Vintage Vulnerable Community	Not Vulnerable						Vulnerable						Total					
ProgramName	Capital Deployed	% of Total	# Projects	% of Total	Sum of MW	% of Total	Capital Deployed	% of Total	# Projects	% of Total	Sum of MW	% of Total	**Capital Deployed**	**% of Total**	**# Projects**	**% of Total**	**Sum of MW**	**% of Total**
Commercial Lease	$5,252,772	98.33%	5	83.33%	1.9	98.38%	$89,425	1.67%	1	16.67%	0.0	1.62%	**$5,342,197**	**100.00%**	**6**	**100.00%**	**1.9**	**100.00%**
CPACE	$16,335,280	38.03%	13	54.17%	2.1	73.50%	$26,615,021	61.97%	11	45.83%	0.8	26.50%	**$42,950,301**	**100.00%**	**24**	**100.00%**	**2.9**	**100.00%**
MAP	$7,132,916	75.84%	10	76.92%	2.8	77.48%	$2,271,718	24.16%	3	23.08%	0.8	22.52%	**$9,404,634**	**100.00%**	**13**	**100.00%**	**3.6**	**100.00%**

Incentive Programs

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

Table 5. Incentive Programs Progress to Targets

Progress to Targets

ProgramSegment	Project Counter Actual	Project Counter Target	% of Target	Capital Deployed Actual	Capital Deployed Target	% of Target	MW Actual	MW Target	% of Target	Total CGB Investment2	Total Private Investment2	Total Investment2
Incentive	1,325	1,830	72.4%	$48,057,030	$55,312,195	86.9%	21.2	16.42	129.2%	$6,319,154	$45,245,272	$51,564,426

Progress to Targets

Program2	Project Counter Actual	Project Counter Target	% of Target	Capital Deployed Actual	Capital Deployed Target	% of Target	MW Actual	MW Target	% of Target	Total CGB Investment	Total Private Investment	Total Investment
Energy Storage Solutions - Commercial	6	5	120.0%	$14,751,756	$12,500,000	118.0%	11.4	10.00	113.7%	$2,609,394	$12,142,362	$14,751,756
Energy Storage Solutions - Residential	474	500	94.8%	$12,583,544	$16,000,000	78.6%	6.5	4.30	152.3%	$3,709,760	$8,873,784	$12,583,544
Smart-E	845	1,345	62.8%	$20,721,730	$26,912,195	77.0%	3.3	2.12	155.8%	$0	$24,229,126	$24,229,126

Table 6. Incentive Programs Vulnerable Communities

Vulnerable Community

Vintage Vulnerable Community	Not Vulnerable						Vulnerable						Total					
ProgramSegment	Capital Deployed	% of Total	# Projects	% of Total	Sum of MW	% of Total	Capital Deployed	% of Total	# Projects	% of Total	Sum of MW	% of Total	**Capital Deployed**	**% of Total**	**# Projects**	**% of Total**	**Sum of MW**	**% of Total**
Incentive	$27,464,477	57.15%	876	66.11%	9.8	46.33%	$20,592,552	42.85%	449	33.89%	11.4	53.67%	**$48,057,030**	**100.00%**	**1,325**	**100.00%**	**21.2**	**100.00%**

Vulnerable Community

Vintage Vulnerable Community	Not Vulnerable						Vulnerable						Total					
ProgramName	Capital Deployed	% of Total	# Projects	% of Total	Sum of MW	% of Total	Capital Deployed	% of Total	# Projects	% of Total	Sum of MW	% of Total	**Capital Deployed**	**% of Total**	**# Projects**	**% of Total**	**Sum of MW**	**% of Total**
Energy Storage Solutions - Commercial	$4,170,680	28.27%	4	66.67%	2.4	21.20%	$10,581,076	71.73%	2	33.33%	9.0	78.80%	**$14,751,756**	**100.00%**	**6**	**100.00%**	**11.4**	**100.00%**
Energy Storage Solutions - Residential	$7,671,928	60.97%	289	60.97%	4.7	71.80%	$4,911,616	39.03%	185	39.03%	1.8	28.20%	**$12,583,544**	**100.00%**	**474**	**100.00%**	**6.5**	**100.00%**
Smart-E	$15,621,870	75.39%	583	68.99%	2.7	82.34%	$5,099,860	24.61%	262	31.01%	0.6	17.66%	**$20,721,730**	**100.00%**	**845**	**100.00%**	**3.3**	**100.00%**

Table 7. Current Reporting Periods for Smart-E Lenders

Smart-E Lender Name	Latest Lender File Upload Date
Capital For Change	6/30/2025
CorePlus Federal Credit Union	6/30/2025
Eastern Connecticut Savings Bank	6/30/2025
First National Bank of Suffield	6/30/2025
Ion Bank	6/30/2025
Mutual Security Credit Union	6/30/2025
Nutmeg State Financial Credit Union	6/30/2025
Patriot Bank	6/30/2025
Thomaston Savings Bank	6/30/2025
Union Savings Bank	6/30/2025
Workers Federal Credit Union	6/30/2025
Liberty Bank	12/31/2023

Environmental Infrastructure Programs

The following is progress to targets for the Environmental Infrastructure Programs, including vulnerable communities – see Tables 8 through 11.

Table 8. Environmental Infrastructure Programs Progress to Targets

Progress to Targets

ProgramSegment	Project Counter Actual	Project Counter Target	% of Target	Capital Deployed Actual	Capital Deployed Target	% of Target	MW Actual	MW Target	% of Target	Total CGB Investment2	Total Private Investment2	Total Investment2
Incentive	41	21	195.2%	$1,204,255	$2,100,000	57.3%	0.0	0.00		$0	$1,388,682	$1,388,682

It should be noted that although Table 8 doesn't include the Deployment Committee's approval of the Bright Feeds transaction (i.e., thermal oxidizer on an organic waste upcycling facility) on May 16, 2025, Table 15 below captures the $1.3MM transaction, which is expected to close in Q1 of FY26.

Table 9. Environmental Infrastructure Programs Progress by Project Type[3]

Progress to Targets

ProgramSegment & Project Type	Project Counter Actual	Capital Deployed Actual	MW Actual
Incentive	**41**	**$1,204,255**	**0.0**
CR	22	$489,924	0.0
EE/CR	3	$37,562	0.0
RE/CR	16	$676,770	0.0
Total	**41**	**$1,204,255**	**0.0**

Table 10. Environmental Infrastructure Programs Progress by Measure

# Projects	Category	Measure Sub-Category
17	RE/CR	Battery Storage & PV
13	CR	Battery Storage
3	CR	Septic
3	CR	Flood Proofing
3	EE/CR	Flood Proofing & Mold Remediation
1	CR	Wells
1	CR	Flood Proofing & Landscaping
41		Total Projects

Table 11. Environmental Infrastructure Programs Vulnerable Communities

Vulnerable Community

Vintage Vulnerable Community	Not Vulnerable						Vulnerable						**Total**					
ProgramSegment	Capital Deployed	% of Total	# Projects	% of Total	Sum of MW	% of Total	Capital Deployed	% of Total	# Projects	% of Total	Sum of MW	% of Total	**Capital Deployed**	**% of Total**	**# Projects**	**% of Total**	**Sum of MW**	**% of Total**
Incentive	$850,831	70.65%	27	65.85%	0.0	100.00%	$353,424	29.35%	14	34.15%	0.0	0.00%	**$1,204,255**	**100.00%**	**41**	**100.00%**	**0.0**	**100.00%**

Vulnerable Community

Vintage Vulnerable Community	Not Vulnerable						Vulnerable						**Total**					
ProgramName	Capital Deployed	% of Total	# Projects	% of Total	Sum of MW	% of Total	Capital Deployed	% of Total	# Projects	% of Total	Sum of MW	% of Total	**Capital Deployed**	**% of Total**	**# Projects**	**% of Total**	**Sum of MW**	**% of Total**
Smart-E	**$850,831**	**70.65%**	**27**	**65.85%**	**0.0**	**100.00%**	**$353,424**	**29.35%**	**14**	**34.15%**	**0.0**	**0.00%**	**$1,204,255**	**100.00%**	**41**	**100.00%**	**0.0**	**100.00%**
CR	$393,104	80.24%	16	72.73%	0.0	100.00%	$96,820	19.76%	6	27.27%	0.0	0.00%	**$489,924**	**100.00%**	**22**	**100.00%**	**0.0**	**100.00%**
RE/CR	$445,380	65.81%	10	62.50%	0.0	100.00%	$231,390	34.19%	6	37.50%	0.0	0.00%	**$676,770**	**100.00%**	**16**	**100.00%**	**0.0**	**100.00%**
EE/CR	$12,347	32.87%	1	33.33%	0.0		$25,215	67.13%	2	66.67%	0.0		**$37,562**	**100.00%**	**3**	**100.00%**	**0.0**	
Total	**$850,831**	**70.65%**	**27**	**65.85%**	**0.0**	**100.00%**	**$353,424**	**29.35%**	**14**	**34.15%**	**0.0**	**0.00%**	**$1,204,255**	**100.00%**	**41**	**100.00%**	**0.0**	**100.00%**

[3] Acronyms: CR = Climate Resilience; RE = Renewable Energy; EE = Energy Efficiency

Investments

The following is progress to targets for Investments – see Tables 12 through 15.

Table 12 – Capital Investment Activity

Activity Type	Actual Amount	Target - Amount	Acutal Rate	Target Rate	Actual Term (months)	Target Term
Investments	$ 29,628,418.99	$ 45,916,000.00	5.4%	4%	122.4	120
Programmatic	$ 25,882,058.00	$ 29,384,000.00	4.3%	4%	179.1	120
Total	$ 55,510,476.99	$ 75,300,000.00	4.9%	4%	148.8	120

These investments will generate $17.6 MM in interest income over their lives or $14.4 MM on a present value basis.

Table 13. Investments Progress to Targets

Investments	Target	Closed Amount	Closed Target
7	9	$ 29,628,419	$ 45,916,000

Table 14. Investment Transactions Detail

Investment	Facility Type	CGB Capital	CGB Interest Rate	Fund Term (Months)	3rd Party Capital	Leverage Ratio
Skyview, (DHD Candlewood LLC) 2025 term loan	Term	$ 1,628,419	5%	216	$ 2,101,581	2.290565262
Skyview Construction Facility SV Bantam LLC	Construction	$ 2,000,000	5%	-	$ -	
IPC Term Loan Facility 2024	Term (addition to existing facility)	$ 5,000,000	5%	240	$ -	
Downeast (owned by MVCP LLC) Debt Facility	Term	$ 6,000,000	5%	216	$ 8,555,431	2.425905167
Scale Fuel Cell and Thermal Loop - Construction Loan	Construction & Term	$ 10,000,000	7%	18	$ 66,400,000	7.64
MSCU Smart-E Linked Deposit	Term Deposit	$ 5,000,000	3%	120	$ -	
Posigen 2nd Lien Expansion	Expansion of existing facility to include additional lender	$ -	0%		$ 6,000,000	
		$ 29,628,419	**5.4%**	**122.4**	**$ 80,955,431.00**	**5.674878417**

Table 15. Investment Approved but not closed transactions

Fund: Fund Name	Board Approved Facility Amount	Interest Rate	Fund Term (Months)
Sunwealth PPA - 2023 BL Term Loan	$4,820,000	5.000%	216
Elllington SCEF Project - Term Loan	$5,000,000	5.500%	216
Elllington SCEF Project - Construction Loan	$5,000,000	6.500%	18
SAP 1 - Debt to Total Energies	$20,000,000	3.500%	240
Sungage	$33,300,000	4.000%	240
Scale - Solar and Storage Portfolio - Construction Loan			
Scale - Solar and Storage Portfolio - Term Loan			
Voltpost		5.000%	24
Zum - Branford - Buses		5.000%	
Zum - Branford - Chargers		5.000%	
Zum - Branford - Infrastructure		5.000%	
DOC York Fuel Cell Term Facility - Hosler Financial Services	$4,000,000	3.000%	120
Smart-E Linked Deposits	$5,000,000	3.000%	120
Bright Feeds	$1,300,000	5.500%	120
	$78,420,000	4%	207

Resolutions

WHEREAS, in July of 2011, the Connecticut General Assembly passed Public Act 11-80 (the Act), "AN ACT CONCERNING THE ESTABLISHMENT OF THE DEPARTMENT OF ENERGY AND ENVIRONMENTAL PROTECTION AND PLANNING FOR CONNECTICUT'S ENERGY FUTURE," which created the Connecticut Green Bank (the "Green Bank") to develop programs to finance and otherwise support clean energy investment per the definition of clean energy in Connecticut General Statutes Section 16-245n(a);

WHEREAS, in July 2021, Governor Ned Lamont signed "An Act Concerning Climate Change Adaptation" into law, which expanded the scope of the Green Bank beyond "clean energy" to include "environmental infrastructure;" and,

WHEREAS, the Board of Directors of the Connecticut Green Bank approved a Comprehensive Plan for FY 2025 including approving annual budgets and targets for FY 2025.

NOW, therefore be it:

RESOLVED, that Board has reviewed and approved the Progress to Targets and Activity in Vulnerable Communities memo dated July 25, 2025, which provides an overview of the performance of the Incentive Programs, Financing Programs, Environmental Infrastructure Programs, and Investments with respect to their FY 2025 targets.

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CONNECTICUT GREEN BANK

Memo

To: Board of Directors of the Connecticut Green Bank

From: Brian Farnen, VP, CLO and General Counsel

Date: July 18, 2025

Re: Overview of Compliance Reporting and the Board of Directors and Committees for FY 2025

Overview

This memo provides a summary report of the FY 2025 governance as it pertains to the Board of Directors and its Committees.

This summary report also includes status of Statement of Financial Interest (SFI) filing requirements, report filings that are statutorily required by the Connecticut General Assembly for the Connecticut Green Bank (Green Bank), and review of governance documents (i.e., bylaws, operating procedures, etc.).

Pursuant to Section 16-245n of the General Statutes of Connecticut, the powers of the Green Bank are vested in and exercised by the Board of Directors that is comprised by up to twelve voting and one non-voting member, each with knowledge and expertise in matters related to the purpose of the organization (see Table 1).

Table 1. Composition of the Board of Directors of the Green Bank in FY 2025

Position	Name	Status (as of 6-30-25)	Voting
Commissioner of DECD (or designee)	Allison Pincus	Ex Officio	Yes
Commissioner of DEEP (or designee)	Joseph DeNicola	Ex Officio	Yes
State Treasurer (or designee)	Kim Mooers	Appointed	Yes
Commissioner of OPM (or designee)	Joanna Wozniak-Brown	Ex Officio	Yes
Finance of Renewable Energy	Adrienne Farrar Houël	Appointed	Yes
Finance of Renewable Energy	Dominick Grant	Appointed	Yes
Labor Organization	John Harrity	Appointed	Yes
R&D or Manufacturing	Lonnie Reed	Appointed	Yes
Investment Fund Management	Jamie Cosgrove[1]	Appointed	Yes
Environmental Organization	Matthew Ranelli	Appointed	Yes
Finance or Deployment	Tom Flynn	Appointed	Yes

[1] As of June, 2025, Jamie Cosgrove has been designated by the Minority Leader of the House of Representatives, which position was previously vacant in FY25.

Residential or Low Income	Brenda Watson	Appointed	Yes
President of the Green Bank	Bryan Garcia	Ex Officio	No

Board of Directors
The Board of Directors of the Green Bank is comprised of twelve (12) ex officio and appointed voting members, and one (1) ex officio non-voting member. A quorum for a meeting of the Board of Directors has six (6) voting members at each meeting.[2]

The leadership of the Board of Directors, includes:

- **Chair** – Lonnie Reed
- **Vice Chair**– Joseph DeNicola, DEEP
- **Secretary** – Matthew Ranelli, Partner at Shipman and Goodwin
- **Staff Lead** – Bryan Garcia, President and CEO

For FY 2025, the Board of Directors of the Green Bank met nine (9) times, seven of which were regularly scheduled meetings, and two of which were special meetings (see Table 2).

Table 2. Summary of Board of Directors Meetings for FY 2024

Date	Regular or Special Meeting	Attendees / % Attendance	# of Resolutions Approved[3]
July 26, 2024	Regular	8 / 72%	16
October 25, 2024	Regular	7 / 63%	10
December 13, 2024	Regular	10 / 90%	10
January 24, 2025	Regular	7 / 63%	7
January 29, 2025	Special	9 / 81%	6
February 19, 2025	Special	7 / 63%	3
March 21, 2025	Regular	10 / 90%	8
April 25, 2025	Regular	9 / 81%	9
June 20, 2025	Regular	8 / 66%[4]	18
Total	7 Regular Meetings 2 Special Meetings **9 Total Meetings**	75% 72% **74%**	78 9 **87**

Overall, the attendance for each meeting established a quorum – 6 of the 11 voting members present[5] – in order to enable business decisions, and on average there were members present at each meeting.

For a link to the materials from the Board of Directors meetings that is publicly accessible – click here.

Statement of Financial Interest

[2] It should be noted that prior to Jamie Cosgrove, there were eleven (11) appointed members, and therefore quorum was six (6) for every meeting except June 20, 2025.
[3] Excludes adjournment.
[4] Calculation of percentage adjusted to account for Jamie Cosgrove's appointment, which filled a vacancy on the Board.
[5] Except for June 20, 2025

It is required by state ethics laws that senior-level staff (i.e., Director level and above) and members of the Board of Directors annually file a Statement of Financial Interest (SFI). With respect to the 2024 SFI filing – required by May 1, 2025, the OSE received the following from the Connecticut Green Bank (see Table 3):

Table 3. Summary of State of Financial Interest Filings with the Office of State Ethics for CY 2024

	Number of SFIs Submitted	% Submitted on Time and Electronic
Senior Staff	7	100%
Board of Directors	8	100%

Of the fifteen (15) SFI filings by Senior Staff and the Board of Directors, all were filed online. On June 2, 2025, the Office of State Ethics sent out their May/June Spotlight Newsletter (linked here) in which they congratulated us for being one of sixty-eight (68) agency "SFI Champions" that earned the distinction of "100% timely" compliance.

Audit, Compliance and Governance Committee

The Audit, Compliance and Governance Committee (ACG Committee) of the Green Bank is comprised of four (4) ex officio and appointed voting members. A quorum for a meeting of the ACG Committee is three (3) voting members at each meeting. Note that if there are not enough voting members of the ACG Committee present at a meeting, then the Chair and/or Vice Chair of the Connecticut Green Bank can participate in the meeting to establish a quorum. The leadership of the ACG Committee, includes:

- **Chair** – Tom Flynn
- **Members** – Lonnie Reed, Matthew Ranelli, and Joanna Wozniak Brown
- **Staff Lead** – Brian Farnen, CLO and General Counsel

For FY 2025, the ACG Committee of the Connecticut Green Bank met three (3) times, all regularly scheduled meetings. (See Table 4).

Table 4. Summary of Audit, Compliance and Governance Committee Meetings for FY 2025

Date	Regular or Special Meeting	Attendees / % Attendance	# of Resolutions Approved
October 8, 2024	Regular	3 / 75%	2
January 14, 2025	Regular	3 / 75%	1
May 13, 2025	Regular	4 / 100%	4
Total	**3 total meetings**	**Avg. 83%**	**9**

The attendance established a quorum with at least 3 voting members present – in order to enable business decisions.

For a link to the materials from the ACG Committee meetings that is publicly accessible – click here.

Review of Governance Documents and Statutory Reporting

With respect to annual review of governance documents and statutory reporting, the following applies:

- Annual review by the ACG Committee of the Governance Documents (i.e., Bylaws, Operating Procedures, and Statement of Purpose) completed on October 8, 2024, Brian Farnen recommended no changes.
- Statutory Responsibilities and Reporting Checklist attached hereto as Exhibit A for continuous reporting tracking.

Budget, Operations, and Compensation Committee

The Budget, Operations, and Compensation Committee (BOC Committee) is comprised of five (5) ex officio and appointed voting members. A quorum for a meeting of the BOC Committee is three (3) voting members at each meeting. Note that if there are not enough voting members of the BOC Committee present at a meeting, then the Chair and/or Vice Chair of the Green Bank can participate in the meeting to establish a quorum. The leadership of the BOC Committee, includes:

- **Chair** – John Harrity, Labor Union Representative (designated as the Chair by the former Chair of the Board Catherine Smith)

- **Members** – Lonnie Reed[6], Brenda Watson, Adrienne Farrar Houël, Allison Pincus

- **Staff Lead** – Eric Shrago, Vice President of Operations

For FY 2025, the BOC Committee of the Green Bank met four (4) times, three of which were regularly scheduled and one of which was a special meeting (see Table 5).

Table 5. Summary of Budget Operations and Compensation Committee Meetings for FY 2023

Date	Regular or Special Meeting	Attendees / % Attendance	# of Resolutions Approved
October 8, 2025	Special	5 / 100%	2
January 15, 2025	Regular	5 / 100%	3
May 7, 2025	Regular	4 / 80%	1
June 4, 2025	Regular	4 / 80%	2
Total	**4 Total Meetings**	**Avg. 90%**	**8**

Attendance at each of the BOC Committee meetings established a quorum – 3 voting members present – in order to enable business decisions.

For a link to the materials from the BOC Committee meetings that is publicly accessible – click here.

Deployment Committee

The Deployment Committee of the Green Bank is comprised of six (6) ex officio and appointed voting members. A quorum for a meeting of the Deployment Committee is four (4) voting members at each meeting. Note that if there are not enough voting members of the Deployment Committee

[6] As needed.

present at a meeting, then the Chair and/or Vice Chair of the Green Bank can participate in the meeting to establish a quorum. The leadership of the Deployment Committee, includes:

- **Chair** – Joseph DeNicola, DEEP Designees
- **Members** – Lonnie Reed[7], Matthew Ranelli, Dominick Grant, Allison Pincus, and Erick Russell
- **Staff Lead** – Bryan Garcia, President and CEO, and Bert Hunter, EVP and CIO

For FY 2025, the Deployment Committee of the Green Bank met three (3) times, all of which were regularly scheduled (see Table 6). Two regularly scheduled meetings, on November 13, 2024 and February 19, 2025, were cancelled.

Table 6. Summary of Deployment Committee Meetings for FY 2024

Date	Regular or Special Meeting	Attendees / % Attendance	# of Resolutions Approved
November 13, 2024	Regular	5 / 83%	6
December 9, 2024	Regular	5 / 83%	2
May 21, 2025	Regular	4 / 66%	6
Total	**3 Total Meetings**	**Avg. 77%**	**14**

Overall, the attendance for each meeting established a quorum – 4 of the 6 voting members present – in order to enable business decisions.

For a link to the materials from the Deployment Committee meetings that is publicly accessible – click here.

Joint Committee of the Energy Efficiency Board and the Green Bank

Section 16-245m(d)(2) of the Connecticut General Statutes created a Joint Committee of the Energy Efficiency Board (EEB) and the Green Bank. Per bylaws established and approved by the EEB and the Green Bank, the Joint Committee is comprised of four (4) appointed and voting members, one (1) ex officio and voting member, and four (4) ex officio and non-voting members. A quorum for a meeting of the Joint Committee is three (3) voting members at each meeting. The leadership of the Joint Committee, includes:

- **CGB Members** – Brenda Watson, Executive Director, North Hartford Partnership, Lonnie Reed[8] and John Harrity, CT Roundtable on Climate and Jobs (voting, Green Bank designees)
- **Vice Chair** – Joseph DeNicola, DEEP (voting)

[7] As needed.
[8] As needed.

- **Staff Lead** – Bryan Garcia, President and CEO of the Green Bank

For FY 2025, the Joint Committee of the EEB and the Green Bank met four (4) times, including three (3) regularly scheduled meetings and one (1) special meeting (see Table 7).

Table 7. Summary of Joint Committee Meetings for FY 2025

Date	Regular or Special Meeting	Attendees / % Attendance Voting (CGB)
July 22, 2024	Special	2 / 100%
September 25, 2024	Regular	2 / 100%
March 19, 2025	Regular	2 / 100%
June 18, 2025	Regular	2 / 100%
Total	**4 Total Meeting**	**Avg. 100%**

Overall, the attendance for each meeting established a quorum – 3 of the 4 voting members present – in order to enable business decisions, and on average there were 4 members present at each meeting.

For a link to the materials from the Joint Committee meetings that is publicly accessible – click here.

RESOLUTIONS

WHEREAS, in July of 2011, the Connecticut General Assembly passed Public Act 11-80 (the Act), “AN ACT CONCERNING THE ESTABLISHMENT OF THE DEPARTMENT OF ENERGY AND ENVIRONMENTAL PROTECTION AND PLANNING FOR CONNECTICUT’S ENERGY FUTURE,” which created the Connecticut Green Bank (the “Green Bank”) and vests the power in a Board of Directors comprised of eleven voting and one non-voting member; and

WHEREAS, the structure of the Board of Directors is governed by the bylaws of the Connecticut Green Bank, including, but not limited to, its powers, meetings, committees, and other matters.

NOW, therefore be it:

RESOLVED, that Board has reviewed and approved the Overview of Compliance Reporting and the Board of Directors and Committees for FY 2025 memo dated July 18, 2025, prepared by staff, which provides a summary report of the FY 2025 governance of the Board of Directors and its Committees of the Connecticut Green Bank.

Exhibit A

Checklist of Statutorily Required Reports

Quarterly Cash Flow

Quarter End	*Submitted*
9/30/13	3/14/14
12/31/13	3/14/14
3/31/14	4/21/15
6/30/14	4/21/15
9/30/14	6/16/16
12/31/14	6/16/16
3/31/15	6/16/16
6/30/15	6/16/16
9/30/15	5/31/16
12/31/15	5/31/16
3/31/16	5/31/16
6/30/16	8/10/16
9/30/16	11/8/16
12/31/16	2/23/17
3/31/17	5/10/17
6/30/17	8/9/17
9/30/17	12/21/17
12/31/17	2/28/18
3/31/18	5/17/18
6/30/18	9/5/18
9/30/18	11/28/18
12/31/18	7/11/19
3/31/19	9/23/19
6/30/19	9/23/19
9/30/19	12/27/19
12/31/19	3/26/20
3/31/20	6/22/20
6/30/20	9/28/20
9/30/20	12/18/20
12/31/20	3/11/21
3/31/21	6/22/21
6/30/21	9/23/21
9/30/21	12/28/21
12/31/21	3/11/22
3/31/22	6/23/22
6/30/22	9/30/22
9/30/22	12/29/22
12/31/22	3/28/23
3/31/23	6/22/23
6/30/23	9/27/23
9/30/23	12/19/23
12/31/23	3/7/24
3/31/24	6/27/24
6/30/24	9/27/24
9/30/24	12/18/24
12/31/24	3/18/25
3/31/25	6/25/25
6/30/25	
9/30/25	

Quarterly Human Resources

Quarter End	*Submitted*
10/1/13	6/17/14
1/1/14	6/17/14
4/1/14	6/17/14
7/1/14	8/5/14
10/1/14	10/2/14
1/1/15	1/12/15
4/1/15	4/12/15
7/1/15	7/9/15
10/1/15	10/9/15
1/1/16	1/8/16
4/1/16	3/31/16
7/1/16	7/5/16
10/1/16	10/5/16
1/1/17	2/21/17
4/1/17	4/10/17
7/1/17	7/17/17
10/1/17	10/6/17
1/1/18	1/9/18
4/1/18	4/2/18
7/1/18	7/5/18
10/1/18	10/3/18
1/1/19	1/3/19
4/1/19	4/1/19
7/1/19	7/1/19
10/1/19	10/1/19
1/1/20	1/3/20
4/1/20	4/3/20
7/1/20	7/7/20
10/1/20	10/9/20
1/1/21	1/11/21
4/1/21	4/1/21
7/1/21	6/30/21
10/1/21	9/30/21
1/1/22	1/11/22
4/1/22	4/1/22
7/1/22	7/12/22
10/1/22	10/2/22
1/1/23	12/29/22
4/1/23	4/3/23
7/1/23	7/2/23
10/1/23	9/30/23
1/1/24	12/29/23
4/1/24	3/31/24
7/1/24	7/1/24
10/1/24	9/30/24
1/1/25	12/27/24
4/1/25	3/31/25
7/1/25	7/2/25
10/1/25	
1/1/26	

Sec. 1-123

Due	*Submitted*
1/1/15	12/30/14
1/1/16	12/31/15
1/1/17	12/29/16
1/1/18	12/27/17
1/1/19	12/31/18
1/1/20	12/31/19
1/1/21	12/30/20
1/1/22	12/29/21
1/1/23	12/30/22
1/1/24	12/20/23
1/1/25	12/20/24
1/1/26	

~~REEEFA Bonding~~

~~Due~~	*~~Submitted~~*
~~1/1/13~~	~~2/8/13~~
~~1/1/14~~	~~1/15/14~~
~~1/1/15~~	~~3/15/15~~
~~1/1/16~~	~~12/23/15~~
~~1/1/17~~	~~12/15/16~~
~~1/1/18~~	~~12/1/17~~
~~1/1/19~~	~~12/31/18~~
~~1/2/19~~	~~12/30/19~~
~~1/3/21~~	~~12/30/20~~
~~1/4/22~~	~~12/29/21~~
~~1/1/23~~	~~12/30/22~~
~~1/1/24~~	~~12/18/23~~
~~1/1/25~~	~~12/6/24~~

SCRF Notice

Reason Required	*Submitted*
CSCU deal	12/1/17
CSCU, Meriden	11/30/18
CSCU, Meriden	12/30/19
CSCU, Meriden, SHREC	12/7/20
4 certificates	11/24/21
4 certificates	11/24/22
3 Certificates	11/21/23
SCRF	11/26/24
12/1/25	

~~RSIP~~

~~Due~~	*~~Submitted~~*
~~1/1/14~~	-
~~1/1/17~~	~~1/30/17~~
~~1/1/19~~	~~1/11/19~~
~~1/1/21~~	~~12/31/20~~
~~1/1/23~~	~~12/29/22~~

Annual Report

Due	*Submitted*
1/1/15	12/30/14
1/1/16	12/31/15
1/1/17	10/17/16
1/1/18	12/1/17
1/1/19	1/11/19
1/1/20	12/27/19
1/1/21	12/31/20
1/1/22	12/29/21
1/1/23	12/20/22
1/1/24	12/18/23
1/1/25	12/23/24
1/1/26	

Board Meetings

Held	*Type*	*Held*	*Type*
12/16/15	regular	2/22/19	regular
1/15/16	regular	3/29/19	regular
2/26/16	special	4/26/19	regular
3/3/16	special	6/28/19	regular
4/22/16	regular	7/18/19	regular
6/17/16	regular	9/12/19	regular
7/6/16	special	10/25/19	regular
7/22/16	regular	11/20/19	special
10/21/16	regular	12/20/19	regular
12/16/16	regular	1/24/20	regular
1/5/17	special	3/25/20	regular
1/20/17	regular	4/24/20	regular
3/10/17	special	6/26/20	regular
4/28/17	regular	7/24/20	regular
6/9/17	special	9/23/20	special
6/23/17	regular	10/23/20	regular
7/21/17	regular	12/18/20	regular
9/28/17	regular	1/22/21	regular
10/3/17	special	3/26/21	regular
10/20/17	regular	4/6/21	special
11/6/17	special	4/23/21	regular
11/13/17	special	6/25/21	regular
12/1/17	special	7/23/21	regular
12/15/17	regular	10/22/21	regular
1/26/18	regular	12/17/21	regular
2/15/18	special	1/21/22	regular
4/3/18	regular	3/25/22	regular
4/27/18	regular	4/22/22	regular
5/25/18	special	6/24/22	regular
6/13/18	regular	7/22/22	regular
6/28/18	regular	7/28/22	special
7/27/18	regular	10/21/22	regular
8/21/18	special	12/16/22	regular
9/18/18	special	1/20/23	regular
10/26/18	regular	3/17/23	regular
12/14/18	regular	4/21/23	regular
[redacted]		6/23/23	regular
1/1/24	Regular	7/21/23	regular
1/29/25	Special	8/3/23	special
2/19/25	Special	10/20/23	regular
3/21/25	Regular	12/20/2023	regular
4/25/24	Regular	1/26/2024	regular
6/20/25	Regular	3/15/2024	regular
		4/26/2024	regular
		6/21/2024	regular
		7/26/24	regular
		10/25/24	regular
		12/13/24	regular
		[redacted]	

OpenCT Checkbook Data to Comptroller

Requested by	*Delivered*
1/15/19	1/10/19
2/1/20	1/31/20
3/15/21	3/15/21
3/31/22	3/31/22
3/31/23	3/29/23
3/15/24	3/15/2024
3/31/25	3/18/2025
3/31/26	

~~Board Diversity~~

~~Due~~	*~~Submitted~~*
~~10/1/19~~	~~9/25/19~~
~~10/1/21~~	~~9/14/21~~

Not required to file per CT SOTS

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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: 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: July 25, 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, 3 projects were evaluated and approved for funding in an aggregate amount of approximately $425,106 for Financing Programs. And, during this period, 3 projects were evaluated and approved for funding in an aggregate amount of approximately $477,458 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	500 Main St, Winsted, CT 06098	
Municipality	Winchester	
Property Owner	Impetus Properties, LLC	
Type of Building	Mixed-Use	
Building Size *(sf)*	19,098sf / 20 units	
Year of Build / Most Recent Renovation	1910 / 2021	
Environmental Screening Report	[redacted]	
Project Information		
Proposed Project Description	36.18 kW DC rooftop solar installation	
Contractor	[redacted]	
Objective Function	21.01 kBTU / ratepayer dollar at risk	
Tariff	Buy All/Sell All (secured)	
		Total
Projected Energy Savings (mmBTU)	Year One	143
	Over EUL	2,729
Estimated Cost Savings (incl. RECs/Tariff and tax benefits)	Year One	$15,698
	Over EUL	$359,842
Financial Metrics		
C-PACE Assessment (Ratepayer funds at risk)	$129,910	
Term Duration *(years)*	20	
Term Rate	5.25% annually	
Construction Rate	5.00% annually	
Annual C-PACE Assessment	$10,569	
Average DSCR over Term	[redacted]	
Savings-to-Investment Ratio		
Lien-to-Value *(LiTV)*		
Loan-to-Value *(LTV)*		
Appraisal Value		
Mortgage Lender Consent		
Co-Borrower	N/A	

Summary

Property Information		
Property Address	1227 Whitney Ave. Hamden, CT 06517	
Municipality	Hamden	
Property Owner	Rodney L. Groff	
Type of Building	Office	
Building Size *(sf)*	1,334	
Year of Build / Most Recent Renovation	1975	
Environmental Screening Report	[redacted]	

Project Information		
Proposed Project Description	10.8 kW DC rooftop solar installation	
Contractor	[redacted]	
Objective Function	18.67 kBTU / ratepayer dollar at risk	
Tariff	Buy All/Sell All (secured)	
		Total
Projected Energy Savings (mmBTU)	Year One	31.17
	Over EUL	735
Estimated Cost Savings (incl. RECs/Tariff and tax benefits)	Year One	$2,397
	Over EUL	$47,946

Financial Metrics	
C-PACE Assessment (Ratepayer funds at risk)	$33,395
Term Duration *(years)*	15
Term Rate	5.00% annually
Construction Rate	5.00% annually
Annual C-PACE Assessment	$3,191
Average DSCR over Term	[redacted]
Savings-to-Investment Ratio	[redacted]
Lien-to-Value *(LiTV)*	[redacted]
Loan-to-Value *(LTV)*	[redacted]
Appraisal Value	[redacted]
Mortgage Lender Consent	[redacted]
Co-Borrower	N/A

Summary

Property Information		
Property Address	383 Jackson Street Willimantic, CT 06226	
Municipality	Windham	
Property Owner	Temple Bnai Israel	
Type of Building	Place of Worship	
Building Size *(sf)*	19,382	
Year of Build / Most Recent Renovation	1963	
Environmental Screening Report	[redacted]	
Project Information		
Proposed Project Description	Total 86 kW [57.8 kW Ground mount and 27.2 kW Rooftop (DC) Solar]	
Energy Contractor	[redacted]	
Objective Function	32.20 kBTU / ratepayer dollar at risk	
Tariff	Netting Approved	
		Total
Projected Energy Savings (mmBTU)	Year One	358
	Over EUL	8,431
Estimated Cost Savings (incl. RECs/Tariff and tax benefits)	Year One	$31,608
	Over EUL	$632,156
Financial Metrics		
C-PACE Assessment (Ratepayer funds at risk)	$262,650	
Term Duration *(years)*	15	
Term Rate	5.00%	
Construction Rate	5.00%	
Annual C-PACE Assessment	25,016	
Average DSCR over Term	[redacted]	
Savings-to-Investment Ratio		
Lien-to-Value *(LiTV)*		
Loan-to-Value *(LTV)*		
Appraisal Value[1]		
Mortgage Lender Consent		
Co-Borrower	N/A	

1. Appraised value per property card (see memorandum for explanation of absence of appraisal) of [redacted] 50% of the C-PACE project costs.

Energy Storage Solution Program
Upfront Incentive Application

Project Description	Installation of Yotta Battery alongside PV system for Dunbar Hill School in Hamden

Customer / Site information

Customer Name	Town of Hamden – Dunbar Hill School
Address	315 Lane St., Hamden, CT
Business Purpose	Elementary School
Incentive Application No.	ESS-02030
Customer Peak Demand (kW)	133 kW
Customer Class (S / M / L)	Small
Project Developer / Installer	Daisy Solutions
System Owner	Sunrock Renewables LLC

Program Eligibility

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

Battery Energy Storage System (BESS) Characteristics

System Configuration	Paired with new on-site generation
Expected Program Participation	Passive and Active Dispatch
BESS Make / Model	60 x Yotta Energy SL1000 (1 kWh)
BESS Power Rating (kW)	207.9 kW (shared microinverters with solar PV system)
BESS Energy Capacity (kWh)	60 kWh
BESS Technology Approval Status	Pre-Approved
Interconnection Application Filed	Yes
Interconnection Study Required	No
Estimated Project Cost	$422,130 (including PV)

Benefit / Cost Ratios

RIM – Ratepayer Impact Measure	1.00
PCT – Participant Cost Test	0.56*
PACT – Program Administrator Cost Test	1.24

* Will be increased once BESS cost is itemized from total project cost including PV. Requested from developer.

Upfront Incentive Information

Incentive Application Status	Application Submitted
Revised Estimated Upfront Incentive	$13,585
Revised Incentive Calculation Method	Tiered Rate using Peak Demand – Tranche 3 Step 1 (including 25% Small-Business adder for customers under 200 kW of peak demand)

Energy Storage Solution Program
Upfront Incentive Application

Project Description	Installation of Yotta Battery alongside PV system for Westwoods School in Hamden

Customer / Site information

Customer Name	Town of Hamden - Westwood Elementary School
Address	350 W Todd St., Hamden, CT
Business Purpose	Elementary School
Incentive Application No.	ESS-02031
Customer Peak Demand (kW)	336 kW
Customer Class (S / M / L)	Medium
Project Developer / Installer	Daisy Solutions
System Owner	Sunrock Renewables LLC

Program Eligibility

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

Battery Energy Storage System (BESS) Characteristics

System Configuration	Paired with new on-site generation
Expected Program Participation	Passive and Active Dispatch
BESS Make / Model	128 x Yotta Energy SL1000 (1 kWh)
BESS Power Rating (kW)	268.2 kW (shared microinverters with solar PV system)
BESS Energy Capacity (kWh)	128 kWh
BESS Technology Approval Status	Pre-Approved
Interconnection Application Filed	Yes
Interconnection Study Required	No
Estimated Project Cost	$547,537.00 (including PV)

Benefit / Cost Ratios

RIM – Ratepayer Impact Measure	1.37
PCT – Participant Cost Test	0.59*
PACT – Program Administrator Cost Test	1.71

* Will be increased once BESS cost is itemized from total project cost including PV. Requested from developer.

Upfront Incentive Information

Incentive Application Status	Application Submitted
Revised Estimated Upfront Incentive	$25,480.00
Revised Incentive Calculation Method	Tiered Rate using Peak Demand – Tranche 3 Step 1 (including 25% Grid-Edge adder)

Energy Storage Solution Program
Upfront Incentive Application

Project Description	Installation of a Tesla Megapack 2XL for the Town of Manchester Water and Sewer Department.

Customer / Site information

Customer Name	Town of Manchester, Water and Sewer
Address	120 Thrall Rd., Manchester CT
Business Purpose	Municipal water treatment
Incentive Application No.	ESS-01901
Customer Peak Demand (kW)	727 kW
Customer Class (S / M / L)	Large
Project Developer / Installer	Scale Microgrid Solutions
System Owner	Scale Microgrid Solutions

Program Eligibility

Critical Facility	Yes
Small Business	No
Onsite Fossil Fuel Generator	Yes (not being decommissioned)
Grid Edge Customer	No

Battery Energy Storage System (BESS) Characteristics

System Configuration	Paired with existing fossil fuel generator
Expected Program Participation	Passive and Active Dispatch
BESS Make / Model	Tesla Megapack 2XL
BESS Power Rating (kW)	1,927 kW
BESS Energy Capacity (kWh)	3,854 kWh
BESS Technology Approval Status	Pre-Approved
Interconnection Application Filed	Yes
Interconnection Study Required	Yes
Estimated Project Cost	$3,450,656.00

Benefit / Cost Ratios

RIM – Ratepayer Impact Measure	3.39
PCT – Participant Cost Test	0.74
PACT – Program Administrator Cost Test	4.14
SCT – Societal Cost Test	1.57
TRC – Total Resource Cost Test	1.57
CTET – CT Efficiency Test	4.13

Upfront Incentive Information

Incentive Application Status	Application Submitted
Estimated Upfront Incentive	**$438,392.50**
Incentive Calculation Method	Tiered Rate using Peak Demand – Tranche 3 Step 1 (includes 25% Critical Facility adder)

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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: July 22, 2025

Re: Approval of Restructure/Write-Offs Requests below $100,000 and No More in Aggregate than $500,000 – Update for FY25

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. Most recently, on June 20, 2025, the Board of Directors approved an updated Loss Decision Process to enhance clarity, revise reserve assumptions, and incorporate guidance for managing pre-construction terminations of Green Bank-developed commercial solar projects.

During this period (i.e., FY25), 5 projects were evaluated and approved for payment restructure/write-off.

Residential Solar Lease 2 Program ("SL-2"):
Residential SL-2 is a solar lease program operated by the Green Bank's subsidiary, CT Solar Lease 2 LLC ("CTSL2"). These are 20-year residential solar PV leases that were installed between 2013 and 2016. Today, CTSL2 owns approximately 1,100 residential solar leases.

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

Below is a breakdown of the lease write-offs .

Customer Name	RPV	Date of Modification	Issue	Resolution	Accounting Net Book Value at Termination	Lease Revenue Write-Off (1)
Teresa Berger	13783	6/11/2024	Squirrel damage	Terminated	$9,750.00	$6,761.04
Paolina Oppedisano	06868	7/3/2024	Squirrel damage	Terminated	$31,898.48	$13,957.65
Derek Green	10836	11/7/2024	Workmanship	Terminated	$34,534.50	$16,261.92
Ann Rossi	10395	12/9/2024	Squirrel damage	Terminated	$20,884.34	$10,577.49
Vadim Kovalenko-Baloup	04635	5/30/2025	Hardship	Terminated	$28,440.00	$17,434.35
Total					$125,507.32	$64,992.45

(1) Lease Revenue Write-Off represents the nominal value of lease revenue to be forgone as a result of the lease termination.

(5) New Residential SL-2 Solar Lease Terminations.

- **(3) extensive squirrel damage found on site in which the cost to repair the site outweighed the remaining value of the solar lease;**
- **(1) installation workmanship issues where the cost to repair was higher than the value of the asset;**
- **(1) customer suffered a medical hardship and was unable to make payments**

The majority of these solar lease terminations were due to the high cost of repairs exceeding the value to be realized from lease rental payments by the customers until the end of the lease. After financial review of all potential future risks, it was agreed upon by senior staff that the cost to remedy was higher than the value to be realized from the remaining lease rental payments.

For “installation workmanship” lease termination, such leases are terminated due to errors with the original solar installation, i.e., incorrect installation of the installed equipment. In these cases, we sought coverage through insurance and pursued the installers for the solar repairs, but their holdback accounts were either exhausted, the issues were considered outside of their workmanship warranty period and/or insurance claims were not accepted by the insurer.

Where appropriate, the legal department was consulted for potential litigation and/or other legal remedies and determined that the cost of the effort and the probability of unfavorable results outweighed the financial value.

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Memo

To: Board of Directors of the Connecticut Green Bank

From: Brian Farnen, Blaire Backman, and Bryan Garcia

Date: July 18, 2025

Re: Overview of Requests for Approvals for Professional Services Agreements over $75,000 for FY2025 per Operating Procedures

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Overview

This memo provides a summary report of the requested approvals for those Professional Services Agreement ("PSA") with a not-to-exceed amount of over $75,000 in the 2025 fiscal year ("FY2025"). This approval process is outlined in Section IX (ii) of the Connecticut Green Bank ("Green Bank") Operating Procedures, as follows:

> "(ii) for such contracts requiring an expenditure by the Green Bank over seventy-five thousand dollars ($75,000) and up to and including one hundred fifty thousand dollars ($150,000) over a period of one (1) fiscal year, the President and the Chairperson must both approve the expenditure, and (iii) for such contracts requiring an expenditure by the Green Bank of over one hundred fifty thousand dollars ($150,000), such contract shall, whenever possible, be awarded on the basis of a process of competitive negotiation where proposals are solicited from at least three (3) qualified parties. To the extent permitted by any contract for administrative support and services between the Green Bank and Connecticut Innovations, Incorporated, professional services may also be provided by consultants and professionals selected by and under contract to Connecticut Innovations, Incorporated, subject to appropriate cost sharing. The provisions of Section 1-127 of the General Statutes shall apply to the engagement of auditors by the Green Bank".

Green Bank staff requested a total of forty-one (41) PSAs, or amendments to existing PSAs, with not-to-exceed amounts over the $75,000 threshold for FY2025[1], for a total amount of $11,527,449.80. Approval for eighteen (18) of the forty-one (41) were requested of, and subsequently granted by, Lonnie Reed, Board Chair. The others all gained approval of the full Board of Directors, as either a one-time approval or as strategic selections for FY2025 at the 6/21/2024 BOD meeting or at subsequent meetings of the Board (see Table 2). This number is up from that of FY24 by $2,584,437.97 when approval was sought for forty (41) PSAs and/or amendments over $75,000, for a total amount of $8,943,011.82, with twenty-eight (28) being approved by direct request of BOD Chair Lonnie Reed and approval for the remaining thirteen (13) being granted by the full Board. A breakdown of the agreements for FY2025 follows.

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[1] Including multiple PSAs with the same Consultant having *aggregate* not-to-exceed amounts over the $75,000 threshold for FY24.

Table 1. FY 2025 PSAs over $75,000 approved by BOD Chair Lonnie Reed

Date	Agreement	Division / Program	Original PSA Amount	Amount Amended By	
5/1/2024	OCOSink LLC PSA 5986	CI&I - CPACE	$128,000[2]		
7/1/2024	JUSTECO Limited (Louise Della Pesca) PSA 6057	CI&I - SL2 & CEFIA Holdings	$150,000		
7/8/2024	Novasource Power Services PSA 6040	S&I - RSIP	$250,000		
7/26/2024	Carahsoft (OWNBackup PO)	Marketing	$20,182.62		
8/6/2024	DNV Energy Insights USA Inc. PSA 5962	CI&I - CPACE	*$112,000*[3]	$22,500	
9/1/2024	Nexus Dynamics Group LLC PSA 6062	General Op	$220,000		
9/1/2024	Concord Servicing LLC PSA 6084	S&I – RSIP	$125,000[4]		
9/6/2024	Desiree Miller PSA 6058	Resi -LMI	$100,000		
10/30/2024	Great Blue Research PSA 6045	Marketing	*$100,000*	$40,000	
12/16/2024	Adnet Technologies PSA 6052	General Ops	*$85,000*	$17,200	
1/3/2025	Clean Energy Counsel LLP PSA 5967	Legal	*$100,000*	N/A[5]	
3/1/2025	Craftsman Technology Group PSA 6004	Marketing	*$320,000*	$40,000	
3/3/2025	Customized Energy Solutions, LTD PSA 6094	S&I - RSIP	$235,000		
3/5/2025	Customized Energy Solutions, LTD PSA 6095	S&I - RSIP	$53,000		
3/13/2025	CSW LLC PSA 5958	CI&I - CPACE (State Solar)	*$600,000*	$600,000	
4/10/2025	Strategic Environmental Associates PSA 6082	N/A	*$250,000*	$150,000	
5/1/2025	Calstart, Inc. PSA 6115	S&I - RSIP	$225,000		
6/30/2025	CSW LLC PSA 5958	CI&I - CPACE (State Solar)	*$1,200,000*	N/A	
		Total	$1,506,182.62	$869,700	**$2,375,882.62**

[2] PSA with FY24 effective date approved in FY25

[3] Highlighted amounts are for illustrative purposes *only* and are not included in calculations, as they pertain to 1. Original corresponding PSA NTE figure was under 75k for PSA Amendment approved in FY24 or 3. Figure is already accounted for within this memo

[4] Not a typical PSA but is a paid services contract (psa no. 6084) for Residential SL-2 Billing Services which, despite not listing a total NTE, under which CGB typically does not spend more than $125k per year and which amount was approved by Lonnie

[5] Amendment modifying non-monetary terms of PSA, though still approved by Lonnie as NTE exceeded 75k at time of Amendment

Table 2. FY 2025 PSAs over $75,000 approved by Green Bank BOD

Date	Agreement	Division / Program	Original PSA Amount	Amount Amended By	
6/20/2024	Carahsof (SF and Pardot POs)[6]	Marketing	$172,816.17		
7/1/2024	AEC Solar PSA 6029	S&I - Commercial	$700,000		
7/1/2024	Adnet Technologies PSA 6052	General Op	$85,000	*$17,200*	
7/1/2024	Adnet Technologies PSA 6053	General Op	$60,000		
7/1/2024	Also Energy (Locus) PSA 6005	S&I -RSIP	$900,000		
7/1/2024	AlsoEnergy (Locus) PSA 6006	S&I -Commercial	$33,000		
7/1/2024	Cortland Capital Market Services PSA 6035	CI&I - CPACE	$180,000		
7/1/2024	Craftsman Technology Group LLC PSA 6004	Marketing	$280,000	*$40,000*	
7/1/2024	CTEC Solar PSA 6025	S&I -Commercial	$1,300,000		
7/1/2024	CTEC Solar PSA 6026	S&I -Commercial	$150,000		
7/1/2024	CTEC Solar PSA 6027	S&I -RSIP	$2,000,000		
7/1/2024	DCS Energy, LLC PSA 6029	S&I – Commercial	$700,000		
7/1/2024	DNV Energy Insights USA PSA 6037	CI&I – CPACE	$149,200		
7/1/2024	Guidehouse PSA 6069	General Ops	$250,000		
7/1/2024	GO LLC PSA 6041	Marketing	$600,000		
7/1/2024	IPC - Smart-E (A&R) PSA 5410 3rd Amendment	Resi - Smart-E	$452,524 [7]		
7/1/2024	Strategic Environmental Associates PSA 6082	Marketing	$250,000	*$150,000*	
8/21/2024	Veolia Sustainable Buildings USA East, Inc. PSA 6061	CI&I - CPACE (State Solar)	$150,000		
9/27/2024	IPC - MF, Commercial Solar, Investments (A&R) PSA 6074	Resi - MF, SL, LMI	$230,586		
10/23/2024	CT Sustainable Business Council PSA 6077	General Ops	$355,000[8]		
11/1/2024	CliftonLarsonAllen PSA 6067	General Ops	$49,000[9]		
6/30/2025	PKF O'Connor Davies PSA 5997	General Op	$88,441		
6/30/2025	PKF O'Connor Davies PSA 5998	General Op	$16,000		
		Total:	$9,151,567.17		**$9,151,567.17**

[6] Strategic Selection, PO submitted on 6/20/2024 for FY25 licensing contract

[7] IPC NTE for FY 2025 *only*. Multi-year total since commencement of 7/2/2021 Amended and Restated PSAs (FYs 2022-2025) is as follows: 5410-$2,243,911

[8] Strategic Selection as partner to administer the Green Gain program (funding from DECD Grant)

[9] CLA was approved as a strategic partner in FY25, despite total PSA NTE being under 75k NTE FY25

<u>BOD Chair Lonnie Reed Approvals for Fiscal Years 2023, 2024, 2025</u>

Board Chairperson Requests	***FY23***	***FY24***	***FY25***	***Total***
# Amendment Requests	*6*	*16*	*9*	***32***
Total Value of Amendment Requests	*$275,120*	*$2,316,301.92*	*$869,700*	***$3,461,121.92***
# PSA Requests	*10*	*12*	*10*	***32***
Total Value of PSA Requests	*$1,771,319.76*	*$2,855,526.25*	*$1,506,182.62*	***$6,133,028.63***

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CONNECTICUT GREEN BANK

Memo

To: Board of Directors of the Connecticut Green Bank

From: Stefanie Keohane (Associate Director of Strategic Initiatives) and Sara Harari (Director of Innovation)

CC: Brian Farnen (General Counsel and Chief Legal Officer), Bryan Garcia (President and CEO), Bert Hunter (EVP and CIO), Sergio Carrillo (Managing Director of Incentive Programs), Mackey Dykes (EVP of Financing Programs and Officer), and Eric Shrago (VP of Operations),

Date: July 18, 2025

Re: Greenhouse Gas Reduction Fund: Solar for All Update

Overview

This memo provides a status update of the Connecticut Green Bank's ("Green Bank") subaward and implementation of the federal Solar for All ("SFA") Program as part of the U.S. Environmental Protection Agency's ("EPA") Greenhouse Gas Reduction Fund ("GGRF"). In 2024, EPA obligated $7B across 60 awards[1] to provide financial assistance and technical assistance to support residential solar, community solar, associated storage, and enabling upgrades (e.g., roof repairs) in federally designated low-income and disadvantaged communities ("LIDACs").

On December 13, 2024, the Green Bank Board of Directors ("Board") approved a resolution for the Green Bank to enter into a contract with the Connecticut Department of Energy and Environmental Protection ("DEEP"), the prime SFA awardee, to implement the Green Bank's $46.75 million allocation of Connecticut's SFA award, as outlined herein.

Background

The Green Bank partnered with agencies across the State (collectively, the "Connecticut Consortium"), including DEEP, the Connecticut Housing and Finance Authority ("CHFA"), the Department of Housing, the Public Utilities Regulatory Authority, and the Department of

[1] Including 49 states (i.e., including DEEP's winning proposal "Project SunBridge" for $62.5MM), 6 tribes, and 5 multistate (i.e., including Inclusive Prosperity Capital's winning proposal for $249.3MM).

Economic and Community Development to submit Connecticut's SFA application, titled "Project SunBridge: Connecting Communities to a Solar Future." EPA issued a Notice of Award to DEEP, the prime awardee of Project SunBridge, for $62.45MM on July 9, 2024, which obligated the funds. Green Bank staff then worked with the Connecticut Consortium to submit a revised workplan and budget to EPA to reflect the reduced award amount from the original $100MM Project SunBridge application.[2] The EPA approved Connecticut's revised workplan and budget on January 15, 2025, thereby enabling the drawdown of funds for allowable expenses incurred. DEEP will draw down SFA funds based on a reimbursement model through the EPA's Automated Standard Application of Payments ("ASAP") system.

In the workplan, the Connecticut Consortium prioritized providing financial assistance for affordable multifamily housing ("AMFH") solar and storage projects located in LIDACs, as well as solar financing for single-family households in LIDACs. Project SunBridge funds will also be used to provide storage incentives and support enabling upgrades (i.e., electrical and roof repairs) over the five-year grant period (i.e., through August 2029).

DEEP SFA Contract & Workplan

Of the $62.45 million Project SunBridge award, the Green Bank is responsible for implementing $43.05 million in financial assistance offerings and $3.7 million in technical assistance, totaling approximately 75% of Connecticut's award. DEEP and CHFA are responsible for implementing the remaining budget of technical assistance and financial assistance measures, respectively. Table 1 summarizes the Green Bank's scope of work, budget, and associated deliverables as outlined in the SFA contract with DEEP. As of the date of this memo, members of the Green Bank leadership team have approved the contract with DEEP and are awaiting final DEEP approvals; the Green Bank expects to execute the contract and begin submitting expenses for reimbursement in the coming weeks.

Table 1. Green Bank's Solar for All Scope of Work & Budget outlined in DEEP Contract

Category	Total (millions)	Deliverable to DEEP	Deadline
Financial Assistance			
Energy storage incentives	$5.55	Submit draft proposal outlining structure of offering for DEEP approval	Due 10/31/25
Single-family leases	$7.5	Submit draft proposal outlining structure of offering for DEEP approval	Due 9/30/25
Affordable multi-family housing loans	$5.0	Submit draft proposal outlining structure of offering for DEEP approval	Due 6/30/25; DEEP approval received 7/8/25

[2] EPA reduced all the SFA applicants' requested funds.

Affordable multi-family housing leases	$20.0	Submit draft proposal outlining structure of offering for DEEP approval	Due 6/30/25; DEEP approval received 6/2/25
Additional financial assistance deployed through the Green Bank's Capital Solutions program	$5.0	Identify any market gaps and submit proposal for how to use funds to address market gaps, including review criteria for a competitive RFP	Proposed plan due following launch of other Financial Assistance Programs
Technical Assistance			
Building assessments	$3.2	Provide draft RFP for technical assistance; submit draft proposal for providing small grant funds to property owners to partially offset project development costs	Due 7/30/25; DEEP reviewed and approved technical assistance RFP
Subgrant to support customer outreach, engagement, and community-based organizations	$0.5	Submit draft marketing and outreach plan	Following DEEP approval of Financial Assistance measures
TOTAL	**$46.75**		

Implementation Update

Affordable Multifamily Housing Projects

The Green Bank Financing team leading the Solar Marketplace Assistance Program Plus ("Solar MAP+") issued an RFP in December 2024 for engineering, procurement, and construction ("EPC") services for 5 AFMH projects located in LIDACs that sought one set of pricing that includes federal Solar for All compliance requirements and another set of pricing without federal requirements. The Solar for All program requires that these AFMH projects comply with prevailing wage labor requirements (i.e., Davis-Bacon and Related Acts) as well as Build-America, Buy America requirements for utilizing iron, steel, manufactured products, and construction materials produced in the U.S., among other requirements. Complying with SFA requirements will add costs to the overall project, which was demonstrated in the comparison of pricing among SFA-compliant vs. non-SFA-compliant bid responses for the 5 projects in this RFP. The Green Bank also notes that this is a small sample size and project costs may evolve over time.

The MAP+ team selected a contractor and is in process of finalizing contracts for all 5 Solar for All-compliant projects totaling approximately $4.7 MM of investment and 1.2 MW of solar deployment reaching 255 tenants in affordable multifamily housing properties. Projects aim to begin construction in Spring 2026. In addition, the MAP team is preparing to issue a second RFP in the coming weeks that will seek dual pricing for a second portfolio of AMFH projects, including a few with onsite storage.

Single-Family Housing Projects

The Green Bank conducted a series of interviews with residential solar developers active in Connecticut regarding challenges associated with deploying rooftop solar to low-income households. Subsequently, the Green Bank issued a Request for Information seeking input from developers, financing providers, and any other potential stakeholders in a third-party ownership mo

del to finalize the scope of services and structure of an SFA-funded residential single-family leasing program for solar and solar paired with storage systems installed in LIDACs. Following the comment deadline on July 11, 2025, the Green Bank is reviewing responses and drafting an RFP to be issued in the coming months.

Program Support & Reporting

The Green Bank continues to actively engage and work with DEEP and other members of the Connecticut Consortium through biweekly SFA meetings, attend EPA-hosted trainings, and collaborate with SFA-awardees nationally through a network established by the Clean Energy States Alliance. The Green Bank also participated in a multifamily housing roundtable event series hosted by DEEP and discussions with members of the Connecticut Equity and Environmental Justice Action Committee. In addition, the Green Bank provided feedback on DEEP’s draft SFA RFP for technical assistance service issued for comment. The Green Bank is also supporting the completion of DEEP’s first semi-annual report submission to EPA due on July 30, 2025.

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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 (Director of Finance and Administration), and Eric Shrago (Vice President of Operations)

Date: July 18, 2025

Re: Revised Presentation of FY2026 Budget – Inclusion of Without GGRF-NCIF Budget Alongside Original With GGRF-NCIF Budget

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At the June 20, 2025 meeting of the Connecticut Green Bank ("Green Bank") Board of Directors ("Board"), staff presented and the Board contingently approved the FY 2026 budget for the organization. During that presentation, staff commented on the uncertainty regarding the timing of the receipt of federal grant funds through the Environmental Protection Agency's ("EPA") Greenhouse Gas Reduction Fund's ("GGRF") National Clean Investment Fund ("NCIF") program. In addition to the FY26 budget presented with the GGRF-NCIF funds,[1] the Board seeks to review the FY26 budget without the GGRF-NCIF and requested that staff prepare a presentation to the Board at the July 25, 2025 Board meeting as a condition for approving the FY26 budget.

Staff has prepared the attached exhibit showing a view of the FY26 budget without the GGRF-NCIF by removing the revenue from grant income and associated expenses. On the revenue side, should the $93.5 Million in grant revenue not be received this fiscal year, our revenue would fall from $160.1 Million to $66.9 Million. On the operating expense side of the budget, we would not expend $3.6 Million in incentive compensation linked to the investment of NCIF funds which would drop our total operating expenses to $41.1 Million from $44.7 million. Additionally, there would be a $4.1 million decrease to grants, representing a self-grant to the Green Bank to reimburse it for expenses related to the management of the NCIF grants with Puerto Rico and New Hampshire. Overall, there would be a decrease in net revenue from $97.6 Million in the FY26 budget with the GGRF-NCIF compared to $12.4 million in the FY26 budget without the GGRF-NCIF. The net revenue budgeted is still an increase of 38.9% year-on-year to the bottom line of the Green Bank.

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[1] The U.S. District Court of the District of Columbia ("DC") granted a Preliminary Injunction request on April 15, 2025 enabling access to GGRF NCIF funds. Subsequently, on April 16, 2025, the EPA appealed the District Court's decision to the DC Court of Appeals, which has granted a temporary stay on the Preliminary Injunction. A three-judge panel of the DC Court of Appeals held a hearing on May 19, 2025, but as of the date of this memo, has yet to rule on the case.

The Green Bank is not increasing expenses linearly with increased revenue (i.e., with the GGRF-NCIF funds) and will be able to continue on its path of fiscal sustainability. As stated at the previous Board meeting, the GGRF-NCIF funds are intended to be used for investment in new clean energy projects, not the operation of the Green Bank. If, as a result of the conclusion of the legal process, the obligated and disbursed GGRF-NCIF funds were to be withdrawn, then the investments the Green Bank is making in new clean energy projects (e.g., electric school buses, community solar, linked deposits), would have to come from other public revenues (i.e., Clean Energy Fund, Regional Greenhouse Gas Emissions allowance proceeds). This would reduce the opportunity to reach more vulnerable communities with such investments. In turn, it would limit the deployment of clean energy solutions that reduce energy burden, create jobs, and lower greenhouse gas emissions.

See Attachments A (i.e., with GGRF-NCIF) and B (i.e., without GGRF-NCIF)

RESOLUTION

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 ("the Committee") of the annual budget to the Connecticut Green Bank Board of Directors ("the Board");

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, on June 20, 2025, the Board approved of these targets and budget for FY2026 and requested that an additional budget presentation be presented and approved comparing with and without the Greenhouse Gas Reduction Fund's National Clean Investment Fund resources in terms of revenues and expenses; and,

WHEREAS, staff have presented the requested view of the budget on July 25, 2025;

NOW, therefore be it:

RESOLVED, that the Board of Directors approves the FY2026 Budget comparing with GGRF-NCIF to without GGRF-NCIF.

CGB-All Entities

Fiscal Year Budget - Year over Year Comparison - without NCIF Amounts

Fiscal Year ended June 30, 2026

	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	51,199,010	48,584,336	2,614,674	38,647,795	35,881,964	2,765,831	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	**$ 66,937,399**	**$ 61,905,332**	**$ 5,032,067**	**$ 51,131,332**	**$ 46,497,045**	**$ 4,634,287**	**$ 15,306,067**	**$ 14,908,287**	**$ 397,780**	**$ 500,000**	**$ 500,000**	**$ 0**
Operating Expenses												
Compensation and Benefits												
Employee Compensation	11,830,358	10,581,285	1,249,073	8,530,105	7,677,165	852,940	2,111,534	2,023,935	87,599	1,188,718	880,186	308,532
Employee Benefits	8,576,204	9,214,340	(638,136)	6,181,900	6,691,110	(509,210)	1,538,334	1,764,863	(226,529)	855,970	758,365	97,605
Total Compensation and Benefits	20,406,562	19,795,625	610,937	14,712,005	14,368,275	343,730	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	1,886,957	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	(341,556)	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	9,414	0	0	0	0	0	0
Total Operating Expenses	**41,080,333**	**38,629,880**	**2,450,453**	**30,915,513**	**28,686,443**	**2,229,070**	**7,668,746**	**7,801,917**	**(133,171)**	**2,496,074**	**2,141,520**	**354,554**
Program Incentives and Grants												
Financial Incentives-CGB 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	40,000	40,000	0	40,000	40,000	0	0	0	0	0	0	0
EPBB/PBI/HOPBI 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	**$ 9,215,000**	**$ 9,834,391**	**$ (619,391)**	**$ 980,000**	**$ 835,000**	**$ 145,000**	**$ 8,235,000**	**$ 8,999,391**	**$ (764,391)**	**$ 0**	**$ 0**	**$ 0**
Operating Income/(Loss)	**$ 16,642,066**	**$ 13,441,061**	**$ 3,201,005**	**$ 19,235,819**	**$ 16,975,602**	**$ 2,260,217**	**$ (597,679)**	**$ (1,893,021)**	**$ 1,295,342**	**$ (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	(65,160)	0	65,160	(65,160)	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	(145,854)	0	145,854	(145,854)	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	**12,360,908**	**8,899,671**	**3,461,237**	**16,715,061**	**14,322,967**	**2,392,094**	**(2,358,079)**	**(3,781,776)**	**1,423,697**	**(1,996,074)**	**(1,641,520)**	**(354,554)**
Margin	18%	14%										

38.89% YOY bottom line increase

Items taken out:	FY26	FY25	Var			
NCIF Grant Revenues	93,160,599	16,000,000	77,160,599	93,160,599	16,000,000	77,160,599
Employee Compensation	(2,100,000)	-	(2,100,000)	(2,100,000)	-	(2,100,000)
Employee Benefits	(1,543,500)	-	(1,543,500)	(1,543,500)	-	(1,543,500)
Grant Expenditures	(4,173,779)	-	(4,173,779)	(4,173,779)	-	(4,173,779)
Total Net Change to Net Revenues over Exp	85,343,320	16,000,000	69,343,320	85,343,320	16,000,000	69,343,320

CGB-All Entities

Fiscal Year Budget - Year over Year Comparison

Fiscal Year ended June 30, 2026

	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)**

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CONNECTICUT GREEN BANK

Memo

To: Board of Directors

From: Bryan Garcia (President and CEO)

Cc: Sergio Carrillo (Managing Director of Incentive Programs), Mackey Dykes (EVP of Financing Programs and Officer), Brian Farnen (General Counsel and CLO), Sara Harari (Director of Innovation), Bert Hunter (EVP and CIO), Jane Murphy (EVP of Finance and Administration), Eric Shrago (Vice President of Operations), and Leigh Whelpton (Director of Environmental Infrastructure)

Date: July 18, 2025

Re: Comprehensive Plan – Revisions for FY26

The Comprehensive Plan Fiscal Years 2023 through 2026 has been updated with redline revisions.

The following is a brief summary of the edits:

- **Basic Edits** – there were several basic edits, including table of contents, footnotes, figures, acronyms, links, policy, incentive, and performance updates, etc.

- **Introduction** – has been entirely updated to reflect the changing federal and state policy environments we currently operate in.

- **Incentive and Financing Program Updates** – FY26 targets for Incentive and Financing Programs approved by the Board of Directors, including performance (e.g., # of projects, installed capacity, and investment), including priority towards investment in and deployment of clean energy in vulnerable communities.

  It should be noted that the Green Bank efforts on Electric School Buses ("ESB"), as defined by "clean energy,"[1] and in support of Public Act 22-25,[2] were expanded beyond research and development as a result of the Greenhouse Gas Reduction Fund ("GGRF") National Clean Investment Fund ("NCIF") workplan efforts towards zero emission transportation. ESBs were included under Green Bank Capital Solutions.

[1] Per CGS 16-245n "clean energy" includes "…projects that seek to deploy electric, electric hybrid, natural gas or alternative fuel vehicles and associated infrastructure…"

[2] Section 13 - (c) On and after January 1, 2030, one hundred per cent of the school buses that provide transportation for school districts entirely within an environmental justice community as of July 1, 2022, or in an area that encompasses at least one environmental justice community as of July 1, 2022, shall be zero-emission school buses.

- **Environmental Infrastructure** – FY26 targets and goals[3] for Environmental Infrastructure Programs, additional context within "waste and recycling" because of the completion of the primer,[4] and update on progress being made with respect to FY25.

We will discuss these revisions during the meeting.

Attachments

A. Draft Comprehensive Plan Fiscal Years 2023 through 2026 – Redline Revisions

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Resolution

WHEREAS, per Connecticut General Statutes 16-245n, the Green Bank must (a) develop a comprehensive plan to foster the growth, development and commercialization of clean energy sources, related enterprises and stimulate demand clean energy and deployment of clean energy sources that serve end use customers in this state, and (b) develop a comprehensive plan to foster the growth, development, commercialization and, where applicable, preservation of environmental infrastructure and related enterprises.

NOW, therefore be it:

RESOLVED, that Board has reviewed and approved the revisions to the Comprehensive Plan as revised in a memo dated July 18, 2025 and as presented to the Board on July 25, 2025.

[3] Support product expansion and implementation, pursue priority project opportunities, and market research & strategic program development.

[4] https://www.ctgreenbank.com/wp-content/uploads/2025/02/Waste-Recycling-Primer_Final_February_2025.pdf

CONNECTICUT
GREEN BANK®

Comprehensive Plan
Fiscal Years 2023 through 2026

Comprehensive Plan

Fiscal Years 2023 through ~~2025~~2026

Green Bonds US

July 2022
January 2023 (Revised)
July 2023 (Revised)
January 2024 (Revised)
July 2024 (Revised)
January 2025 (Revised)
July 2025 (Revised)

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1. Introduction

Over the past four years, the Connecticut Green Bank ("Green Bank") operated in alignment with a federal government that shared our mission to confront climate change through investment into the green economy and to create resilient, healthier, and equitable communities. Major legislation — including the Infrastructure Investment and Jobs Act ("IIJA") of 2021 and the Inflation Reduction Act ("IRA") of 2022 — created historic opportunities to expand renewable energy, strengthen grid resilience, lower energy costs, and invest in underserved communities. The IIJA provided $1.2 trillion for infrastructure improvements, including research, development, and deployment of low-carbon and electrified technologies. The IRA allocated $369 billion toward building the clean energy economy through long-term tax incentives and the creation of the Greenhouse Gas Reduction Fund ("GGRF"), modeled after the Green Bank itself. Together, these policies demonstrated the catalytic power of federal government investment to mobilize private capital and accelerate climate progress.

Today, however, the federal landscape has shifted. While the current administration continues to invoke the values of energy affordability, independence, and security – qualities clean energy provides – its actions are dampening investment in and slowing momentum for climate solutions. The "One Big Beautiful Bill Act"[1] budget reconciliation legislation, signed into law in July 2025, significantly curtails clean energy tax credits, withdraws financial assistance for a wide range of renewable technologies and increases barriers to investment by the private capital in this sector. At the same time, GGRF capital previously-awarded to national coalitions like ours, has been unjustly withheld, prompting litigation and casting doubt over future availability of funds.

Despite these headwinds, the long-term value of clean energy remains clear. It is essential not only to achieving Connecticut's climate goals, but also to delivering tangible benefits, like creating jobs, reducing energy costs and improving public health across the state. Connecticut must significantly accelerate annual reductions to meet the decarbonization targets set forth in the 2008 Global Warming Solutions Act ("GWSA").[2] According to the 2021 Connecticut Greenhouse Gas Emissions Inventory,[3] released in April 2024 by the Connecticut Department of Energy and Environmental Protection ("DEEP"),[4] emissions in 2021 represented only a 22 percent decrease from the 1990 baseline vs. a goal of a 45 percent decrease by 2030. Transportation is the highest emitting sector (i.e., 40% of emissions), with residential (i.e., 19% of emissions) and electric power (i.e., 15% of emissions) following.

Across the country, we are also witnessing a reversal of a decades-long trend: electricity demand is rising. After years of flat or declining growth, the U.S. power system is now expected to see significant new load from electrification, reshoring of manufacturing, and data center expansion[5]. The United States Department of Energy ("DOE") projects record-setting consumption in 2025 and 2026. ISO New England – Connecticut's independent system operator – projects that summer peak demand will increase 1% per year between now and 2034, and

[1] https://rules.house.gov/sites/evo-subsites/rules.house.gov/files/evo-media-document/file_8654.pdf
[2] Reduce GHG emissions by 45% from 2001 levels by 2030; 65% from 2001 levels by 2040; an economy-wide net-zero level, provided direct and indirect emissions are at least 80% below 2001 levels by 2050
[3] https://portal.ct.gov/-/media/DEEP/climatechange/1990-2021-GHG-Inventory/DEEP_GHG_Report_90-21_Final.pdf
[4] https://portal.ct.gov/-/media/DEEP/climatechange/GHG_Emissions_Inventory_2018.pdf
[5] U.S. Energy Information Administration (EIA)

winter peaks climbing even faster at 2.9% per year.[6] This moment of inflection presents a clear choice. If we are deliberate, this load can be met with zero-carbon, non-polluting solutions that improve grid reliability, reduce emissions, and create lasting economic opportunity.

To meet these targets, Connecticut is prioritizing the deployment of residual federal funds and concentrating state-funded programs in vulnerable communities while catalyzing investment in high priority emerging sectors such as climate adaptation (i.e., resilience), clean energy for multifamily affordable housing, and electric school buses. The Green Bank has been doing our part to support Connecticut's decarbonization. In the 13 years of its existence, the Green Bank has helped avoid over 11 million tons of carbon dioxide emissions (the equivalent of 2.3 million passenger vehicles driven for one year).[7] Avoiding 1 million tons of carbon dioxide emissions a year, for a state that emits nearly 35 million tons per year,[8] is nearly 3 percent of all emissions avoided, or over 25 percent of emissions avoided from electricity generation (and consumption).[9]

In recognition of the Green Bank's successful track record of deploying green infrastructure, Governor Ned Lamont, with the support of the Governor's Council on Climate Change, signed into law Public Act 21-115 on July 6, 2021.[10] This act expanded the Green Bank mandate to include environmental infrastructure (including, but not limited to, climate adaptation and resilience) – a recognition that the same financing tools we have successfully pioneered and leveraged to increase private investment in and deployment of clean energy in Connecticut can support other environmental sectors in need of rapid transformation as well. The act includes the creation of an Environmental Infrastructure Fund which could receive federal funds (e.g., GGRF) to mobilize private investment in environmental infrastructure.

In 2025, Connecticut reaffirmed its bipartisan climate leadership through the passage of Public Act 25-33,[11] which amongst other policy initiatives created Resilience Improvement Districts ("RIDs"). RIDs offer municipalities a flexible framework to plan, finance, and implement clean energy, environmental infrastructure, and resilience projects, unlocking new revenue streams to support investment in long-term community-wide climate adaptation and resilience, including a role for the Green Bank. The Green Bank was proud to support the development and passage of this bipartisan legislation, which we view as a model for scalable, place-based climate finance.

Also during this session, Connecticut passed Public Act 25-173,[12] strengthening energy affordability protections for consumers, especially those in vulnerable communities, while modernizing regulatory oversight mechanisms—creating an enabling policy environment for clean energy deployment and utility transformation. It also supports grid modernization through

[6] New England's Electricity Use, ISO-NE

[7] https://www.ctgreenbank.com/wp-content/uploads/2024/09/FY12-FY24-Connecticut-Green-Bank-Impact-Report-8-30-2024.pdf

[8] Connecticut Greenhouse Gas Inventory (Update for 1990-2021) by DEEP (April 20, 2023)

[9] Ibid (11)

[10] An Act Concerning Climate Change Adaptation – https://www.cga.ct.gov/2021/ACT/PA/PDF/2021PA-00115-R00HB-06441-PA.PDF

[11] An Act Concerning the Environment, Climate and Sustainable Municipal and State Planning – https://www.cga.ct.gov/2025/ACT/PA/PDF/2025PA-00033-R00SB-00009-PA.PDF

[12] An Act Concerning Energy Affordability, Access and Accountability – https://www.cga.ct.gov/2025/ACT/PA/PDF/2025PA-00173-R00SB-00004-PA.PDF

investments in Advanced Metering Infrastructure ("AMI"), creating a more transparent and responsive energy system. Together, Public Act 25-33 and Public Act 25-173 reinforce Connecticut's commitment to inclusive, forward-looking climate leadership and open new avenues for the Green Bank to continue to fulfill its mission.

Beyond Connecticut, there is a global recognition that an innovative approach to financing can shift our climate trajectory. António Guterres, Secretary-General of the United Nations, in his comments on the 2024 Sustainable Development Goals ("SDG") report[13] emphasizes that given only 17% of SDG goals are on target "…we need a surge in implementation. Massive investment and more effective partnerships are needed to drive critical transitions across food, energy, digital connectivity and more, unlocking progress right across the Goals." With approximately $1.9 trillion of public and private investment in 2023 in global climate finance (i.e., mitigation of greenhouse gas emissions and adaptation from the impacts of climate change)[14] (approximately $230 per person), 3 to 6 times more investment is needed by 2030 – $6 to $12 trillion per year (i.e., $700 to $1,400 per person) – to confront climate change.[15] It should be noted that about 5 percent of public and private investment is in adaptation, in comparison to the overwhelming amount of investment in mitigation.

Although the Green Bank is geographically limited in our ability to invest in mitigation and adaptation (i.e., resilience) to confront climate change, we can continue to be a leader in the space and demonstrate how new financing models through public-private partnerships can drive innovative investment in our global future.[16] Since the Green Bank's launch in 2011 as the first state level green bank in the nation, dozens of state and local green banks have popped up both nationally and abroad.

While 2025 brought unexpected challenges at the federal level – including the disruption of anticipated GGRF funding – the Connecticut Green Bank is undeterred. In a time of national uncertainty, our resolve is stronger than ever. Connecticut's policies, grounded in bipartisan commitment and community-centered impact, continue to chart a clear and ambitious course for clean energy and environmental infrastructure. By focusing on what truly matters – lowering energy burden, protecting public health, and creating an inclusive green economy – we are making tangible progress every day. These outcomes are not just possible – they are already underway. In Connecticut, confronting climate change is not a promise; it's a practice, and the Green Bank is proud to lead it forward.

~~Under President Biden, the United States passed legislation with an emphasis on investing in climate resilient infrastructure, especially in low income and disadvantaged communities, and domestic manufacturing of clean energy technologies. As President Trump comes into office, federal leadership on energy and climate change is expected to shift to focus on security, reliability, affordability, independence, and an "all of the above" energy strategy.~~

[13] unstats.un.org/sdgs/report/2024/The-Sustainable-Development-Goals-Report-2024.pdf

[14] Climate Policy Initiative. 2025. Global Landscape of Climate Finance 2025. https://www.climatepolicyinitiative.org/publication/global-landscape-of-climate-finance-2025/

[15] "The Cost of Inaction" by Caroline Alberti of the Climate Policy Initiative (January 4, 2024)

[16] "There's finally a national climate bank. Here's how it can make its $27 billion go even further" in Fast Company by Ashley Stimpson (December 16, 2022)

~~In November 2021, the US Congress enacted the Infrastructure Investment and Jobs Act ("IIJA"), also called the Bipartisan Infrastructure Law ("BIL"). The $1.2 trillion act established new and expanded existing programs to support new infrastructure over a 10-year period. The IIJA contains research and development funds for low carbon energy technology and support for deployment of clean energy technology such as electric vehicles, as well as other technologies such as green hydrogen. Under the Biden Administration, the largest portion of this investment has been overseen by the Department of Transportation.[17] However, the availability of rebates and other incentives for electric vehicles under the IIJA are likely subject to change under the Trump administration.[18]~~

~~In August 2022, Congress reached a deal on budget reconciliation and enacted the Inflation Reduction Act ("IRA"). This landmark federal law which aims to curb inflation and represents the single most significant legislation to combat climate change in our nation's history. It allocates $369 billion to help build the clean energy economy through incentives and tax credits, including the creation of a $27 billion Greenhouse Gas Reduction Fund ("GGRF") modelled after the Connecticut Green Bank ("Green Bank").[19] The GGRF funded several national climate banks through a National Clean Investment Fund ("NCIF"), networks of community lenders through a Clean Communities Investment Accelerator ("CCIA"), and regional program administrators through a "Solar for All" initiative. The IRA tax credits run through 2032 and support a myriad of clean energy technologies from renewable energy, energy efficiency, and storage to electric vehicles, nuclear power, green hydrogen, and carbon capture and storage. Some tax credits include additional benefits ("adders") for deploying technology in "energy communities" (i.e., Metropolitan Statistical Areas such as Fairfield and New Haven Counties), into "low income communities" (e.g., Bridgeport, Hartford, Waterbury), and/or using "domestic content" (e.g., fuel cells manufactured in Connecticut). However, the availability of these IRA tax credits, including the adders, are likely subject to change under the Trump Administration.[20]~~

~~Collectively, these two federal funding packages represent the largest federal commitment to addressing our changing climate in the nation's history. These Acts seek to expand America's capacity to manufacture and install technology domestically and to reduce the cost to adopt technology. They aim to achieve these goals in a way that supports workforce development, low income families, and outreach to regions that historically haven't embraced green technology. This federal funding can propel Connecticut towards achieving the state decarbonization goals established in the 2008 Global Warming Solutions Act ("GWSA"). However, as President Trump takes office, the future of the initiatives funded through the IIJA and the IRA is uncertain. To preserve our ability to achieve GWSA goals, Connecticut is actively seeking ways to leverage the federal funding it has been awarded to date and to identify strategies to access tax credits as federal funding shifts to unlock and mobilize more private capital investment in and for the betterment of our communities, especially vulnerable communities.~~

~~While federal funding can support our decarbonization goals, Connecticut will need to significantly accelerate annual reductions to be on track to achieve 2030 and 2050 targets set~~

[17] ~~The US Bipartisan Infrastructure Law: Breaking it down | McKinsey~~

[18] ~~Trump Teams' 100-Day Plan Shows EV Policy Stripped of Rebates~~

[19] ~~https://www.ctgreenbank.com/connecticut-green-bank-the-countrys-first-state-green-bank-salutes-u-s-congress-and-president-biden-for-passage-and-signage-of-inflation-reduction-act/~~

[20] ~~How Trump Could Spare Biden's Renewable Energy Credits and Still Cripple His Landmark Climate Bill~~

~~forth in the GWSA.[21] The 2021 Connecticut Greenhouse Gas Emissions Inventory,[22] released in April 2023 by the Connecticut Department of Energy and Environmental Protection ("DEEP"),[23] revealed that emissions estimates for 2021 are a 22 percent decrease from the 1990 baseline, but a 6 percent increase from 2020. Transportation is the highest emitting sector (i.e., 40% of emissions), with residential (i.e., 19% of emissions) and electric power (i.e., 15% of emissions) following.~~

~~The Green Bank has been doing our part to support Connecticut's decarbonization. In the 13 years of its existence, the Green Bank has helped avoid over 11 million tons of carbon dioxide emissions (the equivalent of 2.3 million passenger vehicles driven for one year).[24] Avoiding 1 million tons of carbon dioxide emissions a year, for a state that emits nearly 35 million tons per year,[25] is nearly 3 percent of all emissions avoided, or over 25 percent of emissions avoided from electricity generation (and consumption).[26]~~

~~In recognition of the Green Bank's successful track record of deploying green infrastructure, Governor Ned Lamont, with the support of the Governor's Council on Climate Change, signed into law Public Act 21-115 on July 6, 2021.[27] This act expanded the Green Bank mandate to include environmental infrastructure – a recognition that the same financing tools we have successfully leveraged to increase private investment in and deployment of clean energy in Connecticut can support other environmental sectors in need of rapid transformation as well. The act includes the creation of an Environmental Infrastructure Fund which could receive federal funds (e.g., GGRF) to mobilize private investment in environmental infrastructure.~~

~~Beyond Connecticut, there is a global recognition that an innovative approach to financing can shift our climate trajectory. Liu Zhenmin, the United Nations Under-Secretary-General for Economic and Social Affairs, concludes his comments on the annual SDG report with the following guidance: "Nothing short of a comprehensive transformation of the international finance and debt architecture will be required to accomplish these aims…" With nearly $1.3 trillion of public and private investment in global climate finance (i.e., mitigation of greenhouse gas emissions and resilience from the impacts of climate change) in 2022, or approximately $155 per person, 2 to 4 times more investment is needed – between $3 to $6 trillion per year (i.e., $370 to $740 per person) – to confront climate change.[28]~~

~~Although the Green Bank is geographically limited in our ability to invest in mitigation and resilience to confront climate change, we can continue to be a leader in the space and demonstrate how new financing models through public-private partnerships can drive innovative investment in our global future.[29] Since the Green Bank's launch in 2011 as the first~~

~~[21] Reduce GHG emissions by 45% from 2001 levels by 2030; 65% from 2001 levels by 2040; an economy-wide net zero level, provided direct and indirect emissions areand at least 80% below from 2001 levels by 2050~~

~~[22] https://portal.ct.gov/-/media/DEEP/climatechange/1990-2021-GHG-Inventory/DEEP_GHG_Report_90-21_Final.pdf~~

~~[23] https://portal.ct.gov/-/media/DEEP/climatechange/GHG_Emissions_Inventory_2018.pdf~~

~~[24] https://www.ctgreenbank.com/wp-content/uploads/2024/09/FY12-FY24-Connecticut-Green-Bank-Impact-Report-8-30-2024.pdf~~

~~[25] Connecticut Greenhouse Gas Inventory (Update for 1990-2021) by DEEP (April 20, 2023)~~

~~[26] Ibid (11)~~

~~[27] An Act Concerning Climate Change Adaptation – https://www.cga.ct.gov/2021/ACT/PA/PDF/2021PA-00115-R00HB-06441-PA.PDF~~

~~[28] Climate Policy Initiative "Landscape of Climate Finance 2021/2022"~~

~~[29] "There's finally a national climate bank. Here's how it can make its $27 billion go even further" in Fast Company by Ashley Stimpson (December 16, 2022)~~

~~state level green bank in the nation, dozens of state and local green banks have popped up both nationally and abroad. With the IIJA and the IRA still in place at the federal level, and the public policies and incentives available in Connecticut, the Green Bank is poised to continue its leadership and advance its mission.~~

~~2025 marks a pivotal moment for green banks nationwide, with funding from the Greenhouse Gas Reduction Fund ("GGRF") becoming available to support transformative investments in clean energy. Here in Connecticut, our decade-long experience demonstrates the power of leveraging public funds to unlock significant private capital, catalyzing a thriving green economy. As younger green banks emerge across the country and these funds flow into secure, clean, locally driven projects, we have the opportunity to inspire a nationwide embrace of this proven model. According to the Rocky Mountain Institute, it took decades to achieve the first trillion dollars invested globally in cleantech. The second trillion will happen in four years.[30] This exponential growth in demand for solar, storage, and electric vehicles signals a turning point. Together, we can foster a sustainable, equitable future – one where no community is left behind.~~

2. Organizational Overview

The Green Bank[31] was established on a bipartisan basis by Governor Malloy and the Connecticut General Assembly ("CGA") on July 1, 2011 through Public Act ("PA") 11-80[32] as a quasi-public agency that supersedes the former Connecticut Clean Energy Fund ("CCEF"). On July 1, 2021, the 10th anniversary of the Green Bank, again, on a bipartisan basis, Governor Lamont and the CGA enacted PA 21-115 expanding the scope of the Green Bank beyond "clean energy" to include "environmental infrastructure". As the nation's first state green bank, the Green Bank leverages public funds to mobilize multiples of private investment to increase and accelerate investment in clean energy deployment and environmental infrastructure improvement in Connecticut.

The Green Bank's statutory purposes are:

- To develop programs to finance and otherwise support clean energy and environmental infrastructure investment in residential, municipal, small business and larger commercial projects and such other programs as the Green Bank may determine;

- To support financing or other expenditures that promote investment in clean energy sources and environmental infrastructure to foster the growth, development and commercialization of clean energy sources, environmental infrastructure, and related enterprises; and

- To stimulate demand for clean energy and the deployment of clean energy sources and investment in environmental infrastructure within the state that serves end-use customers in the state.

~~30 The Cleantech Revolution – RMI~~

31 PA 11-80 repurposed the Connecticut Clean Energy Fund ("CCEF") administered by Connecticut Innovations, into a separate quasi-public organization called the Clean Energy Finance and Investment Authority ("CEFIA"). Per Public Act 14-94, CEFIA was renamed to the Connecticut Green Bank.

32 An Act Concerning the Establishment of the Department of Energy and Environmental Protection and Planning for Connecticut's Energy Future – https://www.cga.ct.gov/2011/act/pa/pdf/2011PA-00080-R00SB-01243-PA.pdf

The Green Bank's purposes are codified in Section 16-245n(d)(1) of the Connecticut General Statutes ("CGS") and restated in the Green Bank's Board approved Resolution of Purposes. The Green Bank is a public policy innovation that exemplifies Connecticut's more than two-decade history of bipartisan executive and legislative branch leadership on the issue of climate change.

Gubernatorial ~~L~~leadership highlights include:

- Governor Rowland – co-chaired the New England Governors and Eastern Canadian Premiers Conference, which established a regional commitment to reduce greenhouse gas ("GHG") emissions (i.e., 1990 levels by 2010, 10% below 1990 levels by 2020, and 80% below 2001 levels by 2050);[33]

- Governor Rell – supported PA 08-98[34] codifying the regional commitment into state law, appointing Gina McCarthy to be the Commissioner of the Department of Environmental Protection who would help lead the development of the Regional Greenhouse Gas Initiative ("RGGI"), later become the Administrator of the United States Environmental Protection Agency ("USEPA") under President Obama, and become the White House National Climate Advisor for President Biden;

- Governor Malloy – led the passage of PA 11-80 establishing DEEP, creating the Green Bank, and other policies catalyzing the market for clean energy, as well as PA 18-50[35] and PA 18-82[36] increasing the state's renewable portfolio standard ("RPS") to 40% by 2030 and establishing a midterm GHG emissions reduction target of 45% below 2001 levels by 2030, respectively; and

- Governor Lamont – issued his first[37] and third[38] executive orders on state "Greener Gov" for sustainability, clean energy, and climate change leadership, passing PA 21-115 expanding the scope of the Green Bank to include "environmental infrastructure," PA 22-5[39] including a 100% zero emission electricity target by 2040, ~~and~~ PA 22-25[40] confronting greenhouse gas emissions from the transportation sector, including 100% targets for school buses in environmental justice communities by 2030 and all communities by 2040, and PA 25-125[41] establishing a midterm GHG emissions

[33] NEG-ECP Resolution 26-4 adopting the "Climate Change Action Plan 2001" (August 2001 in Westbrook, CT) – Westbrook Resolution

[34] An Act Concerning Connecticut Global Warming Solutions – https://www.cga.ct.gov/2008/ACT/Pa/pdf/2008PA-00098-R00HB-05600-PA.pdf

[35] An Act Concerning Connecticut's Energy Future – https://www.cga.ct.gov/2018/act/pa/pdf/2018PA-00050-R00SB-00009-PA.pdf

[36] An Act Concerning Climate Change Planning and Resiliency – https://www.cga.ct.gov/2018/act/pa/pdf/2018PA-00082-R00SB-00007-PA.pdf

[37] https://portal.ct.gov/-/media/Office-of-the-Governor/Executive-Orders/Lamont-Executive-Orders/Executive-Order-No-1.pdf

[38] https://portal.ct.gov/-/media/Office-of-the-Governor/Executive-Orders/Lamont-Executive-Orders/Executive-Order-No-3.pdf

[39] An Act Concerning Climate Change Mitigation – https://www.cga.ct.gov/2022/act/Pa/pdf/2022PA-00005-R00SB-00010-PA.PDF

[40] An Act Concerning the Connecticut Clean Air Act – https://www.cga.ct.gov/2022/ACT/PA/PDF/2022PA-00025-R00SB-00004-PA.PDF

[41] An Act Concerning the Protection of the Environment and the Development of Renewable Energy Sources and Associated Job Sectors - https://www.cga.ct.gov/2025/ACT/PA/PDF/2025PA-00125-R00HB-05004-PA.PDF

reduction target of 65% below 2001 levels by 2040, revising the long-term GHG emissions reduction target to an economy-wide net-zero level provided direct and indirect emissions are reduced by at least 80% below 2001 levels by 2050, including carbon sequestration within the GHG emissions inventory and initiating nature-based solutions.

The CGA has worked hand-in-hand with these Governors and the citizens of the state over the years to devise and support public policies that promote clean energy, environmental infrastructure, and lead the movement to confront climate change.[42]

2.1 Vision Statement

...a planet protected by the love of humanity.[43]

2.2 Mission Statement

Confront climate change by increasing and accelerating investment into Connecticut's green economy to create more resilient, healthier, and equitable communities.

2.3 Goals

To achieve its vision and mission, the Green Bank has established the following three goals:

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

2. To strengthen Connecticut's communities, especially vulnerable communities,[44] by making the benefits of the green economy inclusive and accessible to all individuals, families, and businesses.

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

The vision statement, mission statement, and goals support the implementation of Connecticut's climate change, clean energy, and environmental infrastructure policies be they statutorily required (e.g., PA 21-53),[45] planning (e.g., Comprehensive Energy Strategy), or regulatory (e.g., Docket No. 17-12-03RE03)[46] in nature.

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[42] Reducing greenhouse gas emissions and confronting climate change is supported by a number of public policies, including, but not limited to PA 17-3, PA 18-82, PA 19-71, PA 25-33, Governor Lamont's Executive Orders 1 and 3, Comprehensive Energy Strategy, Governor's Council on Climate Change, and many other past acts, plans, or policies.

[43] Vision Statement inspired by the Innovations in American Government Awards at the Ash Center of Harvard University's Kennedy School of Government, Maya Angelou's "On the Pulse of Morning," the powerful words of Mary Evelyn Tucker on "inclusive capitalism," and the late Mother Jennifer of the Daughters of Mary of the Immaculate Conception

[44] Per PA 20-05, "An Act Concerning Emergency Response by Electric Distribution Companies, the Regulation of Other Public Utilities and Nexus Provisions for Certain Disaster-Related or Emergency-Related Work Performed in the State," "vulnerable communities" means populations that may be disproportionately impacted by the effects of climate change, including, but not limited to, low and moderate income communities, environmental justice communities pursuant to section 22a-20a, communities eligible for community reinvestment pursuant to section 36a-30 and the Community Reinvestment Act of 1977, 12 USC 2901 et seq., as amended from time to time, populations with increased risk and limited means to adapt to the effects of climate change, or as further defined by DEEP in consultation with community representatives.

[45] An Act Concerning Energy Storage – https://www.cga.ct.gov/2021/act/Pa/pdf/2021PA-00053-R00SB-00952-PA.PDF

[46] Equitable Modern Grid Initiative – Electric Storage

Framework for an Equitable Modern Grid[47]

The Public Utilities Regulatory Authority's ("PURA") Framework for an Equitable Modern Grid, seeks to (1) support, or remove barriers to, the growth of Connecticut's green economy; (2) enable a cost-effective, economy-wide transition to a decarbonized future; (3) enhance customer access to a more resilient, reliable and secure electricity commodity; and (4) advance the ongoing energy affordability dialogue in the state, particularly in underserved communities.

The Green Bank supports PURA in their efforts through participation in many of the re-openers in the equitable modern grid as a commentor, a participant and a program administrator.[48]

2.4 Definitions – Clean Energy and Environmental Infrastructure

The Green Bank's investment focus is on "clean energy" and "environmental infrastructure" as defined by CGS Section 16-245n:

- Clean Energy – "clean energy" means solar photovoltaic energy, solar thermal, geothermal energy, wind, ocean thermal energy, wave or tidal energy, fuel cells, landfill gas, hydropower that meets the low-impact standards of the Low-Impact Hydropower Institute, hydrogen production and hydrogen conversion technologies, low emission advanced biomass conversion technologies, alternative fuels, used for electricity generation including ethanol, biodiesel or other fuel produced in Connecticut and derived from agricultural produce, food waste or waste vegetable oil, provided the Commissioner of Energy and Environmental Protection determines that such fuels provide net reductions in GHG emissions and fossil fuel consumption, usable electricity from combined heat and power systems with waste heat recovery systems, thermal storage systems, other energy resources and emerging technologies which have significant potential for commercialization and which do not involve the combustion of coal, petroleum or petroleum products, or nuclear fission, financing of energy efficiency projects, projects that seek to deploy electric, electric hybrid, natural gas or alternative fuel vehicles and associated infrastructure, any related storage, distribution, manufacturing technologies or facilities and any Class I renewable energy source, as defined in CGS 16-1(a)(2).

- Environmental Infrastructure – "environmental infrastructure" means structures, facilities, systems, services and improvement projects related to (A) water, (B) waste and recycling, (C) climate adaptation and resiliency, (D) agriculture, (E) land

[47] https://portal.ct.gov/PURA/Electric/Grid-Modernization/Grid-Modernization
[48] Per PA 24-38 and PA 25-173, PURA may select the Green Bank, and/or other partners to implement various programs.

conservation, (F) parks and recreation, and (G) environmental markets, including, but not limited to carbon offsets[49] and ecosystem services.[50]

2.5 Governance

Pursuant to Section 16-245n of the CGS, the powers of the Green Bank are vested in and exercised by a Board of Directors ("BOD")[51] that is comprised of twelve voting and one non-voting members each with knowledge and expertise in matters related to the purpose of the organization – see Table 1.[52]

Table 1. Board of Directors of the Connecticut Green Bank

Position	Status	Appointer	Voting
State Treasurer (or designee)	Ex Officio	Ex Officio	Yes
Commissioner of DEEP (or designee)	Ex Officio	Ex Officio	Yes
Commissioner of DECD (or designee)	Ex Officio	Ex Officio	Yes
Secretary of OPM (or designee)	Ex Officio	Ex Officio	Yes
Residential or Low-Income Group	Appointed	Speaker of the House	Yes
Investment Fund Management	Appointed	Minority Leader of the House	Yes
Environmental Organization	Appointed	President Pro Tempore of the Senate	Yes
Finance or Deployment of Renewable Energy	Appointed	Minority Leader of the Senate	Yes
Finance of Renewable Energy	Appointed	Governor	Yes
Finance of Renewable Energy	Appointed	Governor	Yes
Labor	Appointed	Governor	Yes
R&D or Manufacturing	Appointed	Governor	Yes
President of the Green Bank	Ex Officio	Ex Officio	No

There are four (4) committees of the BOD of the Green Bank, including Audit, Compliance, and Governance Committee ("ACG Committee"), Budget, Operations, and Compensation Committee ("BOC Committee"), Deployment Committee, and the Joint Committee of the Energy Efficiency Board ("EEB") and the Green Bank.[53]

Principal Statement of the Joint Committee

To support the Joint Committee of the EEB and the Green Bank, the following is a principal statement to guide its activities:

[49] Carbon offsets means an activity that compensates for the emission of carbon dioxide or other greenhouse gases by providing for an emission reduction elsewhere.

[50] Ecosystem services means benefits obtained from ecosystems, including, but not limited to, (A) provisioning services such as food and water, (B) regulating services such as floods, drought, land degradation and disease, and (C) supporting services such as soil formation and nutrient cycling.

[51] https://www.ctgreenbank.com/about-us/governance/board-of-directors/

[52] https://www.ctgreenbank.com/about-us/governance/

[53] Pursuant to CGS 16-245m(d)(2) – There shall be a joint committee of the Energy Conservation Management Board and the board of directors of the Connecticut Green Bank. The boards shall each appoint members to such joint committee. The joint committee shall examine opportunities to coordinate the programs and activities funded by the Clean Energy Fund pursuant to section 16-245n with the programs and activities contained in the plan developed under this subsection and to provide financing to increase the benefits of programs funded by the plan so as to reduce the long-term cost, environmental impacts and security risks of energy in the state. Such joint committee shall hold its first meeting on or before August 1, 2005.

The EEB and the Green Bank have a shared goal to implement state energy policy throughout all sectors and populations of Connecticut with continuous innovation towards greater leveraging of ratepayer funds and a uniformly positive customer experience.

In addition to the above principal statement, on July 22, 2024, the Joint Committee recommended that the EEB and BOD of the Green Bank adopt the following goal within their respective plans:

Joint Committee Goal on Affordable Rental Housing

To enable greater investment in and deployment of technologies (i.e., solar PV, battery storage, EV recharging, heat pumps, weatherization, appliances, and controls) in affordable rental single and multifamily properties to realize important benefits for tenants (e.g., reduce energy burden (i.e., no more than 6% of annual household income), increase climate resilience, reduce GHG emissions) through the Conservation and Load Management Plan of the Energy Efficiency Board and Comprehensive Plan of the Connecticut Green Bank Board of Directors, and through greater coordination of incentive and financing programs from state and federal sources of capital.

The BOD of the Green Bank approved of the Joint Committee goal on July 26, 2024.

The BOD of the Green Bank is governed through enabling legislation, as well as by an Ethics Statement and Ethical Conduct Policy, Resolutions of Purposes, Bylaws, Joint Committee Bylaws, and a Comprehensive Plan. All meetings, agendas, and materials of the Green Bank's BOD and its Committees are publicly available on the organization's website.[54,55]

2.6 Organizational Structure

The Green Bank is administered by a professional staff overseeing three (3) business units, including:

- Incentive Programs – the Governor, CGA, and/or PURA[56] from time-to-time may decide that there are certain incentive programs that they seek to have the Green Bank administer (e.g., PA 21-53). The Green Bank administers such programs with the goal of delivering on the public policy objectives, while at the same time ensuring that funds invested by the Green Bank are cost recoverable.[57] For example, the Green Bank co-administers the Energy Storage Solutions ("ESS") program with the Electric Distribution Companies ("EDC") (i.e., Avangrid and Eversource Energy) to deploy 580 MW of behind

[54] https://www.ctgreenbank.com/about-us/governance/board-meetings/
[55] https://www.ctgreenbank.com/about-us/governance/committee-meetings/
[56] Section 8 of Public Act 24-38 "An Act Concerning Energy Procurements, Certain Energy Sources and Programs of the Public Utilities Regulatory Authority"
[57] In the past, per CGS 16-245ff, the Green Bank administered the Residential Solar Investment Program ("RSIP") which resulted in nearly 380 MW of residential solar photovoltaic system deployment between 2012 through 2021. RSIP is cost recoverable per CGS 16-245gg.

the meter residential and non-residential battery storage systems through an upfront declining incentive block structure and ongoing performance-based incentive.

- Financing Programs – the Green Bank's core business is financing clean energy projects. The use of public revenues by the Green Bank (i.e., Clean Energy Fund ("CEF") and RGGI allowance proceeds) are to be invested with the expectation of principal and interest being paid back over time (i.e., earned revenues). For example, per CGS 16a-40g, the Green Bank administers the Commercial Property Assessed Clean Energy ("C-PACE") program. Through C-PACE, the Green Bank provides capital to building owners to make clean energy and resilience improvements on their properties that is paid back over time from a benefit assessment on the building owner's property tax bill. The interest earned from these types of investments, over time, is expected to cover the operational expenses and a return for the Green Bank.

- Environmental Infrastructure Programs – as a result of the passage of PA 21-115 expanding the scope of the Green Bank beyond "clean energy" to include "environmental infrastructure," the financing tools of the green bank model will be used to mobilize private investment in Connecticut's green economy. Raising capital for the Environmental Infrastructure Fund ("EIF") through the issuance of Green Liberty Bonds, accessing federal resources (e.g., IIJA, GGRF), and/or other means, will provide resources to invest in the modernization, decarbonization, and resilience of the state's environmental infrastructure.

These three business units – Incentive Programs, Financing Programs, and Environmental Infrastructure Programs – serve the purposes of the Green Bank. To support the business units and their investments, the Green Bank has administrative support from investments, finance and administration, legal, marketing and operations, as well as innovation.

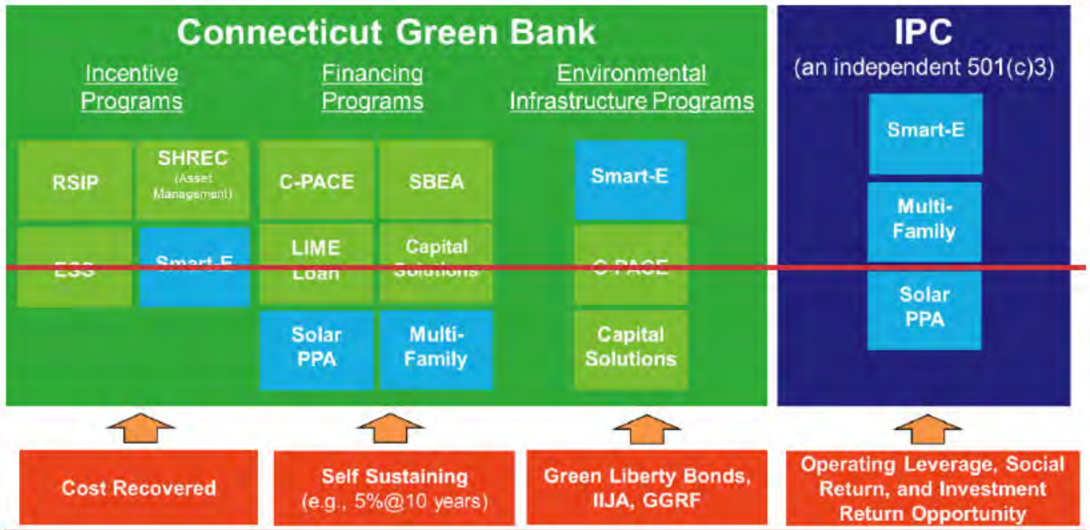
In FY19, the Green Bank, in partnership with DEEP and the Kresge Foundation, formed a nonprofit organization called Inclusive Prosperity Capital ("IPC"). The mission of IPC is to attract mission-oriented investors in underserved clean energy market segments (e.g., low-to moderate-income ("LMI") single and multifamily properties) of the green economy. Although not an affiliate, nor a component unit of the Green Bank, IPC serves an important role supporting Green Bank programs (e.g., Smart-E~~,~~ and Solar PPA~~, and Multifamily Affordable~~) through FY26. Through Professional Service Agreements ("PSA"), the Green Bank has engaged IPC since FY19, and expects the final PSA, with a focus on the Smart-E Loan, to be in FY26 as IPC becomes self-sustainable.[58]

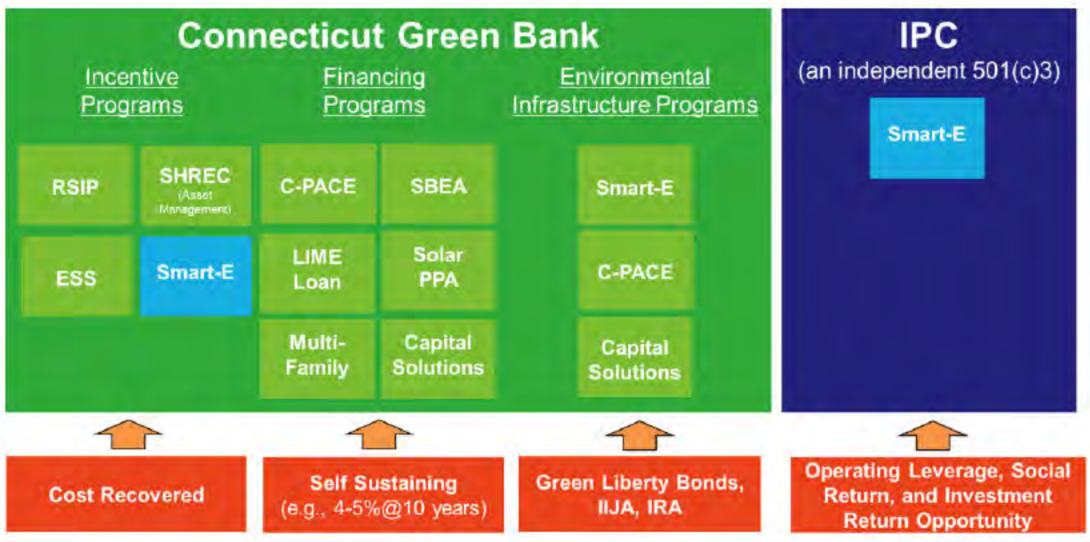
For an overview of the organizational structure of the Green Bank, and its partnership with IPC – see Figure 1.[59]

Figure 1~~1~~. Organizational Structure of the Green Bank with Support from Inclusive Prosperity Capital

[58] It should be noted that IPC was a winner of a $249.3MM contract with the US EPA through the Greenhouse Gas Reduction Fund's Solar for All initiative in 2024.

[59] Please note that this figure has changed over time as IPC has provided support to the Green Bank for its multifamily Solar PPA, and Smart-E programs since FY19.





An Employee Handbook and Operating Procedures have been approved by the BOD and serve to guide the staff to ensure that it is following proper contracting, financial assistance, and other requirements.

3. Incentive Programs

The Green Bank administers incentive programs, including credit enhancements (e.g., interest rate buydowns, loan loss reserves), used to deploy clean energy and environmental infrastructure, while at the same time cost recovering the expenses associated with several of these programs (i.e., CGS 16-245ff, PA 21-53) within the business unit – including, but not limited to, incentives, administrative expenses, and financing costs.

3.1 Residential Solar Investment Program and Residential Renewable Energy Solutions

Residential Solar Investment Program

Per CGS 16-245ff, the Green Bank administered the Residential Solar Investment Program ("RSIP") to deploy 350 megawatts ("MW") of new residential solar PV systems on or before December 31, 2022, while promoting the sustained, orderly development of a local state-based solar PV industry and ensuring that solar PV systems are accessible and affordable to vulnerable communities.[60] As of December 31, 2022, the RSIP achieved 378 MW of deployment from $1.4 billion of total investment, providing more than 46,300 households with access to solar PV systems, including 50% within vulnerable communities.[61] With the end of the RSIP policy, the focus of the Green Bank will be to manage the Solar Home Renewable Energy Credits ("SHREC") generated from the systems supported through the RSIP to recover incentives, administrative expenses, and financing costs, by selling SHRECs to the EDCs through a 15-year Master Purchase Agreement ("MPA") to pay for bonds sold to support the program. In addition to cost recovery of the RSIP through the SHREC, the Green Bank is looking into how to manage the end-of-life of the solar PV systems as the waste is potentially heavy in weight and sizable in volume.[62]

Residential Renewable Energy Solutions

Starting January 1, 2022, the residential solar PV market transitioned from the RSIP and net metering to a tariff-based compensation structure.[63] In order to ensure the continued sustained, orderly development of the local solar industry beyond the conclusion of the RSIP, and access to such clean energy technologies by vulnerable communities, the Green Bank actively engaged in the regulatory process (i.e., Docket No. 20-07-01) overseen by PURA to establish Residential Renewable Energy Solutions ("RRES") – an EDC-administered residential renewable energy tariff program.

As a result of the Green Bank's engagement in the PURA process for the RRES, the following key program design principles were included:

- Rate of Return – a just, reasonable, and adequate rate of return of between 9 to 11 percent was determined (i.e., equivalent to $0.2940/kWh in 2021 and $0.~~3189~~3195/kWh in ~~2024~~2025) for the 20-year tariff through the Green Bank's inclusion of an objective rate of return analysis of the RSIP;

- HES or HES-IE Requirement – to continue the linkage between energy efficiency and solar PV as demonstrated by the RSIP, an important objective of the Joint Committee, the Green Bank advocated for a Home Energy Solutions ("HES") or Home Energy Solutions – Income Eligible ("HES-IE") requirement as part of the RRES;

- Additional Incentives for Vulnerable Communities – given the success of the RSIP in reaching vulnerable communities, the Green Bank wanted to ensure that solar PV was affordable and accessible to LMI households, and thus adders for low income (i.e., $0.0250/kWh in 2021 and $0.0550 ~~in 2024~~for the buy-all tariff and $0.0350/kWh for the

[60] Each year, from 2019 through 2022, and cumulatively from 2014 through 2021, Connecticut had the largest per capita deployment of residential solar PV in the entire northeast (i.e., New England, New Jersey, and New York) as a result of administering the RSIP (SEIA – Solar Market Insights 2022).

[61] "Residential Solar Investment Program – 2012-2022 Program Impact Evaluation and Future Recommendations" by Slipstream (May 3, 2023) – click here.

[62] 1.2 million panels is equivalent to over 55 million pounds of weight and nearly 5 billion cubic inches of volume – equivalent to 4,600 African elephants (i.e., 1,200 pounds each) and 30 Olympic sized swimming pools (i.e., 2.5 million liters of water).

[63] See CGS 16-244z and Docket No. 20-07-01

netting tariff in 2025) or households located in distressed municipalities[64] (i.e., $0.0125/kWh in 2021 and $0.0275/kWh ~~in 2024~~for the buy-all tariff and $0.0175/kWh for the netting tariff in 2025) over the 20-year tariff were determined;

- Direct Payment – due to the perceived risks of underwriting financing (i.e., loans, leases, or power purchase agreements ("PPAs")) for vulnerable communities, the Green Bank advocated for direct payments of the tariff rates from the EDCs to a third-party in-part or in-whole as a way to reduce borrower risk (including perceived risk) and therefore make renewable energy more affordable and accessible to vulnerable communities. This provides a financing mechanism that would allow the Green Bank to provide investment in developers serving vulnerable communities; and

- Affordable Housing – as part of the Green Bank-led amendments to Section 2 of PA 21-48,[65] which includes "affordable housing" as part of RRES (i.e., versus Non-Residential Renewable Energy Solutions or "NRES"), and a subsequent decision by PURA in Docket No. 22-08-02, it will be easier for property owners to participate in RRES, enabling energy savings to both the property owner and its low-income tenants (i.e., renters).

These key program design principles within the EDC-administered tariff program will improve the program's likelihood of success in deploying no less than fifty (50) MW of new residential solar PV a year, while ensuring that vulnerable communities have continued opportunities to reduce the burden of energy costs that they experienced through the RSIP. It should be noted that in ~~2023~~2024, ~~nearly~~ over one-hundred and twenty-three (123~~0~~) MW of new residential solar PV was deployed in Connecticut – ~~greater than~~versus Massachusetts (i.e., ~~90~~ 196 MW), ~~and not much less than~~ New Jersey (i.e., 147 MW) and New York (i.e., 184~~1~~ MW)~~.~~[66] – with Connecticut exceeding all of them on a watts per capita basis. RRES progress, following on the RSIP, demonstrates the importance of market transformation. Future efforts to support the market's continued growth and sustainability will rely on appropriate public policies to ensure consumer protections.[67]

3.2 Energy Storage Solutions

With the passage of PA 21-53 establishing a 1000 MW energy storage deployment target by 2030, and the final decision in Docket No. 17-12-03RE03 on electric storage, the Green Bank was selected by PURA to co-administer a 580 MW behind the meter residential and non-residential battery storage incentive program with the EDCs called Energy Storage Solutions ("ESS"). The Green Bank is responsible for administering the upfront incentive, marketing the program, overseeing evaluation, measurement, and verification ("EM&V"), and fostering the sustained, orderly development of a state-based electric energy storage industry. ESS seeks to deploy battery storage systems to help families and businesses become more resilient against

[64] https://portal.ct.gov/DECD/Content/About_DECD/Research-and-Publications/02_Review_Publications/Distressed-Municipalities

[65] An Act Establishing and Energy Efficiency Retrofit Grant Program for Affordable Housing – https://www.cga.ct.gov/2021/act/Pa/pdf/2021PA-00048-R00SB-00356-PA.PDF

[66] Solar Market Insight by Solar Energy Industry Association and Wood Mackenzie

[67] Section 7 of Public Act 24-38 "An Act Concerning Energy Procurements, Certain Energy Resources and Programs of the Public Utilities Regulatory Authority"

power outages, while reducing peak demand during summer and winter periods generating savings and reducing electric rates for all ratepayers.

As of ~~June 30, 2024~~January 1, 2025, there are ~~154~~ 747 residential battery storage systems totaling ~~1.2~~6.4 MW and $1~~8.9~~9.0 million of total investment and ~~2~~ 68 non-residential battery storage systems totaling ~~1.2~~~~139.8~~140.1 MW of installed capacity and $~~5.7~~~~247.8~~250.0 million of total investment that have been approved by the Green Bank. ~~There are 72 non-residential battery storage systems totaling 150.8 MW and $262.4 million of potential total investment that have been approved by the Green Bank and are in the interconnection queue of the EDCs as part of the development of the projects.~~

3.3 EnergizeCT Smart-E Loan

The EnergizeCT Smart-E Loan ("Smart-E Loan") is a partnership between the Green Bank and local community banks and credit unions that provide easy and affordable access to capital for homeowners to finance clean energy and environmental infrastructure improvements on their properties through local contractors. The Green Bank provides credit enhancements to the participating financing institutions in the form of interest rate buydowns (i.e., from the use of federal resources and from the Green Bank balance sheet through linked deposits) and loan loss reserves (i.e., from the Green Bank balance sheet). This allows financial institutions to provide low-interest and longer-term loans to families.

In FY 2023, the Green Bank, worked with Connecticut Institute for Resilience and Climate Adaptation ("CIRCA"), DEEP, Connecticut Department of Public Health ("DPH"), Connecticut Insurance Department, and other stakeholders, to identify additional measures (i.e., climate adaptation and resilience, water) for inclusion within the Smart-E Loan for environmental infrastructure. On June 18, 2024 the Green Bank announced that climate adaptation and resilience and water measures are eligible for the Smart-E Loan.

As of ~~June 30, 2024~~January 1, 2025, ~~8,820~~9,319 families that have received Smart-E Loan from community lenders to finance various clean energy and environmental infrastructure projects totaling $~~176.1~~194.9 million of total investment.

3.4 Incentive Program Targets

The Green Bank has set targets for its Incentive Programs business unit for FY 2023,[68] FY 2024,[69] ~~and~~ FY 2025,[70] and FY 2026 in terms of the number of projects, total investment (i.e., public and private), and installed capacity – see Tables 2 through 5~~4~~.

Table 2. Revised FY 2023 Targets for the Incentive Programs Business Unit

Program / Product	Projects	Total Capital Deployed ($MM's)	Installed Capacity (kW)
Energy Storage Solutions – Residential	350	$14.9	4,700
Energy Storage Solutions – Non-Residential	30	$67.5	45,000

[68] Revised by the BOD on January 20, 2023

[69] Revised by the BOD on January 26, 2024

[70] Revised by the BOD on January 24, 2025

EnergizeCT Smart-E Loan	960	$15.0	200
Total	**1,340**	**$97.4**	**49,900**

Table 3. Revised FY 2024 Targets for the Incentive Programs Business Unit

Program / Product	Projects	Total Capital Deployed ($MM's)	Installed Capacity (kW)
Energy Storage Solutions – Residential	150	$4.8	1,000
Energy Storage Solutions – Non-Residential	15	$30.4	20,700
EnergizeCT Smart-E Loan	1,204	$22.4	900
Total	**1,359**	**$57.3**	**22,800**

Table 4. Revised FY 2025 Targets for the Incentive Programs Business Unit

Program / Product	Projects	Total Capital Deployed ($MM's)	Installed Capacity (kW)
Energy Storage Solutions – Residential	500	$16.0	4,300
Energy Storage Solutions – Non-Residential	5	$12.5	10,000
EnergizeCT Smart-E Loan	1,325	$26.8	2,120
Total	**1,830**	**$55.3**	**16,420**

Table 5. FY 2026 Targets for the Incentive Programs Business Unit

Program / Product	Projects	Total Capital Deployed ($MM's)	Installed Capacity (kW)
Energy Storage Solutions – Residential	500	$15.0	5,000
Energy Storage Solutions – Non-Residential	5	$15.0	10,000
EnergizeCT Smart-E Loan	915	$23.1	2,000
Total	**1,420**	**$53.1**	**17,000**

In terms of the Green Bank's vulnerable community's prioritization, the following is a goal for Incentive Programs:

- ~~By 2025, no~~No less than 40 percent of investment and benefits (e.g., reduction in energy burden, increase in resilience, jobs) from Incentive Programs is directed to vulnerable communities.

As a result of successfully achieving these targets, the Green Bank will reduce energy burden and increase resilience for Connecticut families and businesses, especially those in vulnerable communities, create jobs in our communities, raise tax revenues for the State of Connecticut, and reduce air pollution causing local public health problems and contributing to global climate change.

For details on Incentive Program performance, please see the Annual Comprehensive Financial Report for FY24.[71]

4. Financing Programs

The Green Bank manages financing programs. That is to say that it oversees financing programs that invest capital upfront (i.e., public revenues including CEF and RGGI) to deploy clean energy, while at the same time returning principal and interest (i.e., earned revenues) over time from the financing of projects, products, or programs to ensure the financial sustainability of the Green Bank.

4.1 Commercial Property Assessed Clean Energy

Per CGS 16a-40g, C-PACE enables building owners to pay for clean energy improvements over time through a voluntary benefit assessment placed by participating municipalities on their property tax bills. As of ~~June 30~~January 1, 2025~~4~~, there have been ~~139~~ 140 cities and towns that have opted into C-PACE. This process makes it easier for building owners to secure low-interest capital for up to 25 years to fund clean energy improvements and is structured so that energy savings more than offset the benefit assessment. With the passage of PA 22-6,[72] resilience and electric vehicle recharging stations were added to the list of eligible measures for C-PACE.

Continuing its efforts, in FY 2024, the Green Bank, worked with DEEP, CIRCA, and other stakeholders, to expand C-PACE beyond clean energy to include resilience[73] measures. On June 18, 2024 the Green Bank announced that resilience measures are eligible for C-PACE.

As of ~~June 30~~January 1, 2025~~4~~, 412~~05~~ property owners have received $~~349.1360.0~~379.3 million in C-PACE financing for various clean energy and environmental infrastructure projects.

4.2 Green Bank Solar Power Purchase Agreement & Solar ~~Roof~~ Lease

The Green Bank Solar PPA and the Green Bank Solar ~~Roof~~ Lease are third-party ownership structures to deploy solar PV systems for commercial scale end-use customers (e.g., businesses, nonprofits, municipal and state governments, schools, affordable multifamily properties, etc.) that uses a multi-year PPA or site lease to finance projects while either reducing energy costs for the host customer or providing an ~~fixed~~ annual lease payment, in the form of a fixed payment or a portion of the project's tariff revenue.

As of ~~June 30, 2024~~January 1, 2025, ~~218~~ 220 property owners have received $~~145.5~~145.7 million in Green Bank Solar PPA financing for ~~65.3~~65.4 MW of solar PV projects. In FY 2025, the Green Bank Solar PPA will focus on including battery storage to increase resilience of property owners while reducing electricity rates for all ratepayers.

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[71] https://www.ctgreenbank.com/wp-content/uploads/2024/10/CT-Green-Bank-Final-ACFR-2024R-2024.10.25.pdf

[72] An Act Concerning the Commercial Property Assessed Clean Energy Program – https://www.cga.ct.gov/2022/act/Pa/pdf/2022PA-00006-R00SB-00093-PA.PDF

[73] Per CGS 16-244aa, "resilience" means the ability to prepare for and adapt to changing conditions and withstand and recover rapidly from deliberate attacks, accidents or naturally occurring threats or incidents, including, but not limited to, threats or incidents associated with the impacts of climate change.

4.3 **Solar Marketplace Assistance Program ("Solar MAP+")**

Supported by public policy,[74] the Green Bank continues to support Connecticut state agencies, municipalities, and affordable multifamily property owners in their sustainability initiatives through Solar MAP+ for Towns and Cities.[75] Many Connecticut towns, primarily smaller towns, state agencies and affordable multifamily property owners are challenged to get through the many project steps preventing them from taking advantage of clean energy. Solar MAP+ provides turnkey support from start to finish to make it easier for these stakeholders to identify projects that will provide savings (i.e., through solar) and resiliency (i.e., through battery storage), to access necessary incentives and Green Bank financing, and to add much-needed capacity to manage project implementation and construction. The program administers a competitive solicitation to select a construction partner and bring more projects to the market to grow our state's clean energy economy. Projects are bundled into portfolios to achieve economies of scale driving down project costs and delivering better savings a property owner wouldn't experience if they acted alone. With feedback from contractors and municipalities, the Green Bank integrated additional transparency into the Programs' status and activities and developed a clearer mission and target audience. Solar MAP+ aims to support municipalities and other stakeholders that are underserved by the market.[76] From a municipal standpoint, this typically means towns that are smaller in population and/or town staff without recent history of doing solar or battery storage projects. The comprehensive program support and refined mission help better serve our stakeholders and the clean energy market.

4.4 Small Business Energy Advantage & Business Energy Advantage

Small Business Energy Advantage ("SBEA") and Business Energy Advantage ("BEA") are Eversource Energy administered on-bill commercial energy efficiency financing programs for small and medium-sized businesses, municipalities and Connecticut state agencies. Low-cost capital is provided by [redacted] Bank with a credit enhancement from the Green Bank (i.e., subordinated debt) and the Connecticut Energy Efficiency Fund (i.e., loan loss guaranty and interest rate buydown). SBEA and BEA enables qualifying customers to access 0% on bill financing for up to $100,000 per site for businesses (up to a maximum of $1,000,000), up to $5,000,000 for municipalities, and up to $5,000,000 per project for state facilities with no overall outstanding loan cap.

As of ~~June 30, 2024~~January 1, 2025, ~~7,454~~7,733 property owners have received $~~110.1~~115.5 million in SBEA financing for energy efficiency projects.

4.5 Multifamily Products

In FY 2024, as a result of public policy[77], the Green Bank focused its multifamily[78] efforts on deploying solar and storage in affordable multifamily properties. The Green Bank expanded its Solar MAP+ to include the affordable multifamily sector. Through this program, properties receive assistance through all steps of the solar and storage project development process, from site identification and feasibility assessments to contractor procurement and financing. Eligible

[74] CGS 16-245n "…stimulate demand for clean energy and deployment of clean energy sources that serve end use customers in the state…" (i.e., 16-245n(c)); and "…shall (i) develop separate programs to finance and otherwise support clean energy investment in residential, municipal, small business and larger commercial projects…" CGS 16-245n(d)(1)(B).

[75] https://www.ctgreenbank.com/community-solutions/solar-solutions-for-communities/solar-map/

[76] Ibid

[77] Public Act 21-48 and Docket No. 22-08-02

[78] Buildings with 5 or more units

property owners can finance these projects through the Green Bank Solar PPA & Lease as well as C-PACE and the Solar Loan. Solar and storage developers active in the sector can also finance their projects through these products, outside of the Solar MAP+ program.

The Green Bank will continue to support energy efficiency through its support of the LIME product offered by Capital for Change, as well as C-PACE. Additionally, to enable greater investment in and deployment of technologies (i.e. solar PV, battery storage, heat pumps, weatherization, appliances, EV charging, and controls) in affordable multifamily properties, the Green Bank will continue efforts began in FY 2024 to work with the EDCs, DEEP, and the Energy Efficiency Board to better coordinate incentive and financing programs from state and federal sources of capital.

4.6 Green Bank Capital Solutions

As opportunities present themselves, the Green Bank from time-to-time invests as part of a capital structure in various clean energy projects (e.g., fuel cell, hydropower, food and farm waste to energy, electric school buses). These projects are selected based on the opportunity to expand the organization's experience with specific technologies, advance economic development in a specific locale, or to drive adoption of clean energy that would otherwise not occur, while also earning a rate of return.

4.6.1 Electric School Buses

The Green Bank's enabling statute 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 passage of the Connecticut Clean Air Act (P.A. 22-25)[79] 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

To support this public policy, the Green Bank has launched an initiative to support Connecticut school districts transition to electric school buses. This support has taken two forms: 1.) launching a Fleet Electrification Accelerator[80] program and 2.) providing financing for buses, charging infrastructure, and grid upgrades. Under the Fleet Electrification Accelerator, school districts will support districts to develop a fleet electrification plan with follow-on deployment support to implement the plan. The Fleet Electrification Accelerator launch in June 2025 and will operate as a cohort model. The initial cohorts will be restricted to Connecticut's Distressed Municipalities.

Through GGRF-NCIF efforts, the Green Bank has also initiated the financing of electric school bus fleets as well as associated charging and grid infrastructure under the Capital Solutions Program.

[79] P.A. 22-25
[80] Fleet Electrification Accelerator - CT Green Bank | Accelerating Green Energy Adoption in CT

4.7 Financing Program Targets

The Green Bank has set targets for its Financing Programs business unit for FY 2023 through FY ~~2025~~ 2026 in terms of the number of projects, total investment (i.e., public and private), and installed capacity – see Tables ~~5~~ 6 through ~~7~~9.

Table 6. Revised FY 2023 Targets for the Financing Programs Business Unit

Program / Product	Projects	Total Capital Deployed ($MM's)	Green Bank Capital Deployed ($MM's)	Installed Capacity (kW)
Commercial PACE	23	$31.0	$7.0	-
Green Bank Solar PPA	19	$13.7	$2.7	7,600
Small Business Energy Advantage	839	$18.6	$3.7	-
Multifamily Term Loan	6	$1.4	-	600
Multifamily Health and Safety	1	$0.9	-	-
Total	**882**	**$64.2**	**$13.4**	**7,600**

Table 7. Revised FY 2024 Targets for the Financing Programs Business Unit

Program / Product	Projects	Total Capital Deployed ($MM's)	Green Bank Capital Deployed ($MM's)	Installed Capacity (kW)
Commercial PACE	19	$21.2	$7.7	-
Green Bank Solar PPA	10	$10.7	$6.5	4,700
Small Business Energy Advantage	480	$11.7	$2.3	-
Multifamily Term Loan	3	$0.3	$0.3	300
Total	**515**	**$49.0**	**$21.1**	**8,200**

Table 8. Revised FY 2025 Targets for the Financing Programs Business Unit

Program / Product	Projects	Total Capital Deployed ($MM's)	Green Bank Capital Committed[81] ($MM's)	Installed Capacity (kW)
Commercial PACE	23	$32.2	$14.7	-
Marketplace Assistance Program	8	$8.8	$6.1	3,470
Green Bank Solar PPA[82]	4	$3.0	$1.6	-
Small Business Energy Advantage	518	$12.6	$2.5	-
Total	**553**	**$56.6**	**$24.8**	**3,470**

[81] The Green Bank has clarified our targets and in FY 2025 is using the term Green Bank Capital Committed, where we are looking to commit to using funds from our balance sheet towards specific programs and projects. This is an important metric to track as it is indicative of our growth and progress toward achieving financial sustainability.

[82] This includes Green Bank and 3rd Party developed solar installations where the Green Bank's support is through debt.

Table 9. FY 2026 Targets for the Financing Programs Business Unit

Program / Product	Projects	Total Capital Deployed ($MM's)	Green Bank Capital Committed[83] ($MM's)	Installed Capacity (kW)
Commercial PACE	24	$42.2	$10.2	-
Marketplace Assistance Program	20	$28.7	$2.2	14,744
Green Bank Solar PPA[84]	11	$12.6	$5.2	10,101
Small Business Energy Advantage	436	$14.5	$2.9	-
Total	**491**	**$98.1**	**$20.5**	**24,845**

In terms of the Green Bank's vulnerable communities prioritization, the following is a goal for Financing Programs:

- ~~By 2025, n~~No less than 40 percent of investment and benefits (e.g., reduction in energy burden, increase in resilience, jobs) from Financing Programs is directed to vulnerable communities.

The capital provided by the Green Bank, which is a portion of the total investment, is expected to yield a return commensurate with the financial sustainability objectives of the organization and business unit.

As a result of successfully achieving these targets, the Green Bank will contribute to its financial sustainability, and also reduce the energy burden and increase resilience for Connecticut families and businesses, especially those in vulnerable communities, create jobs in our communities, raise tax revenues for the State of Connecticut, and reduce air pollution that cause local public health problems and global climate change.

For details on Financing Program performance, please see the Annual Comprehensive Financial Report for ~~FY23~~FY24.[85]

5. Environmental Infrastructure Programs

Following the passage of PA 21-115 in June of 2021, the Green Bank began the process of policy assessment and development for environmental infrastructure in FY 2022, including:

- **Governance Amendments** – revising various governance documents including the Resolution of Purpose, Bylaws, and Operating Procedures;

- **Assessing Bond Potential** – investigating the potential for Green Liberty Bonds to be issued to raise proceeds for environmental infrastructure investment, including fifty (50) year maturity terms;

[83] The Green Bank has clarified our targets and in FY 2025 is using the term Green Bank Capital Committed, where we are looking to commit to using funds from our balance sheet towards specific programs and projects. This is an important metric to track as it is indicative of our growth and progress toward achieving financial sustainability.

[84] This includes Green Bank and 3rd Party developed solar installations where the Green Bank's support is through debt.

[85] https://www.ctgreenbank.com/wp-content/uploads/2024/10/CT-Green-Bank-Final-ACFR-2024R-2024.10.25.pdf

- Developing Products – expanding the ability for the Smart-E Loan to support environmental infrastructure projects for single family property owners and C-PACE to support resilience projects for multifamily and commercial property owners;

- Stakeholder Engagement – initiating outreach to public, private, nonprofit, and academic stakeholder organizations to introduce the Green Bank, understand public policies and targets, identify funding opportunities, market potential, investment requirements, and financing models, and metrics for environmental infrastructure; and

- Strategic Retreat – engaging members of the BOD, staff, and key stakeholders in an offsite strategic retreat to expand the scope of the Green Bank to mobilize private investment in environmental infrastructure.[86][87]

As a result of these efforts in FY 2022, the Green Bank made the following observations with respect to environmental infrastructure:

1. Market Intermediary Role – as is the case with respect to "clean energy," the Green Bank has a role to play as a market intermediary for "environmental infrastructure" – see Figure 2. Given the ambitious nature of public policies with respect to environmental infrastructure, and the need to mobilize and attract private investment to achieve the policy objectives, there is a need for an intermediary role for the Green Bank between capital markets and public policy.

Figure 2~~2~~. Market Intermediary Role - Capital Markets and Public Policy

2. Better Market Signals – again, as is the case with respect to "clean energy" (e.g., zero emission renewable energy credits), there is a need for public policy to send better market signals to unlock and mobilize private capital investment in "environmental infrastructure". For example, beyond "sticks" (e.g., regulation and enforcement requiring producers of food waste to transport their waste to an anaerobic digester per ~~PA 11-127~~CGS §22a-226e), there need to also be associated "carrots" (e.g., virtual net metering, low emission renewable energy credits, renewable natural gas) in order to enable private investment in "environmental infrastructure". A strong market signal

[86] https://www.ctgreenbank.com/wp-content/uploads/2022/07/2022-Strategic-Retreat-Report.pdf
[87] https://www.youtube.com/watch?v=6V3wwMcaUvU

public policy for green and blue infrastructure is Maryland's Conservation Finance Act of 2022 and the pay-for-success contracts for certain environmental outcomes.[88]

3. Appropriately Priced Capital – if public policy in Connecticut is designed to reduce risks (including perceived risks), then attracting and mobilizing appropriately priced private capital (e.g., lower interest rates, longer terms) must ensue. The Green Bank can access affordable private capital through the issuance of Green Liberty Bonds, which can be paid back over 50 years (or the useful life of the asset) and whose proceeds can be invested in environmental infrastructure.

4. Community Engagement – there is a continuous need to not only engage public, private, nonprofit and academic stakeholders, but also municipal, councils of government, and other community-level officials. Empowering impacted communities, especially vulnerable communities, through near-term engagement (i.e., informing, consulting, and involving) to long-term engagement (i.e., collaborating and empowering) is vital to identifying needs to support the development of programs and the success of investments in projects to achieve their intended impacts.

5. Vulnerable Communities – with a key goal to "strengthen Connecticut's communities, especially vulnerable communities, by making the benefits of the green economy inclusive and accessible to all individuals, families, and businesses," as is the goal for "clean energy," the Green Bank will ensure that by the end of 2025 no less than 40 percent of investment and benefits (e.g., jobs) in "environmental infrastructure" are directed to vulnerable communities.

In FY 2023, the Green Bank continued to make progress developing its environmental infrastructure business unit and programs by:

- Building the Team – hiring several critical positions including the Manager of Community Engagement and Director of Environmental Infrastructure, as well as qualifying a suite of contractors to support the work of the business unit;

- Continuing Engagement – wrapping up stakeholder outreach for water, and continuing engagement of municipal and regional governments, especially those in vulnerable communities (e.g., Bridgeport, Hartford);

- Raising Resources – identifying and realizing opportunities for federal (i.e., GGRF) and foundation (i.e., Robert Wood Johnson Foundation) funding, and developing the Green Liberty Bonds to raise proceeds from the issuance of bonds to provide capital for investment;

- Launching New Products – developing existing financing products for clean energy (i.e., Smart-E Loan, C-PACE) to support environmental infrastructure measures; and

[88] https://mgaleg.maryland.gov/mgawebsite/Legislation/Details/sb0348?ys=2022RS

- Conducting Research and Development – continuing to identify research opportunities to develop markets for carbon offsets and ecosystem services for the purposes of generating revenues from projects as a result of Green Bank investments.

In FY 2024, the Green Bank continued to make steady progress developing its environmental infrastructure business unit and programs including, but not limited to:

- Strategic Assessment of Market Readiness – identified and synthesized market conditions, readiness, and opportunities across sectors, including resources needed to develop, expand, or launch new programs and markets;

- Continuing to Build the Team – identified critical positions and/or contractual support services to implement programs and opportunities based on the strategic assessment;

- Continuing Engagement – initiated stakeholder outreach for waste and recycling, continued engagement of municipal and regional governments, especially those in vulnerable communities;

- Explore Stakeholder Advisory Committee – explored the formation of an Environmental Infrastructure Stakeholder Advisory Committee to engage various state agencies to act as liaisons to the Green Bank.[89] Considered other important engagement or advisory opportunities with strategic organizations, stakeholders, and/or municipalities;

- Raising Resources – identified, sought, and received funding from federal (e.g., IIJA, IRA, GGRF) and foundation (e.g., grants, program related investments ("PRIs")) channels. In 2024, develop and issue Green Liberty Bonds to raise proceeds to provide capital for investment (e.g., revolving loan fund);

- Launching or Expanding Existing Products Inclusive of Key Outcomes – developed and launched existing financing products for clean energy (i.e., Smart-E Loan, C-PACE) to support environmental infrastructure measures. Assessed and created additional clean energy incentive and financing product expansion opportunities in alignment with strategic assessment (i.e., Green Bank Capital Solutions); and

- Continue Conducting Research and Development – continued to identify research and development opportunities for the purposes of generating revenues, including environmental market revenues (e.g., carbon offsets, ecosystem services) from projects as a result of Green Bank investments.

In FY 2025, the Green Bank continued to make steady progress developing its environmental infrastructure business unit and programs including, but not limited to:~~the Green Bank will implement the following within its environmental infrastructure business unit, including, but not limited to:~~

[89] Per Section 5.3 Advisory Committees within its bylaws, the Green Bank may form advisory committees to advise and assist the Board or management in the performance of its statutory responsibilities.

- **Expand and Implement Existing Products** - following the launches of existing products (i.e., Smart-E Loan, C-PACE) inclusive of environmental infrastructure measures (e.g., resilience, water) in FY 2024, continued measure expansion for septic, dams, and wells. ~~and s~~Supported ~~for~~ market development of such Smart-E Loan measures and the C-PACE underwriting criteria for resilience measures. Collaborated to ~~while also~~ identify~~ying~~ and collect~~ing~~ information to support the development of impact metrics.

- **Identify Unique Project Opportunities** - launched Green Bank Capital Solutions, inclusive of environmental infrastructure measures, in FY 2025, by promoting the open RFP program, building a pipeline of priority project opportunities, creating proposal evaluation criteria, and investing in one project opportunity ~~ies where~~as appropriate.

- **Continuing Engagement** - finalized the "Waste and Recycling" primer, and supported community engagement relative to environmental infrastructure. Continued engagement of municipal and regional governments, especially those supporting vulnerable communities, to understand their needs in terms of environmental infrastructure.

- **Support Public Policy that Unlocks Private Capital Investment** - supported existing ~~or~~and advanced new public policies (PA 25-33 and PA 25-125) that mobilize private capital investment in and deployment of environmental infrastructure.

- **Raising Resources** – identif~~ying~~ed, pursu~~ing~~ed, and receiv~~ing~~ed opportunities and partnerships for federal and foundation funds (e.g., grants, PRIs) and private capital resources. In FY 2025, continued the Green Bank's determin~~e~~ation of the capability for Green Liberty Bonds ~~for environmental infrastructure~~ (i.e., up to 50-year bonds) to raise proceeds to provide capital for investment ~~(e.g., revolving loan fund)~~in environmental infrastructure.

- **Market Research and Development** - continued to identify research and development opportunities for the purposes of product and market development, including~~supporting~~ public policies that enable private capital investment, the identification of~~ying~~ project and programmatic opportunities, and generating revenues, especially from environmental markets (i.e., carbon offsets, ecosystem services).

- **Data, Targeting, and Impact** - assembled data (e.g., resilience opportunity areas, vulnerable communities, etc.) to target the promotion of products and programs for environmental infrastructure investments. Help~~ing~~ed to optimize impact across Environmental Infrastructure sectors and key performance indicators ("KPIs").

In addition to the above, the Green Bank for the first time, set targets for its Environmental Infrastructure Programs business unit for FY 2025 in terms of the number of projects and total investment (i.e., public and private) – see Table 10.

Table 10. Revised FY 2025 Targets for the Environmental Infrastructure Programs Business Unit

Program / Product	Projects	Total	Green Bank Capital

		Capital Deployed ($MM's)	Committed[90] ($MM's)
Smart-E Loan	20	$0.1	$0.0
Green Bank Capital Solutions	1	$2.0	$1.0
Total	**21**	**$2.1**	**$1.0**

In FY 2026, the Green Bank will implement the following within its environmental infrastructure business unit, including, but not limited to:

- **Support Product Expansion and Implementation** – following the expansion of existing products inclusive of environmental infrastructure measures (e.g., Smart-E climate adaptation and resilience measures, water measures, and C-PACE Resilience) in FY 2024 and FY 2025, continue support for measure expansion and market adoption of such measures while also identifying and collecting information to support the development of impact metrics.

- **Pursue Priority Project Opportunities** – continue promoting Green Bank Capital Solutions, building a project pipeline, and investing capital into project opportunities where appropriate, and in alignment with investment strategy and market development priorities, while also identifying and collecting information to support the development of impact metrics

- **Market Research & Strategic Program Development** – continue to identify market research and development opportunities (e.g. financing nature-based solutions per PA 25-125) to guide the design of potential policy or financing programs (e.g. Resiliency Improvement Districts per PA 25-33) which generate revenue in support of public policy objectives.

In addition to the above, the Green Bank set targets for its Environmental Infrastructure Programs business unit for FY 2026 in terms of the number of projects and total investment (i.e., public and private) – see Table 11.

Table 11. FY 2026 Targets for the Environmental Infrastructure Programs Business Unit

Program / Product	Projects	Total Capital Deployed ($MM's)	Green Bank Capital Committed[91] ($MM's)
Smart-E Loan	15	$0.1	$0.0
Green Bank Capital Solutions	2	$5.0	$2.5
Total	**17**	**$5.1**	**$2.5**

[90] The Green Bank has clarified our targets and in FY 2025 is using the term Green Bank Capital Committed, where we are looking to commit to using funds from our balance sheet towards specific programs and projects. This is an important metric to track as it is indicative of our growth and progress toward achieving financial sustainability.

[91] Ibid

5.1 Confronting Climate Change and Vulnerable Communities

Given the mission of the Green Bank, investments in environmental infrastructure must seek to confront climate change (i.e., mitigate GHG emissions and increase resilience against its impacts) and increase investment in vulnerable communities – see Figure 3. The umbrella of Environmental Infrastructure sectors guides the Green Bank's efforts to mobilize investment in concert with public, private, nonprofit, municipal and other stakeholders.

Figure 3~~3~~. Confronting Climate Change and Enabling Investment in Vulnerable Communities through Environmental Infrastructure

Through stakeholder engagement, the Green Bank recognizes the opportunity for investment in nature-based solutions that protect land and water from loss, improve management of natural resources for productive use in the economy, and restore native cover – all of which help Connecticut confront climate change – see Figure 4.

Figure 4~~4~~. Nature-Based Solutions and Green Infrastructure

With the passage of PA 25-33, the Green Bank is able to finance environmental infrastructure projects through RIDs, including supporting the public policy priority of investing in nature-based solutions projects (including in vulnerable communities).

In terms of the Green Bank's vulnerable communities prioritization, the following is a goal for Environmental Infrastructure Programs:

- ~~By 2025, no~~No less than 40 percent of investment and benefits (e.g., reduction in air and water pollution, increase in resilience, public health improvement, jobs) from Environmental Infrastructure Programs is directed to vulnerable communities.

5.1.1 Strategy Overview

As the Green Bank ~~initiates its~~continues to implement its Environmental Infrastructure efforts, there is a need to accelerate the pace at which the team can begin to provide financial solutions to the market while allowing for flexibility to learn more about each sector. The Environmental Infrastructure team created a three-part strategy to balance near-term product and investment opportunities alongside longer-term program and market development. The strategy was also envisioned to leverage existing staff resources and to build on respected program brand names and market awareness. This strategy is to:

1) Expand Program Offerings: include Environmental Infrastructure measures in existing programs such as Smart-E (i.e., climate resilient and adaptation and water measures) and C-PACE (i.e., resilience)

2) Pursue Bespoke Opportunities: expand and leverage Green Bank Capital Solutions Open Rolling Request for Proposals for Environmental Infrastructure projects

3) Develop Strategic Programs: determine longer-term strategic program design opportunities (e.g., advancing environmental infrastructure projects through RIDs)

Figure 5. Environmental Infrastructure Strategy

As the Green Bank has worked to define a strategic approach to the expansive scope of Environmental Infrastructure, it has been important to maintain a broad aperture of financing tools and investment strategies for Environmental Markets, Land Conservation, Parks and Recreation, Agriculture, Water, and Waste and Recycling. Each of these sectors have many potentially viable investment strategies. The team has engaged in conversation, participated in working groups, developed new partnerships, and performed other stakeholder engagement activities to better understand near-term program design opportunities and longer-term market and program development needs.

The following is a succinct breakdown of each area of environmental infrastructure, including links to more detailed guides or primers based on stakeholder outreach.

5.2 Environmental Markets – Carbon Offsets and Ecosystem Services

Carbon offsets are measurable outcomes from carbon sequestration activities, traded in voluntary (e.g., requiring verification and certification) and compliance (e.g., RGGI) markets, whereby regulations, sustainability priorities, and public relations are motivators for buyers and sellers. Ecosystem services are the benefits people obtain from ecosystems,[92] and when measured, not only demonstrate social and environmental benefits, but also, in some cases, produce environmental market revenues from the investment in and deployment of environmental infrastructure. Fundamentally, ecosystem services markets are designed to embed the positive benefits (e.g., public health, resilience) and negative impacts (e.g., GHG emissions) of individuals on natural resources into market-based systems which financially incentivize environmental stewardship, conservation, and rehabilitation of natural ecosystems.

Environmental infrastructure projects that involve carbon offsets and ecosystem services can be quantified and sold in markets to generate additional earned revenues from the projects. For

[92] Provisioning services (e.g., food, water, fuel, wood), supporting services (e.g., nutrient cycling, soil formation, habitat provision, primary production), regulating services (e.g., climate regulation, flood regulation, water purification), and cultural (e.g., spiritual, aesthetic, educational, and recreational).

example, the Green Bank has developed a carbon offset methodology VM0038[93] and VMD0049[94] published under the Verified Carbon Standard ("VCS") Program, administered by the nonprofit Verra. This methodology allows those with the rights to electric vehicle charging infrastructure to earn carbon credits based on vehicle charging activity. The Green Bank led the development of this methodology with several partners going back to 2016 and worked with a consortium of partners[95] to submit for credits in 2021 for activity from 2016-2021.[96] Credits were certified, verified, and minted in the fall of 2022 and monetized in the spring of 2023. The Green Bank is currently preparing to file for activity for calendar years 2021 and 2022 and expects to file for credits on behalf of its partners going forward for the life of the project, through 2041.

Though ecosystem services have been part of multiple discussions on opportunities for Green Bank engagement, the Environmental Infrastructure team has not developed a specific strategy or priority opportunity to engage across Environmental Markets. Starting ~~I~~in FY 2025, the Environmental Infrastructure team will continue to incorporate ecosystem service markets into broader project and program design opportunities as appropriate while also exploring project financing and program design opportunities with ecosystem service registries and project development partners.

For the basics on environmental markets, see Guide – Environmental Markets.[97]

5.3 Land Conservation

Nature-based solutions such as protecting intact lands from loss (e.g., forestlands, wetlands), improving the management of working lands (e.g., sustainably certified timberlands), and restoring native land cover, including coastlines, can both mitigate GHG emissions that cause climate change (e.g., forest carbon sequestration) and increase resilience against the impacts of climate change (e.g., flood protection).

The following is the market potential for land conservation from the perspective of forestland – see Table ~~8~~12.

Table 12. Market Potential for Land Conservation in Connecticut based on Forest Land

3,205,762 Acres Land in Connecticut				
1,869,761 Acres Forest Land			**1,336,001 Acres** Non-Forest Land	
298,994 Acres Protected Core Forests	**568,857 Acres** Unprotected Core Forest	**1,001,910 Acres** Non-Core Forest	**1,130,000 Acres** Urban Area	**206,001 Acres** Other Non-Urban and Non-Forest

[93] https://verra.org/methodologies/vm0038-methodology-for-electric-vehicle-charging-systems-v1-0/

[94] https://verra.org/methodologies/vmd0049-activity-method-for-determining-additionality-of-electric-vehicle-charging-systems-v1-0/

[95] Partners include: AmpUp, Blink Dominion Energy, EV Match, EV Structure, Exelon, Opconnect, OptiWatt, and UGO. We have been facilitated by the expertise brought by the Climate Neutral Business Network.

[96] https://verra.org/new-methodology-for-ev-charging-systems-approved/

[97] https://www.ctgreenbank.com/wp-content/uploads/2023/04/Environmental-Infrastructure_Environmental-Markets-Guide_062323.pdf

To retain the multiple benefits that forests provide, there is a "no net loss of forest" policy goal.

The following is a breakdown of the land conservation target outlined in the CGS 23-8[98] – see Table ~~9~~13.

Table 13. Progress Towards the Open Space Land Target in Connecticut (as of December 31, 2019)

3,205,762 Acres Land in Connecticut								
320,576 Acres State Goal (@10%)				**352,634 Acres** Partner Goal (@≥11%)				**2,532,552 Acres** No Land Conservation (@79%)
175,000 Acres State Forests[99]	**36,000 Acres** State Parks[100]	**46,000 Acres** Wildlife Area and Other[101]	**63,500 Acres** left to achieve target	**84,000 Acres** Cities and Towns	**99,000 Acres** Water Companies	**66,000 Acres** Non-Profit Land Trusts	**104,000 Acres** left to achieve target	

Of the open space goal of 21% by 2023 (i.e., 673,210 acres), approximately 510,249 acres are conserved (as of December 31, 2019), or 76% of the open space goal comprising 261,806 acres of state (i.e., 82% of the 10% state target) and 248,953 acres of partner (i.e., 71% of the partner target) – leaving an estimated 162,451 acres of open space left to achieve. If the average land acquisition cost is $9,000 per acre, then approximately $1.5 billion of public and private investment in land conservation would be needed to acquire and protect over 160,000 acres of open space in order to achieve the 21% target.

As the Green Bank looks to increase and accelerate private investment in land conservation, it will be exploring the following financing tools, including, but not limited to:

- Carbon offset markets
- Ecosystem services markets
- Pay-for-Performance
- Eco-Labeling (e.g., FSC Certified)
- Green Liberty Bonds
- Buy-Protect-Sell Revolving Loan Fund
  - Predevelopment Financing
  - Bridge Financing
  - Traditional Debt Financing
- ~~Forest Investment Fund~~

Based on learnings to date and also aligned with the agriculture sector priority opportunities, a ~~revolving~~bridge loans ~~loan fund~~ for land conservation, restoration, and stewardship is a priority opportunity for the Green Bank to engage across the land conservation sector, especially for projects and acres facing high development pressure and risk of conversion to incompatible use.

98 State goal for open space acquisition – https://law.justia.com/codes/connecticut/2012/title-23/chapter-447/section-23-8/

99 33 locations

100 107 locations

101 Including wildlife management areas, fish hatcheries, flood control, natural area preserve, water access, wildlife sanctuaries, and other

For further details on the market opportunity, see Primer – Land Conservation.[102]

5.4 Parks and Recreation

Infrastructure investments in parks and recreation can both mitigate the GHG emissions that cause climate change (e.g., carbon sinks from urban tree canopy cover) and increase resilience against the impacts of climate change (e.g., stormwater management through urban parks, improve public health).

The following is a breakdown of the market potential for parks and recreation from the perspective of active[103] and passive[104] outdoor recreation facilities, and on "land" or "water" based activities from the Statewide Comprehensive Outdoor Recreation Plan ("SCORP") – see Table ~~10~~14.

Table 14. Outdoor Recreation Facilities in Connecticut (2005)

Outdoor Recreation Type	# of Facilities	DIRPS[105] per 10,000 Residents	Ownership Statewide Average	Ownership Municipal Average	Ownership Other Average
Active – Land	4,788	1.4	4%	77%	20%
Active – Water	137	0.4	2%	69%	30%
Passive – Land	1,957	1.0	27%	46%	27%
Passive – Water	1,130	1.1	22%	45%	33%
Total	8,012	1.2	14%	62%	24%

The Trust for Public Land's ("TPL") ParkScore Index is a comprehensive rating system to measure how cities are meeting the needs for parks.[106] In an effort to assess ParkScore, the following data are for Connecticut's "Top 10" most populated municipalities with respect to park access – see Table ~~11~~15.

Table 15. "Top 10" Most Populated Municipalities in Connecticut and ParkScore

City	Population	Acres	% Land as Parks	Acres of Land as Parks	Acres of Parks per 10,000 Residents	# of Parks	Parks per 10,000 Residents	10-Minute Walk
Hartford	121,203	11,136	9%	1,002	83	218	18.0	99%
New Haven	130,764	11,968	12%	1,436	110	128	9.8	96%

102 https://www.ctgreenbank.com/wp-content/uploads/2023/01/Environmental-Infrastructure_Land-Conservation_Oct-16-2022.pdf

103 Active outdoor recreation facilities based on 2005 data (X – #) and 2017 use frequency index data, if available (# – Y), include fields, courts, and courses for baseball and softball (984 – 16.0), basketball (645 – 23.0), football (154 – 10.0), golf (125 – 13.6), multi-use (624), soccer (495 – 14.6), tennis (384 – 11.2), and volleyball (74 – 23.0), as well as playgrounds (1,065), swimming pools (137 – 60.9), and winter sports (238 – 9.3)

104 Passive outdoor recreation facilities based on 2005 data (X – #) and 2017 use frequency index data, if available (# – Y) include access to sites for beaches (176 – 60.1), boating (285 – 10.9), camping (88 – 13.5), fishing (669 – 19.0), gardens (109), historic landmarks (99 – 35.9), hunting (88 – 3.5), picnics (677), and trails (896 – 102.8)

105 Discrete Identifiable Recreation Places

106 The "% of Land as Parks," "# of Parks," and "10-Minute Walk" data were used from TPL's ParkScore data set.

West Hartford	63,063	13,952	20%	2,790	442	48	7.6	82%
Stamford	129,302	24,064	5%	1,203	93	54	4.2	74%
New Britain	72,303	8,576	7%	600	83	23	3.2	73%
Bridgeport	143,653	10,304	7%	721	50	35	2.4	73%
Waterbury	106,458	18,240	6%	1,094	103	30	2.8	60%
Norwalk	88,326	14,656	3%	440	50	45	5.1	55%
Bristol	59,639	16,896	4%	676	113	20	3.4	51%
Danbury	84,732	26,880	5%	1,344	159	17	2.0	37%

The quality of parks is difficult to discern. To better understand the quality of parks, TPL partnered with the Urban Resources Institute ("URI") to compare New Haven against the nation's most populous cities on five (5) categories reflective of an excellent city park system: Acreage,[107] Access,[108] Investment,[109] Amenities,[110] and Equity[111] – see Table ~~12~~16.[112]

Table 16. TPL and URI Analysis of New Haven Compared to Other Cities

City	Overall	Acreage	Access	Investment	Amenities	Equity
New Haven, CT	60	36	95	35	71	65
Hartford, CT	59	44	95	40	44	73
Boston, MA	-	47	100	79	65	79
Baltimore, MD	-	25	81	68	40	83
Buffalo, NY	-	25	85	47	61	64

The TPL-URI research also delves deeper into the twenty (20) neighborhoods of New Haven to collect data with respect to population, acres of parks, and acres per 1,000 population, as well as demographic data including income and people of color. Based on data from TPL from 14,000 cities, parks that serve low-income households are four (4) times as crowded as parks that serve high-income households, and parks that serve people of color are five (5) times as crowded as parks that serve majority-white populations.[113] Such analyses in municipalities across Connecticut could elucidate opportunities for areas of improvement, including improving the public health of residents (e.g., reducing urban heat island effects) with access to parks and the economic development impact of property values within proximity to parks. Through its research and development efforts, the Green Bank has supported TPL and other community-based nonprofits to conduct a similar assessment for Hartford, the birth and burial place of Frederick Law Olmstead.

[107] Acreage score indicates the relative abundance of large 'destination' parks, which include large natural areas that provide critical mental health as well as climate and conservation benefits.

[108] Access score indicates the percentage of the city's residents that live within a walkable half-mile of a park – the average distance that most people are willing to walk to reach a destination.

[109] Investment score indicates the relative financial health of a city's park system, which is essential to ensuring parks are maintained at a high level for all to enjoy.

[110] Amenities score indicates the relative abundance of six park activities popular among a multi-generational cross-section of user groups (i.e., playgrounds, basketball courts, dog parks, senior and recreation center, splashpads, and permanent restrooms).

[111] Equity score indicates how fairly parks and park space are distributed within a city, including percentage of people of color and low-income households within a 10-minute walk of a park, and comparison of the amount of park space between neighborhoods by race and income.

[112] For example, a score of 90 means that the municipality is within the top 90 percent across the country.

[113] "The Heat is On" by The Trust for Public Lands

As the Green Bank looks to increase and accelerate private investment in parks and recreation, it will be exploring the following financing tools, including, but not limited to:

- Carbon offset markets
- Ecosystem services markets (e.g., Park Rx)
- Pay-for-Performance
- Green Liberty Bonds
- Tax Increment Financing
- Buy-Protect-Sell Revolving Loan Fund
  - Predevelopment Financing
  - Bridge Financing
  - Traditional Debt Financing

Based on learnings to date, one of the most promising opportunities for the Green Bank to engage across the Parks & Recreation sector could be through bridge lending or working capital facilities for high impact community projects. The Environmental Infrastructure team will continue exploring how to bring financing methodologies to park projects while pursuing potential opportunities with project sponsors through Capital Solutions.

For further details on the market opportunity, see Primer – Parks and Recreation.[114]

5.5 Agriculture

Nature-based solutions such as protecting farmlands from loss and improving farming practices, can both mitigate GHG emissions that cause climate change (e.g., climate smart agriculture) and increase resilience against the impacts of climate change (e.g., flood protection).

The following is a breakdown of the market potential for "agriculture" (i.e., farmland), including other natural forms of land cover (i.e., forestland and wetlands) – see Table ~~13~~17.

Table 17. Land Cover in Connecticut (2015)

3,179,253 Acres Land and Water in Connecticut				
921,827 Acres Developed Land[115] 29%	**233,847 Acres** Farmland 7%	**1,873,471 Acres** Forestland[116] 59%	**129,153 Acres** Wetlands[117] 4%	**20,955 Acres** Other Lands[118] 1%

More than 70% of Connecticut's land is farmland, forestland, or wetland. From 2001 through 2016, approximately 6% of the state's farmland was converted to urban or low-density residential development – placing the state in the top three nationally in percent of farmland lost to development.[119]

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114 https://www.ctgreenbank.com/wp-content/uploads/2023/01/Environmental-Infrastructure_Parks-and-Recreation_Oct-16-2022.pdf

115 Includes "Developed," "Turf & Grass," and "Other Grasses" classifications

116 Includes "Deciduous Forest," "Coniferous Forest," "Forested Wetland," and "Utility-Rights-of-Way (Forest)" classifications

117 Includes "Water," "Non-Forested Wetlands," and "Tidal Wetlands" classifications

118 Includes "Barren" classification

119 "Planning for Agriculture – A Guide for Connecticut Municipalities: Emerging Agricultural Trends" by the American Farmland Trust and Connecticut Department of Agriculture (2020 Edition) (Page 19)

The long-term goal of the Farmland Preservation Program, which was set back in the 1980's, is to preserve 130,000 acres of farmland – see Table ~~14~~18.

Table 18. Progress Towards the Farmland Preservation Program Target in Connecticut

<table>
<tr><td colspan="5">3,205,762 Acres
Land in Connecticut</td></tr>
<tr><td colspan="4">381,539 Acres[120]
Farmland</td><td rowspan="5">2,824,223 Acres
Non-Farmland</td></tr>
<tr><td>148,609 Acres
Farmland</td><td>113,355 Acres
Woodland</td><td>31,923 Acres
Pastureland</td><td>87,652 Acres
Other[121]</td></tr>
<tr><td colspan="4">130,000 Acres
Preserved Farmland Goal</td></tr>
<tr><td colspan="2">48,744 Acres
Preserved</td><td colspan="2">81,256 Acres
Not Preserved</td></tr>
</table>

As of October 2020, the Farmland Preservation Program has protected nearly 49,000 acres on 418 farms with agricultural conservation easements – leaving 81,000 acres of farmland left to preserve.[122] If the average real estate value of an acre of farmland in Connecticut in 2019 was $12,200, and Purchasing Development Rights ("PDR") is 30-50% of value, then between $300 to $500 MM of public investment (e.g., through the Connecticut Department of Agriculture ("DoAg") and/or USDA-Natural Resources Conservation Service ("NRCS")) would be needed to protect 81,000 acres of farmland to achieve the 130,000 acres of farmland preserved target.

As the Green Bank looks to increase and accelerate private investment in agriculture, it will be exploring the following financing tools, including, but not limited to:

- Carbon offset markets
- Ecosystem services markets
- Pay-for-Performance
- Eco-Labeling (e.g., Connecticut Grown)
- Green Liberty Bonds
- Linked Deposits
- Buy-Protect-Sell Revolving Loan Fund
  - Predevelopment Financing
  - Bridge Financing
  - Traditional Debt Financing
- Farmland Investment Fund
- Loan Guarantees (e.g., Smart-E Loan)

Based on learnings to date, and in alignment with the land conservation sector priority opportunity, one of the most promising financing tools for the Green Bank to explore across the agriculture sector is a flexible revolving loan fund structure that could support project activities and business improvements across multiple components of the sustainable and regenerative agricultural value and supply chains. These include climate-smart commodity production, farm and forestland conservation, infrastructure modernization and supply chains sustainability improvements, renewable energy integration, and ecosystem service generation.

[120] USDA Economic Research Service – 2017 data
[121] Land in house lots, ponds, roads, wasteland, etc.
[122] Connecticut Department of Agriculture, Farmland Preservation Programs Report (January 2022)

This exploration is influenced through an evolving partnership with the Connecticut Department of Agriculture ("DoAg") on joint priorities, and in consideration of the proven revenue streams and viable lending models for farmland acquisition and business lending for increased climate resilience across the agricultural sector.

For further details on the market opportunity, see Primer – Agriculture.[123]

5.6 Water

Water infrastructure and market opportunities in Connecticut are complex. Water is managed through several state agencies (i.e., DEEP, DPH), including issuing green bonds by the Office of the Treasurer, and federal departments (i.e., EPA).
Per PA 21-115, there are several boundaries with respect to what the Green Bank can do with respect to water, including:

- Environmental Infrastructure Fund – may not receive funds from the Clean Water Fund pursuant to sections 22a-475 to 22a-438f, or funds collected from a water company as defined in section 25-32a; and

- Apply for Federal Assistance – may not apply directly or through a subsidiary to be eligible for federal grant assistance under the Clean Water Act, 33 USC 1251 et seq., nor the Safe Drinking Water Act, 42 USC 300f et seq., without the approval of the State Treasurer, Commissioner of Energy and Environmental Protection, and Commissioner of Public Health.

As a result of these restrictions, and since Connecticut's State Revolving Fund ("SRF") hasn't invested in green infrastructure,[124] the Green Bank will focus its efforts on nature-based solutions (e.g., land conservation) and stormwater (e.g., green roofs), as well as its financing programs (e.g., Smart-E Loan, C-PACE) to help end-use customers improve water on their property. It should be noted that within PA 21-115, that municipalities can create stormwater authorities.

As a result of climate change, there is increased possibilities of instream (i.e., ecological, recreational) and out-of-stream (i.e., drinking, industry, agriculture, energy needs) water shortages from droughts as a result of heat waves, flooding as a result of rain bombs, and other adverse local impacts. These impacts are likely to impact vulnerable communities first and worst, as evidenced by recent flooding impacts on stormwater systems.[125]

As the Green Bank looks to increase and accelerate private investment in water, in collaboration with its state agency partners, it will be exploring the following financing tools, including, but not limited to:

- Ecosystem services markets
- Pay-for-Performance
- Green Liberty Bonds
- Buy-Protect-Sell Revolving Loan Fund
  - Predevelopment Financing
  - Bridge Financing

[123] https://www.ctgreenbank.com/wp-content/uploads/2023/01/Environmental-Infrastructure_Agriculture_Oct-16-2022a.pdf
[124] Hansen, K., Thomas, T., Vo, S., Berven, K., Moudgalya, P., Vedachalam, S. (2022). Financing Green Stormwater and Natural Infrastructure with Clean Water State Revolving Funds. by the Environmental Policy Innovation Center – EPIC. (pp 11)
[125] "Hartford to Get $85M for Sewage System Fix" by Deidre Montague in the Hartford Courant (June 27, 2023)

- Linked Deposits
- Loan Guarantees (e.g., Smart-E Loan)

  - Traditional Debt Financing

Based on learnings to date, one of the most promising near-term opportunities for the Green Bank to engage across the Water sector is to explore a Linked Deposit program to facilitate access to lower-cost Smart-E loans for resilience and water measures, especially among residents in vulnerable communities impacted by, or at risk of, flooding and extreme weather. This approach is envisioned as a catalyst for a deployment model for Smart-E and Capital Solutions that aligns with the Environmental Infrastructure team's priority program design and investment criteria.

For further details on the market opportunity, see Primer – Water.[126]

5.7 Waste and Recycling

In FY 2024, and continuing into FY 2025, the Green Bank ~~is~~ pursu~~ing~~ed a three-part strategy to develop its primer and begin to engage on waste and recycling, including:

1. ~~Collective Responsibility~~Solar PV & Battery Storage End-of-Life – ~~assessing existing products used in solar and battery storage installation and establishing a "collective responsibility" to reuse, recycle, and dispose.~~Assess existing technology deployed in solar PV and battery storage programs – both those administered by the Green Bank and by other entities – to identify strategies to reuse, recycle, and dispose of these products.

2. ~~Scale-Up Solutions~~Expand & Scale Organic Waste Management – ~~continuation of solutions to organic waste management including the pilot program launched by the Green Bank (i.e., anaerobic digestors and combined heat and power) to address food (e.g., Quantum Biopower) and farm (e.g., Fort Hill Farms) waste to energy through investment in anaerobic digestor infrastructure.~~Assess opportunities to scale-up solutions to organic waste management including strategies to prevent, rescue, and recycle these materials.

~~2.~~3. Support the State – supporting DEEP goals for waste management and recycling per Public Act 23-170.

~~As organics are a leading waste stream for Connecticut, it should be noted that the Green Bank is a leading financier of food waste and farm waste to energy projects that utilize anaerobic digesters and combined heat and power to reduce methane and produce renewable natural gas for onsite clean energy.~~

The Green Bank Waste and Recycling Primer was finalized and released ~~is anticipated for release~~ in 2025~~ and~~. It ~~will~~ highlight~~ed~~ key public policy objectives, existing funding programs and sources of financing, and a set of opportunities for further exploration aligned with the Green Bank's Waste and Recycling strategy. The following is a breakdown of the context, market potential, and potential investment opportunities related to "Solar PV & Battery Storage End-of-Life" and "Expand & Scale Organic Waste Management."

[126] https://www.ctgreenbank.com/wp-content/uploads/2023/04/Environmental-Infrastructure_Water_Primer_062323.pdf

5.7.1. Solar PV & Battery Storage End-of-Life

As Connecticut rapidly expands clean energy deployment, planning for the end-of-life ("EOL") of solar photovoltaic ("PV") panels and battery storage systems has become a critical issue. While these technologies are essential to meeting the state's renewable energy targets, their eventual retirement presents both environmental and economic challenges.

Connecticut's EOL solar and battery waste stream will grow significantly as over 3.7 million solar panels and 1 GW of energy storage systems reach retirement in the coming decades. Currently, the recycling market for solar PV remains nascent due to unfavorable cost dynamics, while battery recycling holds more promise due to the high value of materials like lithium and cobalt. With a lack of formal EOL infrastructure and policy mandates, Connecticut has an opportunity to shape the regional market and lead nationally. The Green Bank can help unlock private investment and coordinate among stakeholders to develop infrastructure, facilitate logistics, and potentially avoid the landfilling of these systems. Stakeholder consensus is forming around policy tools like Extended Producer Responsibility, Advanced Fee Administration, and Decommissioning Bonds.

As the Green Bank looks to increase and accelerate private investment in end-of-life solutions for solar PV and battery storage systems, it will be exploring the following financing tools, including, but not limited to:

- Extended Producer Responsibility
- Advanced Fee Administration
- Decommissioning Bonds
- Logistics and collection system financing
- Infrastructure investment for solar/battery recycling
- Supply chain financing for recovered materials markets
- Traditional debt financing

Based on learnings to date and aligned with the clean energy sector's EOL obligations, a recycling infrastructure and logistics investment strategy is a priority opportunity for the Green Bank to engage in, particularly in collaboration with original equipment manufacturers, developers, and regional partners to reduce cost, mitigate risk, and ensure environmental sustainability.

5.7.2. Expand & Scale Organic Waste Management

As organics are a leading waste stream for Connecticut, it should be noted that the Green Bank is a leading financier of food waste[127] and farm waste[128] to energy projects that utilize anaerobic

[127] Quantum Biopower – http://www.quantumbiopower.com/
[128] Fort Hill Farm – https://aggridenergy.com/fort-hill-ag-grid-digester/

digesters and combined heat and power to reduce methane and produce renewable natural gas for onsite clean energy.

Connecticut's 2016 Comprehensive Materials Management Strategy ("CMMS") (CGS 22a-241a)[4] provides the overarching policy framework and targets related to Municipal Solid Waste ("MSW"). The primary goal of CMMS was to divert 60% of MSW from the 2005 baseline by 2024, a target codified in Connecticut statute. The CMMS also codifies goals to reuse, recycle, and compost 1.46 million tons of material and divert 300,000 tons of food waste to more sustainable uses such as anaerobic digestion and related waste recycling strategies (e.g. organic waste upcycling for beneficial uses, such as animal feed).

The state's most recent comprehensive study (2015) estimated that Connecticut generated a total of 2,332,598 tons of MSW, with the top material categories including paper (539,493 tons, 23.1%), food waste (519,832 tons, 22.3%), construction and demolition debris (276,995 tons, 11.9%), and plastic (275,613 tons, 11.8%). Approximately 965,650 tons or 41.4% of the total MSW is considered compostable (though not all reclaimable), including food scraps, yard waste, and compostable paper. In 2015, approximately 57% of Connecticut's food waste was generated by industrial, commercial, and institutional sources (293,822 tons), with the remaining 43% coming from residential sources (273,000 tons).[129]

The difference between the state's potential and actual diversion rate is evident in a 2023 Draft CMMS Amendment, with only 326,000 tons (9.3%) diverted from over 3.1 million tons of total MSW produced in 2022, including recyclables, organics, and other recoverables (not just food or compostable waste).[5] In 2022, Connecticut's capacity for in-state waste management solutions was further impacted by the closure of the Hartford-based Materials Innovation and Recycling Authority ("MIRA") waste-to-energy facility, which resulted in the loss of nearly a third (720,000 tons annually) of MSW processing capacity[130] and prompted urgent calls for diversion and infrastructure solutions. As such, investment in organic waste management solutions represents one of the most significant opportunities for the Green Bank to support policy goals and address this waste management crisis.

Analogous to that outlined in Connecticut General Statutes (CGS) Section 22a-228(b), the EPA food waste management hierarchy provides an effective framework to reduce the environmental impact of the food waste sector. Investments in preferred solutions such as reducing and recycling, composting, and sustainable waste-to-energy conversion will lead to better management of food waste.

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[129] Connecticut Department of Energy and Environmental Protection (DEEP), Statewide Waste Characterization Study, 2015 (Hartford, CT: Connecticut DEEP, 2015), 3-1, https://portal.ct.gov/ /media/deep/waste_management_and_disposal/solid_waste_management_plan/cmmsfinal2015mswc haracterizationstudypdf.pdf?rev=e42fc570bb604483bb35c00e3dbca669&hash=61D61099597658DF0 830E9B2CBA5C2F8.

[130] As per Connecticut DEEP, Draft Comprehensive Materials Management Strategy (CMMS) Amendment, 2023.

Figure 6. EPA Food Waste Hierarchy. (Source: EPA)

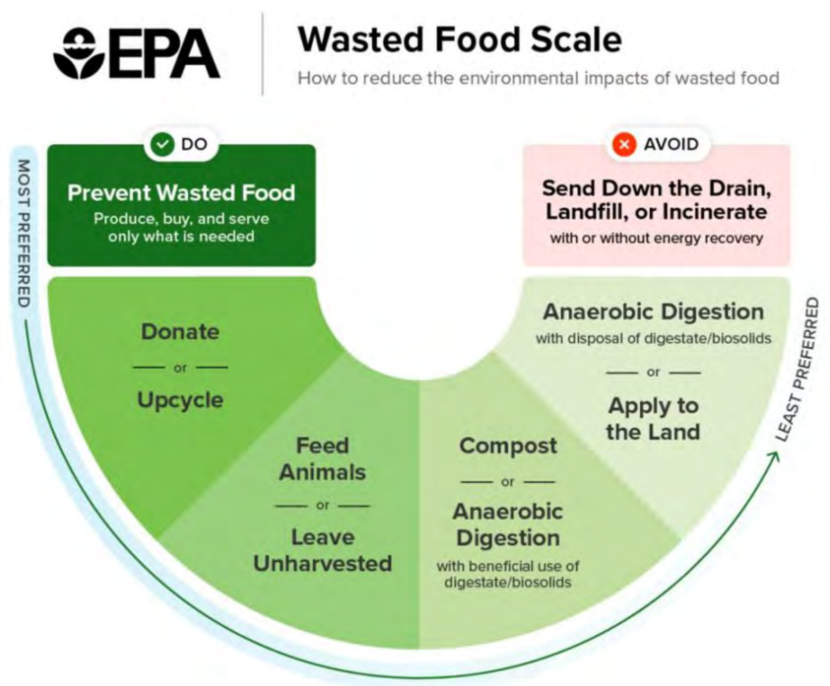


Figure 7. CT DEEP Waste Management Hierarchy established in Sec. 22a-228. (Source: DEEP)

ReFed, a leading national nonprofit focused on solutions to reduce food loss and waste, developed a "Roadmap to 2030" framework to reduce food waste in the US by 50% by 2030 as part of an interagency agreement between the USDA, EPA, and FDA. The framework's key action areas are well-aligned with CT DEEP's waste management hierarchy and 2016 CMMS food waste solutions framework as well as other state targets for materials management and organic waste diversion.

Table 19. Key Action Areas Adapted from ReFED "Roadmap to 2030: Reducing U.S. Food Waste by 50%"

Prevent	Optimize the Harvest: Avoid over-production, then harvest as much as possible. For wild caught products, source only what is needed.
	Enhance Product Distribution: Leverage technology to create smart systems that help efficiently move products to maximize freshness and selling time.
	Refine Product Management: Align purchases with sales as closely as possible and find secondary outlets for surplus. Build out systems and processes for optimal on-site handling.
	Maximize Product Utilization: Design facilities, operations, and menus to use as much of each product as possible. Upcycle surplus and byproducts into food products.
	Reshape Consumer Environments: Drive consumers towards better food management and less waste by creating shopping, cooking, and eating environments that promote those behaviors. Shift culture to place more value on food and reduce waste.
Rescue	Strengthen Food Rescue: Further the rescue of high-quality, nutritious food by increasing capacity, addressing bottlenecks, and improving communication flow.
Recycle	Recycle Anything Remaining: Find the highest and best use for any remaining food or food scraps in order to capture nutrients, energy, or other residual value.

As the Green Bank looks to increase and accelerate private investment in organic waste management solutions, it will pursue the following strategies and related opportunities, including but not limited to:

1. Prevent Organic Waste by investing in solutions that prevent the creation of food and other forms of organic waste (e.g. technology and equipment adoption to reduce harvest losses)
2. Strengthen Food & Organic Waste Rescue by investing in solutions that increase food and organic waste rescue and reuse, including strategies meant to capture food that would otherwise go to waste and increase diversion to beneficial use, especially to use by food banks or other organizations working with vulnerable communities (e.g. working capital support for food rescue initiatives)
3. Increase Organic Waste Processing Capacity by investing in solutions that help to capture, segregate, collect, transport, pre-process, and process organic waste, including scaling up solutions that increase materials management and food waste processing

infrastructure like aerobic or anaerobic digestion of food and farm waste (e.g. traditional debt financing for pre-processing or processing infrastructure).

Based on learnings to date, strategic approaches to organic waste recycling can be both commercially viable and highly aligned with Connecticut public policy objectives, in-state processing capacity needs, and Green Bank strategy. The Green Bank is poised to address municipal and industrial, commercial, and institutional waste management challenges through targeted investments that bolster organic waste management systems, create cost-effective municipal organic waste solutions and commercialize emissions reductions from organic waste prevention, rescue, and recycling.

The Deployment Committee approved the Green Bank's first environmental infrastructure-exclusive transaction for an organic waste management solution at the May 2025 meeting. Green Bank financing will support Bright Feeds, a Connecticut-based company that rescues and upcycles food waste to produce animal feed on a commercial scale. The Capital Solutions loan is anticipated to close in Q1 of FY26 with final details forthcoming.

This project represents the first in a pipeline of strategic opportunities that the Environmental Infrastructure team will continue pursuing with project sponsors through Capital Solutions.

For further details on these market opportunities~~y~~, see Primer – Waste and Recycling.[131]

6. Citizen and Community Engagement – Green Bonds US

The Green Bank, and its predecessor the CCEF, have a long-standing history of community engagement in Connecticut. In 2002, the CCEF partnered with six private foundations[132] to co-found SmartPower – which launched the 20 percent by 2010 campaign and led the administration of the CCEF's EPA award-winning Connecticut Clean Energy Communities Program to engage citizens in signing-up to purchase clean energy.[133] Then in 2013, the Green Bank launched a series of Solarize campaigns in communities across the state in partnership with SmartPower and the Yale Center for Business and the Environment to help citizens install solar PV on their homes,[134] while also advancing the SunShot Initiative of the U.S. Department of Energy ("USDOE") in partnership with the Clean Energy States Alliance through projects that reduce soft-costs for solar PV (i.e., customer acquisition, permitting, and financing) and provide better access to solar PV for LMI households.

Citizen and community engagement have been in the DNA of the Green Bank since its inception. In 2022, in collaboration with the Greater Bridgeport Community Enterprises and Operation Fuel, the Green Bank continued its efforts to learn more about community engagement by seeking to understand the importance of community benefit agreements

[131] https://www.ctgreenbank.com/wp-content/uploads/2025/02/Waste-Recycling-Primer_Final_February_2025.pdf
[132] Emily Hall Tremaine Foundation, The John Merck Fund, Pew Charitable Trust, The Oak Foundation, Rockefeller Brothers Fund, and Surdna Foundation
[133] "Climate Policy and Voluntary Initiatives: An Evaluation of the Connecticut Clean Energy Communities Program," by Matthew Kotchen for the National Bureau of Economic Research (Working Paper 16117).
[134] "Solarize Your Community: An Evidence-Based Guide for Accelerating the Adoption of Residential Solar" by the Yale Center for Business and the Environment.

through the Communities Local Energy Action Plan ("Communities LEAP") pilot program of the DOE.[135] The Green Bank is reaching citizens and communities through various ways including green bonds, community match funds, community-based campaigns, municipal assistance programs, and eventually community benefit agreements.

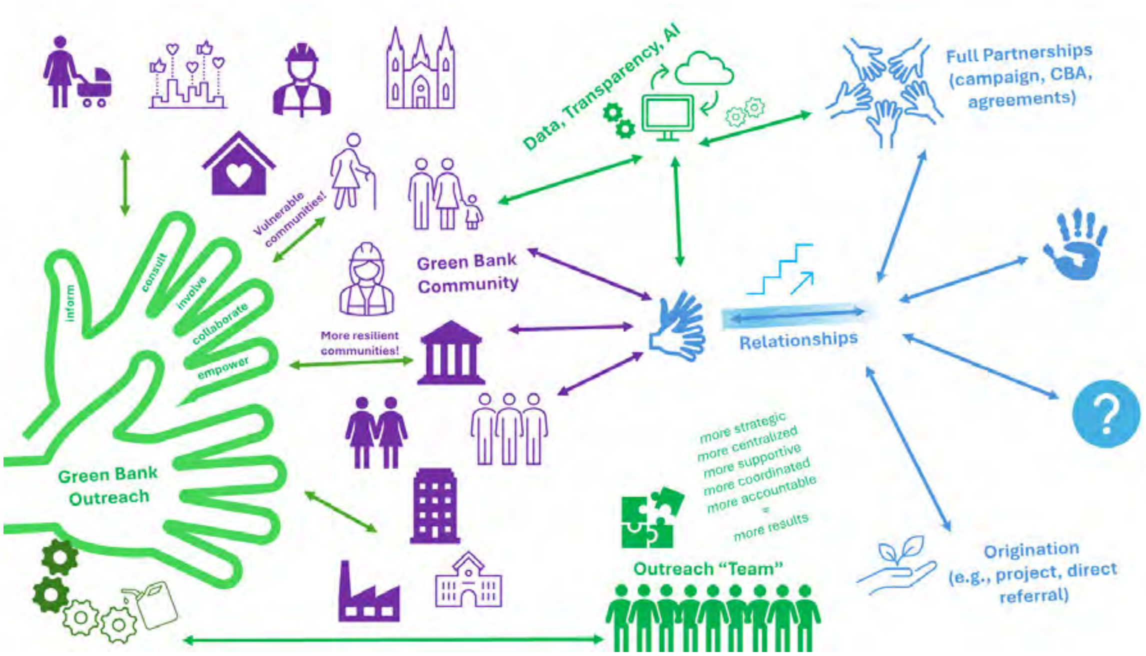
In FY 2024, the staff of the Green Bank came together to renew the organization's commitment to community engagement coalescing around the following statement:

> **Statement on Community Engagement**
>
> The Green Bank builds trust and awareness within our community – especially amongst its most vulnerable members – through clear and transparent communication, education, and active listening, enabling us to understand and meet their needs. By strategically cultivating strong, collaborative, and reciprocal relationships with stakeholders, we empower them to achieve their energy, environmental and resiliency goals while advancing the mission of the Green Bank and realizing its vision of a planet protected by the love of humanity.

In addition to the statement, the staff designed a visual image depicting a vision for the Green Bank's commitment to community engagement – see Figure 8~~6~~.

[135] https://www.energy.gov/communitiesLEAP/communities-leap

Figure 8. Connecticut Green Bank Vision for Community Engagement



Under this premise, we expect to continue the below efforts but to also play a more active and intentional role with those in our community, helping to identify issues and projects while breaking down barriers. Community engagement will follow a framework to inform, consult, involve, collaborate, and empower our community, with the goal of developing relationships that lead to desired outcomes – ultimately originating Green Bank transactions that lead to the financing of projects that help community members, especially those in vulnerable communities, achieve their energy, environmental and resiliency goals.

We also recognize the need to be more thoughtful and strategic in our approach to community engagement – including leveraging technology (e.g., SalesForce, Artificial Intelligence), achieving deeper internal coordination and consistency, mapping and identifying stakeholder groups and gaps in outreach, developing annual outreach plans, and identifying and implementing the necessary resources to serve our community (especially vulnerable communities). Developing an approach to achieving these goals will be an integral part of the Green Bank's outreach work.

6.1 Green Bonds US

Whether through markets or within communities, the Green Bank is bringing people together and strengthening the bonds we share with one another. As the name of the Comprehensive Plan suggests – "Green Bonds US" seeks to promote a simple but critically important message; green, the environment, bonds us, brings us together, the environment unites us. The simple slogan combines the financial tool of green bonds that are being sold to retail investors across the United States with a unifying message that humanity and the environment are inextricably linked.

CGS Section 16-245n(d)(1)(C) is the enabling statute that allows the Green Bank to issue revenue bonds for up to 25 years for clean energy and 50 years for environmental infrastructure projects to support its purposes. Green Bonds are bonds whose proceeds are used for projects or activities with environmental or climate benefits, most usually climate change mitigation and adaptation. Research shows that citizens across the US, including Connecticut, are interested in seeing their investments go towards green projects – see Table ~~15~~20.[136]

Table 20. Green Project Types of Interest by Private Investors by Location

	2022		2024	
Green Project Types	Connecticut	National	Connecticut	National
Clean Water	68.6%	71.4%	54.8%	49.9%
Waste Reduction and Recycling	53.8%	51.0%	34.0%	31.1%
Rooftop Solar	46.0%	45.3%	26.8%	23.4%
Home Energy Efficiency	41.8%	40.1%	30.2%	24.4%
Electric Vehicles	32.6%	30.6%	17.0%	17.9%
Land Conservation	40.6%	37.1%	29.0%	25.9%
Agriculture	39.6%	36.0%	27.0%	26.1%
Parks and Recreation	32.6%	31.5%	30.0%	25.7%
Climate Adaptation and Resiliency	32.0%	29.2%	24.0%	22.9%

To enable everyday citizens with an opportunity to invest in the green economy, the Green Bank created two fixed income securities – Green Liberty Bonds and Green Liberty Notes, which have three features:

1. **Use of Proceeds** – funds raised from the bonds must go towards projects that support the Paris Agreement (i.e., mitigation of GHG emissions or adaptation to the impacts of climate change);

2. **Retail Accessible** – like the Series-E War Bonds of the 1940's, bonds must be small denomination (i.e., less than $1,000) and available to everyday retail investors; and

3. **Independently Certified and Verified** – due to the expectation by retail investors that the use of proceeds will go towards projects that support the Paris Agreement, the bonds must be independently certified and verified as green.

6.2 Green Liberty Bonds

In April of 2019, the Green Bank issued $38.6 million in green asset backed securities – its first rated debt issuance and the first ever solar asset-backed security ("ABS") transaction by a green bank. The issuance was certified by Kestrel Verifiers and independently assessed by Climate Action Reserve. In July 2020, the Green Bank issued $16.8 million in a Special Capital Reserve Fund ("SCRF") backed Green Liberty Bond that was Climate Bond Certified. And in April 2021, the Green Bank sold out $25 million in Green Liberty Bonds drawing four times as

[136] 2022 Brand Awareness Digital Survey by Great Blue for the Connecticut Green Bank (October 2022). 2024 Investment Market Assessment by Great Blue for the Connecticut Green Bank (November 2024)

much demand as could be fulfilled from retail investors in Connecticut and across the U.S., as well as institutional investors interested in sustainability investments.

In March and December of 2020, and June of 2022, the Green Bank's Green Liberty Bonds were awarded for innovation and green bond structure by Environmental Finance, The Bond Buyer, and Clean Energy States Alliance respectively.

The Green Bank will look towards its Green Liberty Bonds, and ability to use SCRF (i.e., up to $500 million of authority), to support its clean energy and environmental infrastructure efforts.

For more information on Green Liberty Bonds, visit www.greenlibertybonds.com

6.3 Green Liberty Notes

In January of 2022, the Green Bank, in collaboration with Honeycomb (which acquired Raise Green in 2024), began a two-year campaign to raise $2 million by providing an opportunity for citizens to invest as little as $100 to confront climate change. Issuances are anticipated quarterly. Of the ten (10) issuances through FY24, eight were sold out resulting in an extension for a third year and an increase per quarterly issuance from $250,000 to $350,000. In partnership with Amalgamated Bank, a financial institution that has a close relationship with labor unions and is dedicated to providing affordable banking services to working people, investment by everyday citizens in Green Liberty Notes supports Eversource's SBEA program, administered through the Conservation and Load Management Plan, which helps small businesses reduce their energy consumption through deploying energy efficient equipment. As a result of the climate benefits associated with this program, the offering was reviewed and verified for its environmental attributes by Kestrel Verifiers.

To attract more investors, the program offers one-year maturity notes, with $100 minimums, that are easy to purchase through an online platform without a broker. The Green Liberty Notes were created as an investment companion to Green Liberty Bonds, which have been offered in $1,000 minimums to retail and institutional investors through brokerage firms. In the future, the Green Bank seeks to identify more ways (e.g., project specific investment opportunities) to partner with Honeycomb to increase community engagement while advancing market transformation in green investing.

For more information on Green Liberty Notes, visit www.greenlibertynotes.com

6.4 Sustainable CT and Community Match Fund

The strategic partnership between Sustainable CT[137] and the Green Bank is focused on the following key priorities:

- Driving investment in projects in our communities, with a goal to accelerate over time;
- Community-level engagement, from project origination through financing, that is inclusive, diverse, and "knitted";
- Creating a structure that harnesses all types of capital for impact – from donations to investment;
- Developing a business model that covers the cost of the program; and

[137] https://sustainablect.org/

- Creating a measurable impact, both qualitative and quantitative.

Sustainable CT's voluntary certification program[138] for Connecticut's cities and towns provides thirteen (13) action areas (e.g., inclusive and equitable communities, well stewarded land and natural resources, renewable and efficient energy) to achieve bronze, silver, or gold status, including a climate leader designation. The Green Bank works closely with Sustainable CT to encourage local actions that are consistent with the respective missions of the organizations. In FY24 and beyond, the Green Bank will focus on working with Sustainable CT to expand its support for modernizing environmental infrastructure (e.g., advancing RIDs).

Also, in collaboration with Patronicity, Sustainable CT has developed a community matching grant platform to raise capital in support of local projects that provide individuals, families, and businesses with funding opportunities to make an impact on sustainability in their communities. This online crowdfunding platform enables citizen leaders to have access to financial resources (i.e., matching grants) that they need to support local sustainability projects.

In FY 2025, t~~T~~he Green Bank ~~is looking to~~ sponsored a yearlong fellowship at Sustainable CT so that the fellow can partner with the Green Bank and communities to further the awareness of Green Bank offerings. The fellow worked to develop a no-cost assistance program that helped communities to offer workshops for businesses to learn about Green Bank financing programs (e.g. C-PACE). In FY 2026, the fellow will look to expand this type of assistance to other audiences benefiting other Green Bank programs (e.g. Smart-e or Energy Storage Solutions).

For more information on Sustainable CT's Community Match Fund, visit https://www.patronicity.com/sustainablect

6.5 Community-Based Campaigns

The Green Bank has once again partnered with the Yale School of the Environment,[139] to support USDOE-funded Solar Energy Evolution and Diffusion Study 3 ("SEEDS 3"). SEEDS 3 research builds on nearly a decade of work investigating the peer-to-peer effects of solar PV adoption – how do prospective solar PV customers make the decision to adopt and how do people talk to each other about going solar. Professor Gillingham developed a community-based solar adoption strategy that accelerated the adoption of solar in Connecticut through various Solarize campaigns.[140]

SEEDS 3 expands on this work to investigate the co-adoption of solar, storage, and electric vehicles. The Green Bank supported Professor Gillingham as he initiated and ran community-based solar plus storage campaigns. We will leverage the learnings that these campaigns create to refine our storage marketing messages to assist ESS in achieving its goals.

In addition to this work, the Green Bank is actively pursuing other community-based campaigns, such as one in partnership with the Blue Hill Civic Association, that will help educate us and those in our community about clean energy and resiliency. We are also educating

138 https://sustainablect.org/actions-certifications
139 Professor Ken Gillingham and the Yale Center for Business and the Environment
140 https://cbey.yale.edu/our-stories/lessons-learned-from-solarize-campaigns-in-connecticut

ourselves more broadly with regard to Community Benefit Agreements ("CBA")[141] and Community Benefit Plans ("CBP")[142] and will potentially seek to support and leverage such agreements and structures in the future, including through the use of AI to support vulnerable communities. The Green Bank recognizes that community-based campaigns reduce barriers to adoption – including awareness and education, contractor selection, cost and accessibility of financing, etc. - and will seek to identify areas where these campaigns would serve the community and address gaps.

7. Investment

The Green Bank pursues investments that advance market transformation in green investing while supporting the organization's pursuit of financial sustainability. With the mission to confront climate change, the Green Bank leverages limited public resources to scale-up and mobilize private capital investment in the green economy of Connecticut.

7.1 State Funds

The Green Bank receives public revenues from a number of sources that are leveraged to mobilize multiples of private capital investment in the green economy of Connecticut.

System Benefit Charge

As its primary source of public revenues, the Green Bank through CGS 16-245n(b) receives a 1 mill per kilowatt-hour surcharge called the Renewable Energy Investment Fund or Clean Energy Fund ("CEF") from ratepayers of Eversource Energy and Avangrid. The CEF has been in existence since Connecticut deregulated its electric industry in the late 1990s.[143][144] On average, households contribute between $7-$10 a year for the CEF, aggregating to about $25 million per year, which the Green Bank leverages to attract multiples of private capital investment in clean energy through its Financing Programs.

Regional Greenhouse Gas Emission Allowance Proceeds

As a secondary source of public revenues, the Green Bank receives a portion (i.e., 23%) of Connecticut's RGGI allowance proceeds through CGS 22a-174(f)(6)(B). The Green Bank invests RGGI proceeds to finance clean energy projects through its Financing Programs. It should be

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[141] CBAs are strategic vehicles for community improvement, while benefiting private sector developers and both state and local governments. They are not zero-sum instruments. They are legal agreements between community benefit groups and developers, stipulating the benefits a developer agrees to fund or furnish, in exchange for community support of a project. Benefits can include commitments to hire directly from a community, contributions to economic trust funds, local workforce training guarantees and more. https://www.energy.gov/justice/community-benefit-agreement-cba-toolkit

[142] CBPs are based on a set of four core policy priorities:

1. Engaging communities and labor;
2. Investing in America's workers through quality jobs;
3. Advancing diversity, equity, inclusion, and accessibility through recruitment and training; and
4. Implementing **Justice40**, which directs 40% of the overall benefits of certain Federal investments to flow to disadvantaged communities.

These key principles, when incorporated comprehensively into project proposals and applications and executed upon, will help ensure broadly shared prosperity in the clean energy transition. The Department of Energy (DOE) requires Community Benefits Plans (CBPs) as part of all Bipartisan Infrastructure Law (BIL) and Inflation Reduction Act (IRA) funding opportunity announcements (FOAs) and loan applications. https://www.energy.gov/infrastructure/about-community-benefits-plans

[143] PA 98-28 An Act Concerning Electric Restructuring – https://www.cga.ct.gov/ps98/act/pa/1998pa-00028-r00hb-05005-pa.htm

[144] The Clean Energy Fund should not be mistaken with the Conservation Adjustment Mechanism (or the Conservation and Loan Management Fund), which is administered by the EDCs

noted that with the passage of PA 22-25, that allowance proceeds received in excess of $5.2 million from the Green Bank's portion of RGGI, are to be directed to DEEP for the purposes of supporting electric school buses in environmental justice communities.

7.2 Federal Funds

The Green Bank receives public revenues through a number of past, current, and future sources of federal funds as well that it leverages to scale-up and mobilize private capital investment in the green economy of Connecticut.

American Recovery and Reinvestment Act

Through the American Recovery and Reinvestment Act ("ARRA") the CCEF received $20 million for its programs and initiatives. After nearly $12 million of those funds were invested as grants, the Green Bank repurposed and invested the remaining $8.2 million in financing programs. With $250,000 of ARRA funds left,[145] the Green Bank invested nearly $8.0 million of ARRA funds to attract and mobilize $232 million of public and private investment in residential clean energy financing programs.[146]

Infrastructure Investment and Jobs Act

As a result of the IIJA, significant federal resources are being made available to local and state governments through formula grants, and through competitive requests for proposals from budget allocations across many federal agencies. The Green Bank has been an active participant in the various federal agency public engagement processes under the IIJA and IRA.[147] As a result of the Presidential transition from President Biden to President Trump, there is uncertainty as to the future of any and all initiatives and programs supported by the IIJA.

The Green Bank will compete for and pursue federal funding opportunities to support its programs, where appropriate, including:

- Department of Energy's Loan Program Office[148] – on March 25, 2022, the Loan Program Office ("LPO") of the DOE presented to the Board of Directors of the Green Bank,[149] and the Green Bank subsequently followed with public comments to the DOE on July 1, 2022.[150] Specifically, the LPO presented the new State Energy Financing Institutions ("SEFI") provisions within the IIJA that amended Title 17 to (1) include projects receiving financial support or credit enhancements from SEFIs as eligible projects, and (2) clarifies that such projects do not require "new or significantly improved technologies" to qualify.[151] As defined by the DOE-LPO, the Green Bank is a SEFI – and, on September 29, 2023, the Green Bank received official notification from the DOE that it is a SEFI.

[145] As of June 30, 2023
[146] https://www.ctgreenbank.com/wp-content/uploads/2024/03/CGB-ARRA-Infographic-March-2024.pdf
[147] https://www.ctgreenbank.com/engagement-on-iija-ira/
[148] It should be noted that the President and CEO of the Connecticut Green Bank voluntarily served on the Biden-Harris Transition Team following the November 2019 elections and was assigned to the DOE team and responsible for ascertaining the LPO.
[149] https://www.youtube.com/watch?v=TPb7AHRWFhg
[150] https://www.ctgreenbank.com/wp-content/uploads/2022/12/3_DOE_LPO_Title-XVII_CT-Green-Bank_Public-Comments_070122.pdf
[151] https://www.energy.gov/lpo/state-energy-financing-institutions-sefi-supported-projects

Subsequently, through the passage of the IRA, a congressional appropriation for Title 17 ensued, which triggered the expansion of the LPO's authority including enabling SEFI. LPO can now augment state-administered clean energy programs, providing additional financial support to projects that align federal energy priorities with those of U.S. states like Connecticut. Qualifying project participation may include equity, loan loss reserves, co-lending (i.e., by the SEFI providing debt financing which may be pari-passu with or subordinate to LPO funding or financial support), and other financing mechanisms for eligible technologies such as renewable energy, energy efficiency, fuel cells, hydrogen, energy storage, and more.

The Connecticut Green Bank, in collaboration with other states (e.g., New York Green Bank, Massachusetts Community Climate Bank or the Rhode Island Infrastructure Bank), or with our electric and natural gas utilities (i.e., Eversource and Avangrid),[152] can individually or collectively apply to the LPO or support other proposals submitted to the LPO through SEFI to leverage federal funding to mobilize private deployment of eligible technologies.

Inflation Reduction Act

As a result of IRA, significant federal resources are being made available through investment tax credits (e.g., 25D Residential Clean Energy Credit, 48 Energy Investment Tax Credit) and other resources including the GGRF. These tax credits, along with their associated adders (i.e., energy communities, low-income, domestic content), are consistent with the Green Bank's efforts to mobilize investment in vulnerable communities through its various incentive and financing programs. As a result of the Presidential transition from President Biden to President Trump, there is uncertainty as to the future of any and all investment tax credits and programs supported by the IRA.

The Green Bank, as a subrecipient of other lead applicant proposals, competed for and won several federal funding opportunities to support its programs, including:

- Greenhouse Gas Reduction Fund – $27 billion GGRF modelled after the Green Bank, comprising:
    - Solar for All – $7 billion competition that provided 60 grants to states, tribes, municipalities and nonprofits to expand the number of low-income and disadvantaged communities for investment in residential and community solar, as well as associated storage and other enabling upgrades (e.g., new roof, electric panels, energy efficiency). Supported DEEP's winning "Project SunBridge" application of $62.5 million with a focus on increasing investment in and deployment of solar + storage for multifamily affordable housing.

      Please note, that as of June 30, 2025, resources provided by the EPA in support of Solar for All are accessible.

    - Clean Communities Investment Accelerator ("CCIA") – $6 billion competition that funded 5 hub nonprofits with the plans and capabilities to

[152] "LPO Announces Conditional Commitment to Pacific Gas & Electric Company to Expand Hydropower Generation, Battery Energy Storage, and Transmission" by the US Department of Energy (December 17, 2024)

rapidly build the clean financing capacity of specific networks of public, quasi-public, and nonprofit community lenders to ensure that households, small businesses, schools, and community institutions in low-income and disadvantaged communities have access to financing. Supported Justice Climate Fund's winning application of $940 million with a focus on minority depository institutions.

Please note, that as of June 30, 2025, resources provided by the EPA under the Biden administration in support of CCIA are not available, as they have been "frozen" in bank accounts by the EPA under the Trump administration and subject to ongoing litigation by the EPA and CCIA awardees.

- National Clean Investment Fund ("NCIF") – $14 billion competition that funded 3 national nonprofits that will partner with private capital providers to deliver financing at scale to businesses, communities, community lenders, and others. Supported Coalition for Green Capital's winning application of $5 billion, including $94 million of support through the Green Bank (including Puerto Rico and New Hampshire) with a focus on increasing investment in and deployment of clean energy and environmental infrastructure through green infrastructure, green school buses, green resilience hubs, green school buildings, green municipal and commercial buildings, and green homes.[153]

  Please note, that as of June 30, 2025, resources provided by the EPA under the Biden administration in support of NCIF through an agreement with the Coalition for Green Capital are not available, as they have been "frozen" in bank accounts by the EPA under the Trump administration and subject to ongoing litigation by the EPA and NCIF awardees and subawardees (e.g., the Green Bank).

The Green Bank's federal competitive funding priority ~~is~~ was the GGRF. The Green Bank has been actively involved in all public engagement aspects of the GGRF,[154] and as a result, subject to the issues noted above, will be receiving significant funding through several lead applicants (i.e., DEEP and Coalition for Green Capital).

United States Department of Agriculture

The Green Bank has applied to and received approval from the United States Department of Agriculture ("USDA") to access~~accessing~~ low-cost and long-term federal loan funds for the deployment of clean energy in rural communities[155] through the Rural Energy Savings Program ("RESP"). The USDA has vast lending authority under the Rural Electrification Act of 1936, which enables direct loans, project financing and loan guarantees to a variety of borrowers.

[153] It should be noted that within the Connecticut Green Bank's proposal to the Coalition for Green Capital, that New Hampshire (i.e., $14.9MM) and Puerto Rico (i.e., $37.8MM) are also included as participants (i.e., to receive low-cost debt financing) alongside Connecticut (i.e., $40.8MM)

[154] http://www.ctgreenbank.com/ggrf/

[155] "Rural" communities are defined by a population bound and the various limits depend on the program; at the broadest, "rural" may be considered a town that has a population not greater than 50,000 people. Despite its positioning in a mostly-developed corridor, we estimate Connecticut would have 69% of towns eligible at the 20,000-person limit and 89% of towns at the 50,000-person limit.

7.3 Additional Funding Sources

Per CGS 16-245n, additional funding sources include, but are not limited to:

- Charitable gifts, grants, contributions as well as loans from individuals, corporations, university endowments and philanthropic foundations;

- Earnings and interest derived from financing support activities for clean energy and environmental infrastructure projects backed by the Connecticut Green Bank;

- If it qualifies as a CDFI under Section 4702 of the United States Code, funding from the CDFI Fund administered by the United States Department of Treasury, as well as loans from and investments by depository institutions seeking to comply with their obligations under the United States Community Reinvestment Act of 1977; and

- Contracts with private sources to raise capital.

8. Impact

The Green Bank's evaluation efforts seek to understand how the increase in investment and deployment of clean energy and environmental infrastructure supported through the Green Bank, result in benefits to society. To that end, the Green Bank has devised an Evaluation Framework and Impact Methodologies for various societal benefits.

8.1 Evaluation Framework

The Green Bank has established an Evaluation Framework to guide the assessment, monitoring and reporting of the program impacts and processes, including, but not limited to energy savings and clean energy production and the resulting societal impacts or benefits arising from clean energy investment.[156] This framework focuses primarily on assessing the market transformation the Green Bank is enabling, including:

- <u>Supply of Capital</u> – including affordable interest rates, longer term maturity options, improved underwriting standards, etc.

- <u>Consumer Demand</u> – increasing the number of projects, increasing the comprehensiveness of projects, etc.

- <u>Financing Performance Data and Risk Profile</u> – making data publicly available to reduce perceived technology risks by current or potential private investors.

- <u>Societal Impact</u> – the benefits society receives from more investment in and deployment of clean energy.

With the goal of pursuing investment strategies that advance market transformation in green investing, the Green Bank's evaluation framework provides the foundation for determining the

[156] https://ctgreenbank.com/wp-content/uploads/2017/02/CTGreenBank-Evaluation-Framework-July-2016.pdf

impact it is supporting in Connecticut and beyond across the four (4) “E’s” (i.e., E^4) – including Economy, Environment, Energy, and Equity.[157]

The Evaluation Framework will have to be revised, over time, to include environmental infrastructure, as well as the important role Green Liberty Bonds play in raising capital for investments.

8.2 Impact Methodologies

To support the implementation of the Evaluation Framework, the Green Bank, working with various public sector organizations, has developed methodologies that estimate the impact from the investment, installation and operation of clean energy projects, including:

- Jobs – working in consultation with the Connecticut Department of Economic and Community Development (“DECD”), through the work of Guidehouse (formerly Navigant), the Green Bank devised a methodology that takes investment in clean energy to reasonably estimate the direct, indirect, and induced job-years resulting from clean energy deployment.[158]

- Tax Revenues – working in consultation with the Connecticut Department of Revenue Services (“DRS”), through the work of Guidehouse, the Green Bank devised a methodology that takes investment in clean energy to reasonably estimate the individual income, corporate, sales, and property tax revenues from clean energy deployment.[159]

- Environmental Protection – working in consultation with the USEPA and DEEP, the Green Bank devised a methodology that takes the reduction in consumption of energy and increase in the production of clean energy to reasonably estimate the air emission reductions (i.e., CO2, NOx, SO2, and PM2.5) resulting from clean energy deployment.[160]

- Public Health Improvement – working in consultation with the USEPA, DEEP, and DPH, the Green Bank devised a methodology that takes air emission reductions to reasonably estimate the public health benefits (e.g., reduced hospitalizations, reduced sick days, etc.) and associated savings to society resulting from clean energy deployment.[161]

- Equity – with the passage of PA 20-05, the Green Bank devised a methodology that takes the definition of “vulnerable communities” to track progress towards the goal of ensuring that no less than 40 percent of investment from its programs are directed to vulnerable communities by 2025.[162]

- Energy Burden – working in consultation with DEEP and PURA, the Green Bank devised a methodology that takes actual solar PV production data from meters

[157] https://www.ctgreenbank.com/wp-content/uploads/2024/09/FY12-FY24-Connecticut-Green-Bank-Impact-Report-8-30-2024.pdf
[158] https://www.ctgreenbank.com/wp-content/uploads/2018/03/CGB_DECD_Jobs-Study_Fact-Sheet.pdf
[159] https://www.ctgreenbank.com/wp-content/uploads/2018/09/CGB-Eval-Tax-Methodology-7-24-18.pdf
[160] https://www.ctgreenbank.com/wp-content/uploads/2018/01/CGB-Eval-IMPACT-091917-Bv2.pdf
[161] https://www.ctgreenbank.com/wp-content/uploads/2018/03/CGB-Eval-PUBLICHEALTH-1-25-18-new.pdf
[162] https://www.ctgreenbank.com/wp-content/uploads/2022/07/Equity_Investment_in_Vulnerable_Communities.pdf

compared against contractual lease and PPA prices and electricity rates, to estimate the energy burden reduction from financing solar PV.[163]

~~Each year, t~~The Green Bank regularly reviews existing and develops additional methodologies that value the impact the Green Bank is helping create in Connecticut and all of society. For more information on the Green Bank's impact methodologies, visit the Evaluation page of the website.[164]

In time, additional impact methodologies will be developed for environmental infrastructure.

8.3 Green Bond Framework

The Green Bank's Green Bond Framework[165] provides a structure in which the Green Bank can more efficiently and effectively support its efforts to raise capital and deploy more clean energy and environmental infrastructure through the issuance of green bonds.

Connecticut has been at the forefront of state-level efforts to combat the threat of global climate change. In order to increase investment, the Green Bank will use its statutory authority (i.e., CGS 16-245kk) to issue bonds, including green bonds. These are key to sourcing capital for clean energy and environmental infrastructure projects and providing a way for all residents, businesses, and institutions of Connecticut to invest in growing our green economy.

The framework sets out how the Green Bank could ~~proposes to~~ use ~~its~~a Master Trust Indenture ("MTI") structure in a manner consistent with its purpose and provide the transparency and disclosures investors require to make investment decisions through green bonds. This framework is specifically intended for the MTI approved and adopted April 22, 2020, which establishes the purposes for which the Green Bank may issue green bonds or other public debt. The Framework is established in accordance with the Climate Bonds Initiative ("CBI") Standard and adheres to the Green Bond Principles issued by the International Capital Market Association.

The Green Bond Framework will have to be revised, over time, to include environmental infrastructure.

9. Reporting and Transparency

The Green Bank has extensive reporting on its financial management and societal impact through various mechanisms. As a recipient of public revenues (i.e., CEF and RGGI allowance proceeds), the Green Bank believes that complete transparency is important to ensure the public's continued trust in serving its purpose. The Green Bank reports to the Governor's Office (i.e., Office of Policy and Management ("OPM")), various committees of cognizance within the CGA (i.e., energy & technology, commerce, environment, and banking), and other departments (e.g., DEEP, Office of Fiscal Analysis).

163 https://www.ctgreenbank.com/wp-content/uploads/2022/07/CGB-Eval-Solar-Methodology-combined-6-8-2021-final.pdf
164 https://www.ctgreenbank.com/strategy-impact/evaluations/
165 https://ctgreenbank.com/wp-content/uploads/2020/04/CGB_Green-Bond-Framework_final-4-22-2020.pdf

9.1 Annual Comprehensive Financial Report

An Annual Comprehensive Financial Report ("ACFR") is a set of government financing statements that includes the financial report of a state, municipal or other government entity that complies with the accounting requirements promulgated by the Governmental Accounting Standards Board ("GASB"). GASB provides standards for the content of an ACFR in its annually updated publication *Codification of Governmental Accounting and Financial Reporting Standards*. An ACFR is compiled by a public agency's accounting staff and audited by an external American Institute of Certified Public Accountants ("AICPA") certified accounting firm utilizing GASB requirements. It is composed of three sections – Introductory, Financial, and Statistical. The independent audit of the ACFR is not intended to include an assessment of the financial health of participating governments, but rather to ensure that users of their financial statements have the information they need to make those assessments themselves.[166]

To date, the Green Bank has issued eleven (11) ACFR's, including:

- Fiscal Year Ended June 30, 2014 (Certificate of Achievement)
- Fiscal Year Ended June 30, 2015 (Certificate of Achievement)
- Fiscal Year Ended June 30, 2016 (Certificate of Achievement)
- Fiscal Year Ended June 30, 2017 (Certificate of Achievement)
- Fiscal Year Ended June 30, 2018 (Certificate of Achievement)
- Fiscal Year Ended June 30, 2019 (Certificate of Achievement)
- Fiscal Year Ended June 30, 2020 (Certificate of Achievement)
- Fiscal Year Ended June 30, 2021 (Certificate of Achievement)
- Fiscal Year Ended June 30, 2022 (Certificate of Achievement)
- Fiscal Year Ended June 30, 2023 (Certificate of Achievement)
- Fiscal Year Ended June 30, 2024 (Certificate of Achievement)

As the "gold standard" in government reporting, the ACFR is the mechanism the Green Bank uses to report its fiscal year financial, investment, and impact performance to its stakeholders. For each of its ten (10) years filing the ACFR with the Government Finance Officers Association the Green Bank has received a Certificate of Achievement for Excellence in Financial Reporting.[167]

9.2 Annual Report

Beyond the ACFR, the annual reports of the Green Bank are compiled by the marketing staff and include consolidated financial statement information and narratives of various program achievements in a condensed format that can be widely distributed.

To date, the Green Bank has issued thirteen (13) annual reports, including:

[166] The Government Finance Officers Association (GFOA), founded in 1906, represents public finance officials throughout the United States and Canada. GFOA's mission is to enhance and promote the professional management of governmental financial resources by identifying, developing, and advancing fiscal strategies, policies, and practices for the public benefit. GFOA established the Certificate of Achievement for Excellent in Financial Reporting Program in 1945 to encourage and assist state and local governments to go beyond the minimum requirements of generally accepted accounting principles to prepare CAFRs that evidence the spirit of transparency and full disclosure and then to recognize individual governments that succeed in achieving that goal.

[167] GAO has yet to designate the FY 2023 ACFR with a Certificate of Achievement

- Fiscal Year 2012 Annual Report
- Fiscal Year 2013 Annual Report
- Fiscal Year 2014 Annual Report
- Fiscal Year 2015 Annual Report
- Fiscal Year 2016 Annual Report
- Fiscal Year 2017 Annual Report
- Fiscal Year 2018 Annual Report
- Fiscal Year 2019 Annual Report
- Fiscal Year 2020 Annual Report
- Fiscal Year 2021 Annual Report
- Fiscal Year 2022 Annual Report
- Fiscal Year 2023 Annual Report
- Fiscal Year 2024 Annual Report

9.3 Auditors of Public Accounts

The office of the Auditors of Public Accounts ("APA") is a legislative agency of the State of Connecticut whose primary mission is to conduct audits of all state agencies, including quasi-public agencies. Included in such audits is an annual Statewide Single Audit of the State of Connecticut to meet federal requirements. The office is under the direction of two state auditors appointed by the state legislature. The APA audited certain operations of the Green Bank in fulfillment of its duties under Sections 1-122 and Section 2-90 of the CGS

To date, the APA has conducted six (6) audits, including:

- Fiscal Years 2012 and 2013
- Fiscal Years 2014 and 2015
- Fiscal Years 2016 and 2017
- Fiscal Years 2018 and 2019
- Fiscal Years 2020 and 2021
- Fiscal Years 2022 and 2023

9.4 Open Connecticut and Open Quasi

Open Connecticut centralizes state financial information to make it easier to follow state dollars. In Connecticut quasi-public agencies are required to submit annual reports to the legislature, including a summary of their activities and financial information. In addition to that, the Comptroller's Office requested that quasi-public agencies voluntarily provide payroll and checkbook-level vendor payment data for display on Open Connecticut. The Green Bank, which was among the first quasi-public organizations to participate, has voluntarily submitted this information since the inception of Open Connecticut. In June of 2020, the Comptroller launched Open Quasi, which provides payroll and checkbook level data for all quasi-public organizations in Connecticut.

For more information, go to https://openquasi.ct.gov/

10. Research and Product Development

As the Green Bank implements its Comprehensive Plan, there will be ongoing efforts to develop market opportunities for future green investments. With the lessons being learned and best practices being discovered in the green economy, the Green Bank's ability to deliver more societal benefits requires understanding potential opportunities and the development of pilot programs and initiatives to increase and measure impact, including, for example:

- Ecosystems Services – increasing understanding of ecosystem services values from environmental infrastructure, will help to identify opportunities to mobilize private investment to maximize GHG emissions reductions and resiliency against climate change. Ongoing support of research studies to understand the value of ecosystem services from environmental infrastructure (i.e., including public health and resilience) is important.

- Carbon Offsets – continuing to increase understanding of carbon offsets,[168] recognizing their importance within environmental infrastructure (e.g., forest carbon, climate-smart agriculture) and the potential to generate revenues in support of projects, there is need for ongoing support of research studies to understand carbon offset markets and their accessibility for energy efficiency projects.

- Resiliency – in its efforts to advance resilience (e.g., RIDs), the Green Bank working with DEEP, Insurance Department, and CIRCA, will seek to better understand labelling (e.g., FORTIFIED by the Insurance Institute for Business and Home Safety), direct install measures, and other programs (e.g., adapting Solarize campaigns to Ruggedize campaigns). To continue to develop ESS, research and pilots for public health and affordable housing, as well as vehicle to grid ("V2G") may also be pursued.

- Electric School Buses – per Public Act 22-25, the Green Bank supported contract extensions for electric school buses ("ESB") and financial support through RGGI for vouchers in support of ESB deployment in environmental justice communities through the Connecticut Hydrogen and Electric Automobile Purchase Rebate ("CHEAPR") program. Support for the deployment of ESBs and electric vehicle supply equipment ("EVSE") will enable increased private investment to support the 100% zero emission ESB goals for 2030 (i.e., environmental justice communities) and 2040 (i.e., all communities). Research efforts have led to Green Bank Capital Solutions opportunities for investment.

- Hydrogen – per Special Act 22-8,[169] and consistent with the definition of "clean energy" under CGS 16-245n, the Green Bank was chair of the task force that studied hydrogen power,[170] and led to the passage of Public Act 23-156 "An Act Implementing Recommendations of the Hydrogen Task Force". Recognizing the importance of "green hydrogen" to Connecticut's fuel cell industry, there may be the need for research on the sources, infrastructure, and uses related to hydrogen.

- Impact Methodologies – continuing to building~~ing~~ on the Green Bank's leading impact methodologies for "clean energy," including economic development, environmental

[168] Verified Carbon Standard – VM0038 Methodology for Electric Vehicle Charging Systems (V1.0) – https://verra.org/methodology/vm0038-methodology-for-electric-vehicle-charging-systems-v1-0/
[169] An Act Establishing a Task Force to Study Hydrogen Power – https://www.cga.ct.gov/2022/ACT/SA/PDF/2022SA-00008-R00HB-05200-SA.PDF
[170] https://www.ctgreenbank.com/hydrogen-task-force/

protection, energy, and equity, efforts will be undertaken to develop impact methodologies for "environmental infrastructure" (e.g., ecological resilience).

- Solar and Battery Recycling – as the former administrator of the RSIP, and co-administrator of the 580 MW Energy Storage Solutions program, understanding the implications, challenges, and opportunities for solar and battery recycling (e.g., lithium-ion batteries) and end-of-life is important.

- Artificial Intelligence – undertake research to identify the challenges and opportunities posed by Artificial Intelligence ("AI") in terms of the Green Bank's operations and mission, including community engagement.

- Community Engagement – with a focus on vulnerable communities, supporting community-led research and project development efforts, consistent with community engagement outlined in the Comprehensive Plan.

The Green Bank's research product development efforts are intended to open-up new market channels for private investment in Connecticut's green economy through studies, pilot projects, and other initiatives that have the potential for expanding the impact of the Green Bank.

11. Budget

11.1 FY 2023 Budget

For the details on the FY 2023 budget– click here.

For details on the FY 2023 revised budget – click here.

11.2 FY 2024 Budget

For the details on the FY 2024 budget– click here.

For details on the FY 2024 revised budget – click here.

11.3~~2~~ FY 2025 Budget

For the details on the FY 2025 budget– click here.

For details on the FY 2025 revised budget – click here.

11.4 FY 2026 Budget

For the details on the FY 2025 budget– click here.

12. Glossary of Acronyms

ABS	Asset-Backed Security
ACFR	Annual Comprehensive Financial Report
ACG Committee	Audit, Compliance, and Governance Committee
AICPA	American Institute of Certified Public Accountants
AI	Artificial Intelligence
AMI	Advanced Metering Infrastructure
APA	Auditors of Public Accounts
ARRA	American Recovery and Reinvestment Act
BEA	Business Energy Advantage
BIL	Bipartisan Infrastructure Law
BOC Committee	Budget, Operations, and Compensation Committee
BOD	Board of Directors
CCIA	Clean Communities Investment Accelerator
CEF	Clean Energy Fund (or Renewable Energy Investment Fund)
CBI	Climate Bonds Initiative
CCEF	Connecticut Clean Energy Fund
CDFI	Community Development Financial Institution
CEF	Clean Energy Fund
CMMS	Comprehensive Materials Management Strategy
CGA	Connecticut General Assembly
CGS	Connecticut General Statutes
CHEAPR	Connecticut Hydrogen and Electric Automobile Purchase Rebate
CIRCA	Connecticut Institute for Resilience and Climate Adaptation
C-PACE	Commercial Property Assessed Clean Energy
CBA	Community Benefit Agreement
CBP	Community Benefit Plan
DECD	Department of Economic and Community Development
DOE	United States Department of Energy
DEEP	Department of Energy and Environmental Protection
DoAg	Department of Agriculture
DPH	Department of Public Health
DRS	Department of Revenue Services
EDC	Electric Distribution Company
ESB	Electric School Bus
EOL	End of Life
EEB	Energy Efficiency Board
EIF	Environmental Infrastructure Fund
ESS	Energy Storage Solutions
EPA	United States Environmental Protection Agency
EM&V	Evaluation, Measurement, and Verification
EVSE	Electric Vehicle Supply Equipment
GASB	Governmental Accounting Standards Board
GHG	Greenhouse Gas Emissions
GGRF	Greenhouse Gas Reduction Fund

GWSA	Global Warming Solutions Act
HES	Home Energy Solutions
HES-IE	Home Energy Solutions – Income Eligible
IPC	Inclusive Prosperity Capital
IIJA	Infrastructure Investments and Jobs Act
IRA	Inflation Reduction Act
LMI	Low-to-Moderate Income
MPA	Master Purchase Agreement
MTI	Master Trust Indenture
MIRA	Material Innovation and Recycling Authority
MW	Megawatts
MSW	Municipal Solid Waste
NCIF	National Clean Investment Fund
NRCS	Natural Resources Conservation Service
NRES	Non-Residential Renewable Energy Solutions
OPM	Office of Policy and Management
PA	Public Act
PDR	Purchasing Development Rights
PPA	Power Purchase Agreement
PRI	Program Related Investment
PSA	Professional Service Agreement
PURA	Public Utilities Regulatory Authority
RGGI	Regional Greenhouse Gas Initiative
RPS	Renewable Portfolio Standard
RRES	Residential Renewable Energy Solutions
RSIP	Residential Solar Investment Program
RID	Resilience Improvement District
RESP	Rural Energy Savings Program
SBEA	Small Business Energy Advantage
SCORP	Statewide Comprehensive Outdoor Recreation Plan
SCRF	Special Capital Reserve Fund
SHREC	Solar Home Renewable Energy Credit
SRF	State Revolving Fund
TPL	Trust for Public Land
URI	Urban Resources Institute
USDA	U.S. Department of Agriculture
USDOE	U.S. Department of Energy
USEPA	United States Environmental Protection Agency
V2G	Vehicle to Grid

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Autumn – Hartford Public Schools

Debt Financing: Electric School Bus Deployment

July 18, 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 Autumn Transportation, Inc., the school transportation provider for Hartford 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; Stefanie Keohane, Associate Director of Strategic Initiatives; Larry Campana, Associate Director, Investments

Date: July 18, 2025

Re: Autumn and Hartford 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 Autumn Transportation, Inc. ("Autumn") not to exceed $2,000,000, to support the deployment of 25 ESBs to serve Hartford Public Schools ("HPS") (the "Project"). Key security provisions include a first priority lien on Project assets (buses and chargers) as well as the revenues from the transportation services agreement with HPS and a leasehold mortgage on the school bus yard. Autumn 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).

Autumn estimates a total cost of approximately $11.5M to deploy 25 ESBs and associated charging and electric infrastructure. Autumn is due to receive approximately $9.7MM in EPA grant funds and $837,400 in supplemental grant funds from DEEP. Green Bank financing will be contingent upon these grant funds and will be used on Autumn's outstanding project costs (approximately $1.1.MM) and to provide a bridge loan equivalent to their DEEP award.

Autumn's total financing request is $1,883,888, with a not-to-exceed sum of $2MM.

Due to the uncertainty surrounding its NCIF award, the Green Bank has structured the investment to utilize either federal funds or our Clean Energy Fund ("CEF") resources. The Build America, Buy America ("BABA") Act waiver for ESBs and use of BABA-compliant chargers for this project bolsters the opportunity to potentially designate this project as NCIF-eligible in the future.

Green Bank staff have worked to develop a strong working relationship with Autumn given their key role in helping transition one of CT's largest school transportation fleets (160 buses and 150 vans) and Hartford's status as a Distressed Municipality. Autumn staff have expressed interest in enrolling in the Green Bank's Fleet Electrification Accelerator to evaluate electrification potential for buses beyond this initial set of 25 and associated infrastructure upgrades at a separate school bus yard.

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.

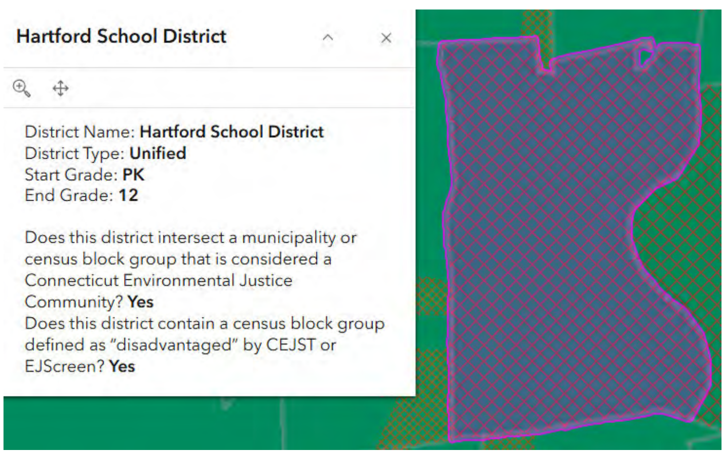
The Green Bank's potential investment to support the deployment of 25 ESBs to serve HPS is aligned with both its enabling statute and Comprehensive Plan.

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.

Hartford is designated as a state EJ community due to its status as a Distressed Municipality and is tethered to the 2030 timeline described above. A screengrab from the Green Bank's CT EJ School Districts mapping tool is below:



PURA Docket No. 21-09-17

[1] CT General Statutes: Section 16-245n
[2] Public Act 22-25, the Connecticut Clean Air Act: Full Text, Summary

The Public Utilities Regulatory Authority ("PURA") issued a Draft Decision on July 9, 2025 in Docket No. 21-09-17, which is focused on medium and heavy-duty ("MHD") electric vehicle ("EV") charging. The Draft Decision includes a strong focus on school bus electrification and contains the following elements:

- Custom charging rates for MHD EVs that substantially lower their operating costs;
- Infrastructure incentives and EV charger rebates for four school bus electrification pilot projects (up to two each in Eversource and UI's respective service territories); and
- Discussion of the Green Bank's role as the Administrator of a Fleet Advisory Services program focused on school bus electrification.

The Green Bank is looking forward to the market certainty that PURA's final decision will provide.

The financial review and investment structuring conducted by Green Bank staff does not assume Autumn's use of either a make-ready or EV charger incentive for the Hartford 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.

Hartford is designated as disadvantaged by the EJScreen platform[3] due to both socioeconomic factors and local air quality metrics that affect public and respiratory health. Notable environmental burden metrics with a nexus to clean transportation include:

- Nitrogen Dioxide – 96th percentile in CT
- Diesel Particulate Matter – 80th percentile in CT
- Traffic Proximity and Volume – 97th percentile in CT

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

[3] EJScreen is a mapping platform that was previously used by the EPA to identify Low-income and Disadvantaged Communities ("LIDACs") across the nation. The Green Bank's LIDACs-served target when using NCIF resources for ESB investments is 60 percent.

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 Autumn, covering federal awards in support of 162 ESBs. Autumn's proposal requested that it use Green Bank NCIF financing for outstanding project costs following the application of a supplemental grant award from DEEP.

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.

- June 20,2025: Presentation on Zum-Branford (up to $12.3MM) to support the deployment of 49 ESBs and associated infrastructure. Board approved.

Autumn & Hartford Public Schools

Hartford Public Schools

HPS is one of the largest school districts in CT and serves over 16,500 preK-12 students across 39 schools. 78.5% of students are eligible for free and reduced-price meals and 16.8% of students are estimated[4] to have asthma, which far exceeds the national average of 6.5% of children (<18 years) with asthma.[5]

[4] Connecticut School-based Asthma Surveillance Report 2024
[5] Center for Disease Control: Most Recent National Asthma Data

Autumn's full school transportation fleet for HPS consists of 160 buses and 150 vans.

Company and Contract Overview

According to its ESB RFP response, Autumn and its wholly owned subsidiary, Ambassador Wheelchair Services, were founded in 1991. Autumn then launched its school bus services in 2006 "in an effort to help the City of Hartford when their… contractor collapsed financially." Autumn then provided various forms of student transportation services for the City of Hartford and HPS and was eventually awarded a three-year contract to serve the entire HPS system in 2019. The contract included two, one-year extension options for school years 2023 and 2024. The Hartford Board of Education ("HBOE") exercised both one-year extension options.

In 2024, the Hartford Board of Education ("HBOE") unanimously approved Autumn for another three-year contract with two optional one-year extensions, described below:

> Autumn's current contract with the Hartford Board of Education ("HBOE") is confirmed through July 31, 2027, and includes two one-year extension options until July 31, 2028, and July 31, 2029.

Autumn also provides school transportation services for the Capital Region Education Council (72 buses) and Wethersfield Public Schools (30 vehicles).

Contract Provisions

The HBOE-Autumn contract contains standard provisions (events of default, indemnification, etc.) that generally protect the HBOE and City of Hartford in case of Autumn's theoretical illegal conduct, bankruptcy, etc. Autumn must also maintain insurance coverage and name the City of Hartford and HBOE as additional insured for policies related to general liability, auto liability, and excess liability.

HBOE maintains the option to terminate the contract at any time by giving 30 days prior written notice to Autumn.

The contract also includes specific performance metrics and financial penalties related to on-time performance, adhering to established routes and schedules, and providing a sufficient number of buses, drivers, and monitors.

The contract also includes a "Pricing Notes" attachment that states "the rates for bus service will be adjusted based on mutual agreement upon the start-up of Electric Buses service." The document also notes that gasoline costs in excess of $4.30 per gallon and diesel costs in excess of $5.00 per gallon will be billed back to HPS.

The "Pricing Notes" sheet also states that Autumn pays its drivers a salary and "provide significant benefits to ensure we have the required number of drivers for this contract."

Daily rate figures for standard bus service (71-77 passengers) are listed as follows:

- 2024-2025: $483.25
- 2025-2026: $502.58
- 2026:2027: $522.70

Electric School Bus Deployment Summary

Federal Award and Financing Request

Autumn's EPA grant award was included as part of the Northeast Electric Bus Initiative (NEEBI) managed by DeVivo Bus Sales. The NEEBI's signature effort has been securing a $33.3MM award to deploy 85 ESBs across five school districts in MA and CT, 50 of which will be provided to Autumn and the Connecticut Technical Education & Career System ("CTECS").

Given the strong per bus award for Autumn (approximately $387,000), its financing request is relatively modest compared to its overall project cost. After factoring in its DEEP bridge loan payment, Autumn's mortgage-style payments are forecasted to be approximately $26,000 per month over the term of the loan (45 months).

The Green Bank has structured the investment to include required balloon payments to protect against the risk of HBOE not exercising the one-year options following the confirmed three-year contract term that ends on July 31, 2027. Potential balloon payments are projected as:

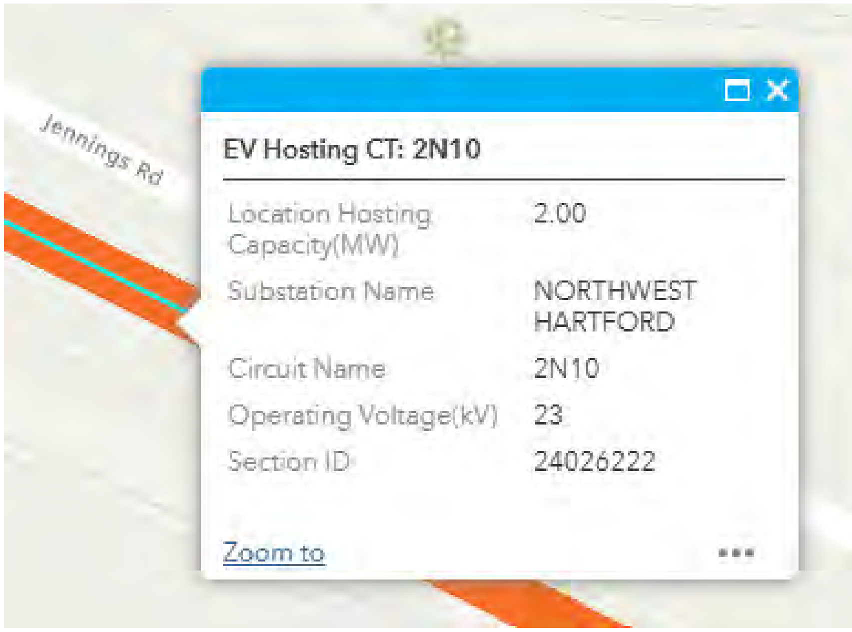
- August 1, 2027: $621,017
- August 1, 2028: $329,372

If HBOE were to extend its contract with Autumn during the current contract term, then the Green Bank and Autumn could seek to refinance the investment term to a future date.

A full discussion of Autumn's financial performance is available on pages 9-12 of this document.

School Bus Yard

Autumn's school bus yard is located at 39 Jennings Road in Hartford. Eversource's EV charging hosting capacity map, copied below, indicates that approximately 2.0 MW of capacity is available at the school bus yard. Autumn plans to install 25, 30 kW single-port chargers, resulting in a theoretical max load of 750 kW. Autumn's ESB RFP response states that the "operation site has been approved by Eversource Energy to have the capacity to handle the required level of power needed."



Autumn's materials also indicate that the property owner is supportive of the ESB deployment and "will renew the lease with us to correlate with the [ESB] project." The term sheet that has been mutually agreed between Autumn and the Green Bank requires a leasehold mortgage on the school bus yard and includes the following statement:

> Borrowers shall provide evidence of Landlord's consent to the Project, in form and substance satisfactory to Lender in all respects.

The current lease is set to expire in 2026. The Autumn team shared that they are currently a sub-lessee at the 39 Jennings Road school bus yard. This arrangement was used due to Autumn's acquisition of the HPS contract in 2019 and the fact that the property owner had entered into a ten-year lease with HPS's previous school transportation provider.

The Autumn team is in the process of securing a written statement from the property owner confirming their plans to renew the lease with Autumn and make them the main lessee.

Autumn's lease agreement will be a key focus of the loan closing process.

Clean Energy Fund and National Clean Investment Fund

As described in the Capital Solutions Request and Summary, the Green Bank intends to use its Clean Energy Fund ("CEF") capital to support this investment while retaining flexibility to designate the project as NCIF-eligible if NCIF capital becomes accessible and usable. The Green Bank has offered Autumn a [redacted] interest rate resources due to Autumn's original response to the Green Bank's ESB RFP, the opportunity to unlock over $9.6MM in federal grant funds, the modest size of the financing request, and the strategic and public health importance of spurring school bus electrification for HPS.

Per an FAQ within the EPA program dating back to the previous administration, there is confirmation from the 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.

The Coalition for Green Capital ("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.

Autumn Financial Performance

Financial Performance Overview

Autumn provided the Green Bank with consolidated financial statements for fiscal years 2022-2024. [redacted]

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Hartford Public Schools

Autumn's ESB RFP response listed Bill Mason, Director of Transportation for Hartford Public Schools, as a reference. Bill shared the following perspectives on Autumn:

- Bill was highly complimentary of the Autumn team and specifically discussed how effective they were at navigating school transportation challenges throughout the COVID-

19 pandemic. He specifically noted that Autumn was very nimble in responding to driver shortages and procured additional vans to address social distancing requirements, which resulted in HPS never having to cancel school due to transportation challenges.

- Bill also shared that the Autumn-HBOE contract structure (three years with two, one-year extension options) reflects the City of Hartford's preference to strike a balance across contract length certainty, flexibility, and RFP management.

- Bill shared that HPS and the City of Hartford are very appreciative of Autumn and they enjoy a strong working relationship.

Wethersfield Public Schools

Autumn's ESB RFP response included the following statements from the Director of Finance & Operations for Wethersfield Public Schools:

- "Wethersfield Public Schools has been utilizing Autumn Transportation since the 2017-2018 fiscal year. Bus service began with all in-district requirements and WPS has since awarded Autumn Transportation all out-of-district obligations, including regular education Choice routes."

- Autumn Transportation has consistently provided exceptional service at all levels. Management is accommodating and responsive while dispatch is diligent and supportive. Ownership has been candid about the post-pandemic industry obstacles but Autumn Transportation has managed to operate with very little disruption, especially compared to other communities."

- "WPS was confident Autumn Transportation could provide bus service for every facet of the district needs and their organization has surpassed expectations, year after year."

<u>Project Risks</u>

Autumn Financial Performance

Autumn's full financial information is provided in the section above. It is the Green Bank's opinion that Autumn's balance sheet and annual debt service capacity provide sufficient cover to merit Green Bank investment. If Autumn were to theoretically go bankrupt or otherwise become unable to operate the HPS fleet, the Green Bank's security terms would enable it to facilitate HPS's access to the project equipment as well as permit Green Bank to restructure any outstanding loan balance with the new provider of transportation services. 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

Current term sheet language is copied below:

> "**Security:** First priority perfected lien on substantially all assets of the Borrower, including on the project equipment and vehicles (e.g. buses, chargers), leasehold mortgage on the Property, revenues from the Bus Contract, and relevant bank accounts (collectively, the "Collateral")."

Concentration Risk

A strong focus on serving Hartford is Autumn's distinguishing factor in the CT school bus operator market. [redacted]

[redacted]

[redacted] Autumn representatives have communicated the strong working relationship that they currently enjoy with the HBOE, HPS, and City of Hartford overall. The references section above includes further evidence of Autumn's strong operational performance and working relationships with school district officials.

Federal Funding Risk

Autumn is currently able to fully access its EPA Clean School Bus Program award, which is managed by DeVivo Bus Sales.

Future actions by the current administration could potentially lead to operational challenges for Autumn and DeVivo Bus Sales 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[6] are not integrated into the financing package. While the Green Bank and DeVivo Bus Sales worked to ensure that Autumn would generate a sufficient cost basis to maximize its eligibility for the 45W tax credit ($40,000 per

[6] 45W – Commercial Clean Vehicle Credit and 30C – Alternative Fuel Vehicle Refueling Property Credit

bus), the impending termination of the 45W tax credit on September 30, 2025, will likely impede Autumn's capture of its potential value.

Infrastructure Installation and Interconnection

As indicated above, Autumn's RFP response states that the "operation site has been approved by Eversource Energy to have the capacity to handle the required level of power needed." Autumn's quote from InCharge US, its charging station provider, includes line items for various customer-side make-ready costs, including electrical distribution upgrade/switchgear installation ($78,000) and circuit construction work ($387,000).

The significant buffer (1.25 MW) displayed by Eversource's hosting capacity map indicates that utility-side interconnection costs should be minimal. The exact interconnection process and timeline will likely influence Autumn's overall construction and bus deployment schedule.

Supply Chain Delays

IC Bus will be manufacturing all 25 Class C ESBs to be deployed in Hartford. The spec sheet is available here. IC manufactures all its school buses (both diesel and electric) in Tulsa, OK.

Autumn will procure the ESBs via DeVivo Bus Sales, who is based in New Britain, CT. DeVivo possesses the ability to help address supply chain delays due to its status as one of the largest school bus dealers in the northeast.

Supply chain delays could also affect the delivery of chargers, which will be manufactured by InCharge Energy.

Operations Management

The launch of 25 ESBs comes with inherent operational challenges related to charging logistics, route optimization and scheduling, driver training, and other key considerations. Autumn's first foray into the management of these factors could result in delays, operational hiccups, and general project management challenges.

Capital Solutions Open RFP Evaluation

Proposal: A term loan to Autumn Transportation, not to exceed $2,000,000, to support the deployment of 25 ESBs, the installation of 25, 30 kW 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**	Green Bank financing will help Autumn secure the needed funding for the project capital stack.	3
3	**Project Feasibility – How feasible is the project to achieve its stated goals?**	**High**	High probability for success due to strong EPA grant funding, partnership with DeVivo Bus Sales, and priority working relationship with HPS	3
4	**Project Replicability – Could a similar project be replicated in Connecticut or elsewhere, or is this a unique opportunity?**	**Medium**	The Green Bank is beginning to validate its braided funding model for ESB projects, but ongoing federal funding uncertainty raises project replicability concerns.	2
5	**Relevant Experience – Does the proposer offer relevant and sufficient experience for the type of project being proposed?**	**Medium**	This will be Autumn's first ESB deployment. However, they have expertise serving Hartford Public Schools.	2
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 Distressed Municipality/ 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**		**23/24**

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, 2030 and 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, Autumn Transportation ("Autumn") responded to the ESB RFP, is the transportation provider for Hartford 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 deploy 25 electric school buses ("ESBs"); and,

WHEREAS, Green Bank staff have considered the merits of the investment and the ability of Autumn 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 exceed $2,000,000 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 Hartford Public Schools and a leasehold mortgage on the school bus yard.

NOW, therefore be it:

RESOLVED, that the Green Bank Board of Directors approves the applicant's Capital Solutions proposal for the Green Bank to provide a term loan not to exceed $2,000,000 to Autumn to support the deployment of 25 ESBs to serve Hartford Public Schools;

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 Autumn in an amount not to exceed $2,000,000 in with terms and conditions materially consistent with the Committee Memo including approval to extend the maturity of the loan to Autumn to match any extension of the underlying contracts between Autumn and the Hartford Board of Education ("HBOE"), 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 – Autumn RFP Response to Green Bank ESB RFP

"Attachment A" includes a cover letter from Autumn to Green Bank which serves as its official application to the Green Bank Capital Solutions Program. Autumn responded to the joint ESB RFP solicitation that the Green Bank and DEEP organized in January 2025.

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").

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CONNECTICUT GREEN BANK

Dattco – East Hartford Public Schools

Debt Financing: Electric School Bus Deployment

July 18, 2025

DATTCO SCHOOL BUS

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 Dattco, Inc., the school transportation provider for East Hartford 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; Stefanie Keohane, Associate Director of Strategic Initiatives; Larry Campana, Associate Director, Investments

Date: July 18, 2025

Re: Dattco and East Hartford 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 Dattco, Inc. ("Dattco") not to exceed $1,100,000, to support the deployment of three ESBs and one electric van to serve East Hartford Public Schools ("HPS") (the "Project"). Key security provisions include a first priority lien on Project assets (buses and chargers), a pledge on relevant bank accounts, and a leasehold mortgage on the school bus yard. Dattco 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).

Dattco estimates a total cost of approximately $1.46MM to deploy 3 ESBs, one electric van, and associated charging and electric infrastructure. Dattco is due to receive $400,000 in EPA grant funds and $80,000 in supplemental grant funds from DEEP. Green Bank financing will be contingent upon these grant funds and will be and will be used on Dattco's outstanding project costs (approximately $980,000) and to provide a bridge loan equivalent to their DEEP award.

Dattco's total financing request is $1,058,000, with a not-to-exceed sum of $1.1MM.

Due to the uncertainty surrounding its NCIF award, the Green Bank has structured the investment to utilize either federal funds or our Clean Energy Fund ("CEF") resources. The Build America, Buy America ("BABA") Act waiver for ESBs and use of BABA-compliant chargers for this project bolsters the opportunity to potentially designate this project as NCIF-eligible in the future.

Green Bank staff have worked to develop a strong working relationship with Dattco given their key role in CT's school bus operator market. Dattco's school bus fleet comprises approximately one-eighth of the private school bus market in CT and DeVivo Bus Sales ("DeVivo") is one of the largest school bus and motorcoach dealers in New England. The DeVivo/Dattco team also provided key testimony in support of the passage of the Connecticut Clean Air Act (P.A. 22-25) and has secured multiple federal and state grant awards to spur early-market deployments of ESBs. DeVivo has also launched the Northeast Electric Bus Initiative ("NEEBI"), which has helped attract over $19MM in federal grant funds to deploy 50 ESBs in partnership with Autumn Transportation and the Connecticut Technical Education and Career System ("CTECS").

Dattco staff have expressed interest in enrolling in the Green Bank's Fleet Electrification Accelerator to evaluate additional opportunities to deploy ESBs for East Hartford Public Schools, a CT Distressed Municipality school district.

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 deployment of 25 ESBs to serve HPS is aligned with both its enabling statute and Comprehensive Plan.

State Policy

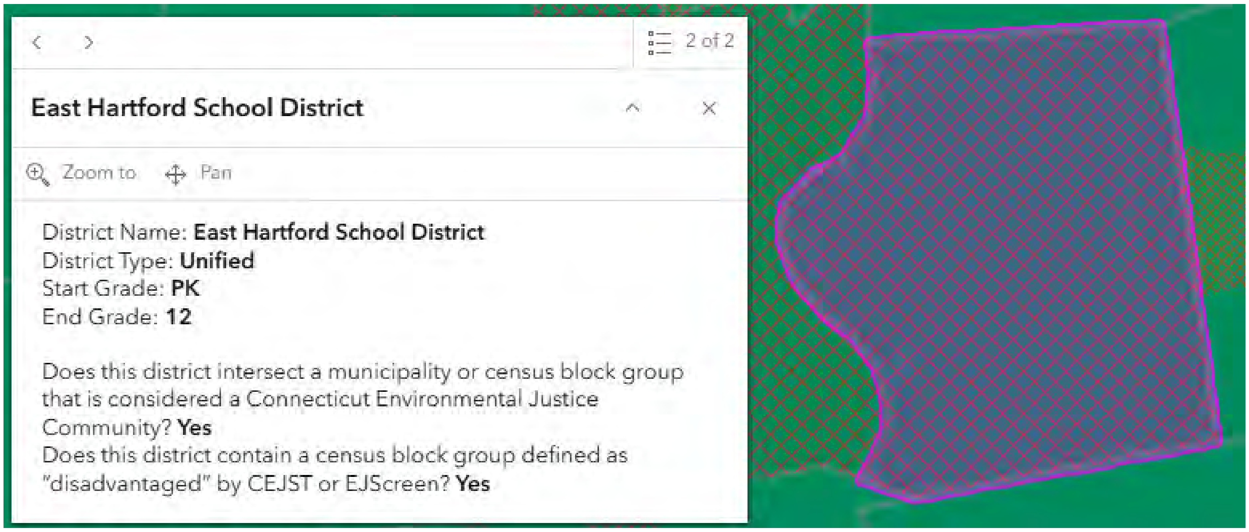
The passage of the Connecticut Clean Air Act[2] (P.A. 22-25) created a suite of clean transportation policy directives for the State, including the following zero-emission school bus deployment requirements:

- 2030 – all school buses that serve environmental justice ("EJ") communities; and
- 2040 – all school buses in the state.

East Hartford is designated as a state EJ community due to its status as a Distressed Municipality and is tethered to the 2030 timeline described above. A screengrab from the Green Bank's CT EJ School Districts mapping tool is below:

[1] CT General Statutes: Section 16-245n

[2] Public Act 22-25, the Connecticut Clean Air Act: Full Text, Summary



PURA Docket No. 21-09-17

The Public Utilities Regulatory Authority ("PURA") issued a Draft Decision on July 9, 2025 in Docket No. 21-09-17, which is focused on medium and heavy-duty ("MHD") electric vehicle ("EV") charging. The Draft Decision includes a strong focus on school bus electrification and contains the following elements:

- Custom charging rates for MHD EVs that substantially lower their operating costs;
- Infrastructure incentives and EV charger rebates for four school bus electrification pilot projects (up to two each in Eversource and UI's respective service territories); and
- Discussion of the Green Bank's role as the Administrator of a Fleet Advisory Services program focused on school bus electrification.

The Green Bank is looking forward to the market certainty that PURA's final decision will provide.

The financial review and investment structuring conducted by Green Bank staff does not assume Dattco's use of either a make-ready or EV charger incentive for the East Hartford 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.

East Hartford is designated as disadvantaged by the EJScreen platform[3] due to both socioeconomic factors and local air quality metrics that affect public and respiratory health. Notable environmental burden metrics with a nexus to clean transportation include:

- Nitrogen Dioxide – 89th percentile in CT
- Diesel Particulate Matter – 70th percentile in CT
- Traffic Proximity and Volume – 93rd percentile in CT

In its 2025 Connecticut Report Card, the American Lung Association also gives Hartford County, which includes East Hartford, a "D" grade for both high ozone days and particle pollution.

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 Dattco, covering federal awards in support of 162 ESBs. Dattco's proposal requested that it use Green Bank NCIF financing for outstanding project costs following the application of a supplemental grant award from DEEP.

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.

[3] EJScreen is a mapping platform that was previously used by the EPA to identify Low-income and Disadvantaged Communities ("LIDACs") across the nation. The Green Bank's LIDACs-served target when using NCIF resources for ESB investments is 60 percent.

- 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.

- June 20, 2025: Presentation on Zum-Branford (up to $12.3MM) to support the deployment of 49 ESBs and associated infrastructure. Board approved.

Dattco & East Hartford Public Schools

Dattco

[redacted]:

[redacted]

According to CT Department of Motor Vehicles registry data, Dattco operates the second-largest school bus fleet among private school bus operators in CT. In addition to East Hartford, Dattco serves many other EJ school districts, including Bloomfield, Coventry, Cromwell, East Haddam, Middletown, Plainfield, Plainville, and Thompson. Dattco's commitment to supporting ESB deployment is best exemplified by its launch of six ESBs in Middletown with the support of Volkswagen Settlement Trust funds, which are managed by DEEP.

East Hartford Public Schools

East Hartford Public Schools serves over 6,400 preK-12 students across 12 schools. 60.9% of students are eligible for free and reduced-price meals and 19.7% of students are estimated[4] to have asthma, which is over triple the national average of 6.5% of children (<18 years) with asthma.[5]

Dattco's full school transportation fleet for East Hartford Public Schools consists of 62 buses and six vans.

[4] Connecticut School-based Asthma Surveillance Report 2024
[5] Center for Disease Control: Most Recent National Asthma Data

Dattco, East Hartford Contract Overview

In August 2024, East Hartford Public Schools approved Dattco for a five-year contract until June 30, 2029, with the option to extend the contract by two, one-year options, described below:

- The term of this Contract shall be begin on the date of execution and terminate on June 30, 2029 (the "Original Term").

- The Board shall have two (2) one (1) year options to extend this Contract at rates to be mutually agreed upon by the parties, by providing written notice of its intent to so extend the term of this Contract to the Contractor at least six (6) months prior to the expiration of the then-current term.

While the contract does not include a specific "not-to-exceed" figure or annual estimate, the Green Bank projects East Hartford Public Schools' annual cost as at least $5.4MM. This figure only includes daily transportation services (no field trips, sports games, etc.) and was calculated based on the weighted average daily vehicle rate (approximately $440) multiplied by the full vehicle fleet (68 vehicles) and the projected number of school days per year (180).

Contract Provisions

The East Hartford Public Schools-Dattco contract contains multiple provisions specific to vehicle electrification and planning and states that "the provisions regarding electrification shall be considered material elements of the Contract." Most notably, Dattco is required to "place orders to purchase four (4) fully electric Vehicles, two (2) of which shall be Type I buses and two (2) of which shall be Type II buses (the "introductory EV fleet")… to be used to provide transportation services solely for the District." The Green Bank's potential investment will directly support Dattco's requirement to address this contractual provision.

The contract also includes detailed discussion of billing mechanics to charge the ESBs and electric vans, as East Hartford Public Schools is responsible for fuel/electricity payments. For example, Dattco must only bill the District for electricity costs specific to school transportation; integrating electric costs for school bus yard operations or other uses would result in a material breach of the contract.

In addition, the contract terms note the development of "an agreed-upon schedule for the phasing in of electric vehicles (the "electrification schedule") shall be established through good faith negotiation by the Parties on or before June 30, 2025." The Green Bank has contacted Dattco about this electrification planning requirement, which could align well with the services provided through the Green Bank's Fleet Electrification Accelerator.

Other notable contract provisions include:

- No vehicles older than ten years old may be used on any route during the term of the contract.

- The District retains the option to require Dattco to furnish a Surety Performance Bond equal to each year's estimated contract price.
- The District retains the right to terminate the contract due to performance and/or financial-related issues.
- In the event of contract termination, Dattco will be responsible for the district's reasonable and necessary costs to secure a new school transportation contract.

The contract also contains standard provision (events of default, indemnification, etc.) that generally protect East Hartford Public Schools and the Town of East Hartford in case of Dattco's theoretical illegal conduct, bankruptcy, etc. Dattco must also maintain insurance coverage and name the Town of East Hartford and the District as additional insured on all policies.

Electric School Bus Deployment Summary

Federal Award and Financing Request

Dattco's $400,000 grant award ($200,000 per ESB) was provided through the EPA Clean School Bus Program's "Rebate" track. Dattco plans to use this federal award and its supplemental DEEP award of $80,000 to deploy two Class C ESBs. Green Bank financing will be used to cover the remaining costs of deploying the two Class C ESBs, the full cost of a Class A ESB and a Ford Transit electric van, and charging stations and electric infrastructure for all four vehicles. The supplemental funding provided by DEEP must be used in conjunction with Dattco's federal award while Green Bank financing can generally be used more flexibly.

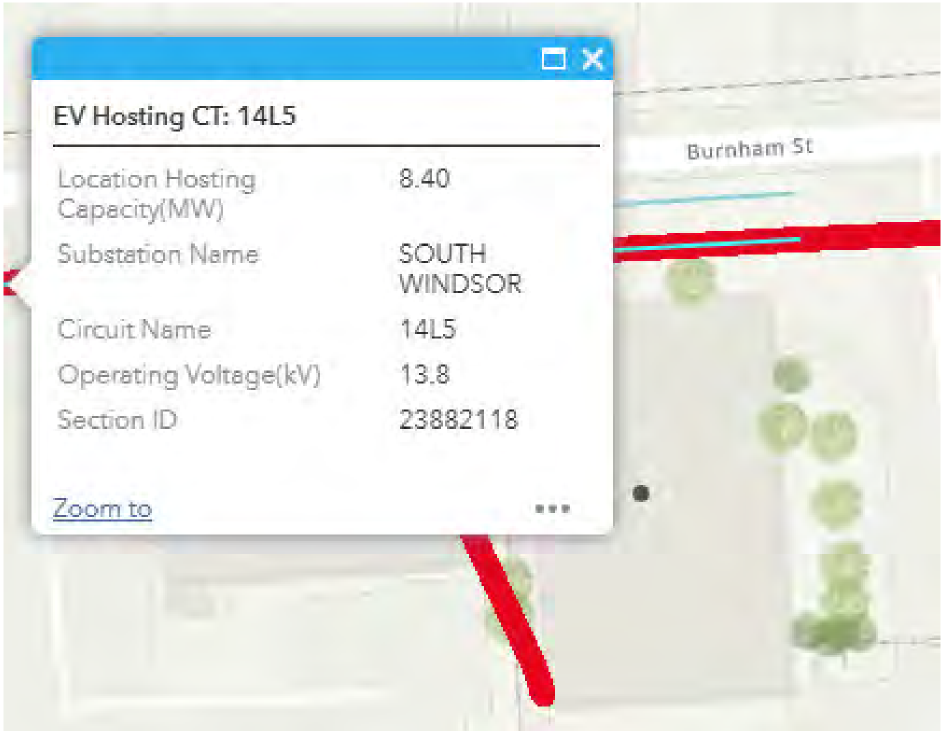
After factoring in its DEEP bridge loan payment, Dattco's mortgage-style payments are forecasted to be approximately $24,000 per month over the term of the loan (45 months).

If East Hartford Public Schools were to extend its contract with Dattco during the current contract term, then the Green Bank and Dattco could seek to refinance the investment term to a future date.

A full discussion of Dattco's financial performance is available on pages 10-12.

School Bus Yard

Dattco's school bus yard is located at 359 Burnham Street in East Hartford. Eversource's EV charging hosting capacity map, copied below, indicates that approximately 8.40 MW of capacity is available at the school bus yard, which underscores the strong future electrification potential of this site. Dattco plans to install three, 30 kW chargers for the three ESBs one Level 2 charger for the electric van. The sum load of the chargers is approximately 110 kW.



The property is owned by KAD East Hartford Realty, LLC, which shares common ownership with DATTCO, Inc. The current contract term is through January 1, 2027. DATTCO has the option to extend the term for three additional five-year periods.

Clean Energy Fund and National Clean Investment Fund

As described in the Capital Solutions Request and Summary, the Green Bank intends to use its Clean Energy Fund ("CEF") capital to support this investment while retaining flexibility to designate the project as NCIF-eligible if NCIF capital becomes accessible and usable. The Green Bank has offered Dattco a [redacted] interest rate due to Dattco's original response to the Green Bank's ESB RFP, the modest size of the financing request, the opportunity to deepen the Green Bank's working relationship with one of CT's largest school bus operators, and the public health importance of spurring school bus electrification for East Hartford Public Schools.

Per an FAQ with the EPA program dating back to the previous administration, there is confirmation from the EPA that NCIF resources can be used for EPA Clean School Bus 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.

The Coalition for Green Capital ("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.

Dattco Financial Performance

Dattco provided the Green Bank with consolidated financial statements for fiscal years 2023 and 2024. [redacted]

Balance Sheet Overview

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Income Statement, Cash Flow Overview

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Project Risks

Dattco Financial Performance

Dattco's full financial information is provided in the section above. It is the Green Bank's opinion that Dattco's balance sheet and annual debt service capacity provide sufficient cover to merit Green Bank investment. If Dattco were to theoretically go bankrupt or otherwise become unable to operate the East Hartford Public School fleet, the Green Bank's security terms would enable it to facilitate the district'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

Current term sheet language is copied below:

> "**Security:** First priority perfected lien on the project equipment (e.g. buses and chargers), a general lien on all other assets of Borrowers, leasehold mortgage on the Property granted by Borrower and pledge on relevant bank accounts (collectively, the "Collateral").

Dattco and the Green Bank have agreed to mutually discuss the "general lien on all other assets of Borrowers" language based on the Green Bank's review of Dattco's audited financial statements.

Federal Funding Risk

Dattco is currently able to fully access its EPA Clean School Bus Program award. Future actions by the current administration could potentially lead to operational challenges for Dattco 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[6] are not integrated into the financing package. The 45W tax credit is scheduled to be rescinded on September 30, 2025.

Infrastructure Installation and Interconnection

The significant buffer (over 8 MW) displayed by Eversource's hosting capacity map indicates that utility-side interconnection costs should be minimal. The exact interconnection process and timeline will likely influence Dattco's overall construction and bus deployment schedule.

Assuming there are no significant interconnection delays, Dattco anticipates they should be able to launch the ESBs and electric van by the end of 2025.

Supply Chain Delays

IC Bus will be manufacturing the two Class C ESBs to be deployed in East Hartford. The spec sheet is available here. IC manufactures all its school buses (both diesel and electric) in Tulsa, OK.

The Class A ESB was manufactured by Collins through a previous partnership with Lightning eMotors. DeVivo Bus Sales has already procured the Class A ESB and electric van for this project.

Supply chain delays could affect the delivery of chargers, which will be manufactured by InCharge Energy.

Operations Management

The launch of ESBs comes with inherent operational challenges related to charging logistics, route optimization and scheduling, driver training, and other key considerations. While Dattco has prior experience managing ESB logistics via its Middletown deployment, it is still possible that Dattco could face operational hurdles.

Capital Solutions Open RFP Evaluation

Proposal: A term loan to Dattco, not to exceed $1,100,000, to support the deployment of three ESBs, one electric van, and the installation of four EV chargers, and associated electric infrastructure work.

	Criteria	Rating	Explanation	Score
1	**Meeting Green Bank Goals – how well does this project**	**High**	Supports clean energy and the Connecticut economy.	3

6 45W – Commercial Clean Vehicle Credit and 30C – Alternative Fuel Vehicle Refueling Property Credit

	align with the Green Bank's goals?			
2	**Green Bank Essentiality – to what extent is participation by the Green Bank essential to the success of the project?**	**High**	Green Bank financing will help Dattco secure the needed funding for the project capital stack. The Class A ESB and electric van will be fully financed with Green Bank capital.	3
3	**Project Feasibility – How feasible is the project to achieve its stated goals?**	**High**	High probability of success due to inclusion of federal and state grant funding and prior experience with ESB deployments in CT.	3
4	**Project Replicability – Could a similar project be replicated in Connecticut or elsewhere, or is this a unique opportunity?**	**Medium**	The Green Bank is beginning to validate its braided funding model for ESB projects, but ongoing federal funding uncertainty raises project replicability concerns.	2
5	**Relevant Experience – Does the proposer offer relevant and sufficient experience for the type of project being proposed?**	**High**	Yes, Dattco has previous ESB deployment experience in CT and has a strong working relationship with East Hartford Public Schools.	3
6	**References**	**High**	Written references included in RFP response. 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 Distressed Municipality/ 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**		**23/24**

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, 2030 and 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, Dattco, Inc. ("Dattco") responded to the ESB RFP, is the transportation provider for East Hartford 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 deploy three electric school buses ("ESBs") and one electric school transportation van; and,

WHEREAS, Green Bank staff have considered the merits of the investment and the ability of Dattco 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 exceed $1,100,000 to support, secured by a first priority lien on the electric school buses and charges installed with this loan and a leasehold mortgage on the school bus yard.

NOW, therefore be it:

RESOLVED, that the Green Bank Board of Directors approves the applicant's Capital Solutions proposal for the Green Bank to provide a term loan not to exceed $1,100,000 to Dattco to support the deployment of three ESBs and one electric van to serve East Hartford Public Schools;

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 Dattco in an amount not to exceed $1,100,000 in with terms and conditions materially consistent with the Committee Memo including approval to extend the maturity of the loan to Dattco to match any extension of the underlying contracts between Dattco and East Hartford Public Schools, 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 – Dattco RFP Response to Green Bank ESB RFP

"Attachment A" includes a cover letter from Dattco to Green Bank which serves as its official application to the Green Bank Capital Solutions Program. Dattco responded to the joint ESB RFP solicitation that the Green Bank and DEEP organized in January 2025.

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").

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17 Old Turnpike Road Beacon Falls, CT 06403

C-PACE Project Diligence Memo

July 22, 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: Larry Campana, 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: July 22, 2025
Re: C-PACE Project Located at 17 Old Turnpike Road Beacon Falls, CT 06403

Summary

Property Information		
Property Address	17 Old Turnpike Road Beacon Falls, CT 06403	
Municipality	Beacon Falls	
Property Owner	Turnpike Center LLC	
Type of Building	Industrial	
Building Size *(sf)*	39,163 SF	
Year of Build / Most Recent Renovation	1952 (CoStar & Bowery) / 2022	
Environmental Screening Report	[redacted]	
Project Information		
Proposed Project Description	297.54 kW DC rooftop solar installation	
Contractor	[redacted]	
Objective Function	38.50 kBTU / ratepayer dollar at risk	
Tariff	Buy All/Sell All (secured)	
		Total
Projected Energy Savings (mmBTU)	Year One	1,174
	Over EUL	22,397
Estimated Cost Savings (incl. RECs/Tariff and tax benefits)	Year One	$258,423
	Over EUL	$1,581,653
Financial Metrics		
C-PACE Assessment (Ratepayer funds at risk)	$581,687	
Term Duration *(years)*	20	
Term Rate	5.25% annually	
Construction Rate	5.25% annually	
Annual C-PACE Assessment	$47,325	
Average DSCR over Term	[redacted]	
Savings-to-Investment Ratio	[redacted]	
Lien-to-Value *(LiTV)*	[redacted]	
Loan-to-Value *(LTV)*	[redacted]	
Appraisal Value	[redacted]	
Mortgage Lender Consent	[redacted]	
Co-Borrower	N/A	

[1] Private appraisal of [redacted] from Bowery+ 50% of 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 $581,687 construction and term loan under the C-PACE program to Turnpike Center LLC, the building owner of 17 Old Turnpike Road Beacon Falls, CT 06403 (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 July 22, 2025 (the "Memo").

NOW, therefore be it:

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

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

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

Submitted by: Bryan Garcia, President and CEO; Bert Hunter, EVP and CIO; Brian Farnen, General Counsel and CLO; Mackey Dykes, EVP of Financing Programs and Officer; Alex Kovtunenko, Deputy General Counsel; Larry Campana, Associate Director of Clean Energy Finance, and Emma Ellis, Counsel

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734 East Main Street, Branford, CT 06405

C-PACE Project Diligence Memo

July 22, 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: July 22, 2025
Re: C-PACE Project Located at 734 East Main Street, Branford, CT 06405

Summary

Property Information		
Property Address	734 East Main Street, Branford, CT 06405	
Municipality	Branford	
Property Owner	732-735 E Main Street, LLC	
Type of Building	Flex Industrial	
Building Size *(sf)*	25,149sf	
Year of Build / Most Recent Renovation	1979 / 2009	
Environmental Screening Report	[redacted]	
Project Information		
Proposed Project Description	135.3 kW DC rooftop solar installation	
Contractor	[redacted]	
Objective Function	28.05 kBTU / ratepayer dollar at risk	
Tariff	Buy All/Sell All (secured)	
		Total
Projected Energy Savings (mmBTU)	Year One	546
	Over EUL	12,872
Estimated Cost Savings (incl. RECs/Tariff and tax benefits)	Yearly Average	$64,350
	Over EUL	$772,204
Financial Metrics		
C-PACE Assessment (Ratepayer funds at risk)	$458,817	
Term Duration *(years)*	20	
Term Rate	5.25% annually	
Construction Rate	5.25% annually	
Annual C-PACE Assessment	$37,329	
Average DSCR over Term	[redacted]	
Savings-to-Investment Ratio		
Lien-to-Value *(LiTV)*		
Loan-to-Value *(LTV)*		
Appraisal Value		
Mortgage Lender Consent		
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 has approved a $40,000,000 C-PACE construction and term loan program; and,

WHEREAS, the Green Bank seeks to provide a $458,817 construction and term loan under the C-PACE program to 732-735 E Main Street, LLC, the building owner of 734 East Main Street, Branford, CT 06405 (the "Loan"), to finance the construction of specified clean energy measures in line with the State's Comprehensive Energy Strategy and the Green Bank's Strategic Plan as more particularly described in the memorandum submitted to the Green Bank Board of Directors dated July 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 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; and Priyank Bhakta, Associate Director of Clean Energy Finance, and Emma Ellis, Counsel

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9 Baldwin Drive, Branford CT 06405

C-PACE Project Diligence Memo

July 22, 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: David Beech, Senior Manager - Investments
CC: Bryan Garcia, President and CEO; Bert Hunter, EVP and CIO; Brian Farnen, General Counsel and CLO; Mackey Dykes, VP of Financing Programs and Officer; Alex Kovtunenko, Deputy General Counsel; Emma Ellis, Counsel
Date: July 22, 2025
Re: C-PACE Project Located at 9 Baldwin Drive, Branford CT 06405

Summary

Property Information				
Property Address	9 Baldwin Drive, Branford CT 06405			
Municipality	Branford			
Property Owner	Massey Properties, LLC			
Type of Building	Industrial			
Building Size *(sf)*	39,904			
Year of Build / Most Recent Renovation	2013			
Environmental Screening Report	[redacted]			
Project Information				
Proposed Project Description	301.3 kw DC rooftop solar PV			
Energy Contractor	[redacted]			
Objective Function	28.60 kBTU / ratepayer dollar at risk			
				Total
Projected Energy Savings (mmBTU)	Per Year			1,115
	Over EUL			21,267
Estimated Cost Savings (incl. ZRECs/Tariff and tax benefits)	Per Year			$79,556
	Over EUL			$1,591,117
Financial Metrics				
Proposed C-PACE Assessment	Current Request: $743,698 Total C-PACE Debt: $1,453,087			
Term Duration *(years)*	20			
Term Rate	5.25% annually			
Construction Rate	5.25% annually			
Annual C-PACE Assessment	$120,584 (includes all C-PACE property assessments)			
Average DSCR	[redacted]			
Savings-to-Investment Ratio	[redacted]			
Lien-to-Value *(LiTV)*	[redacted]			
Loan-to-Value *(LTV)*	[redacted]			
Appraisal Value[2]	[redacted]			
Mortgage Lender Consent	[redacted]			
Co-Borrower	Massey's Plate Glass and Aluminum, Inc.			

[1] Based on Operating Company (co-borrower) income. Property Owner NOI average DSCR[redacted]

[2] Appraised value per private appraisal (see memorandum for more detail) of $[redacted]of the project investment 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, Green Bank seeks to provide a $743,698 construction and term loan under the C-PACE program to Massey Properties, LLC, the building owner of 9 Baldwin Drive, Branford CT 06405 (the "Loan"), to finance the construction of specified clean energy measures in line with the State's Comprehensive Energy Strategy and the Green Bank's Strategic Plan as more particularly described in the memorandum submitted to the Board dated July 18, 2025 (the "Memo").

NOW, therefore be it:

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

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

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

Submitted by: Bryan Garcia, President and CEO; Bert Hunter, EVP and CIO; Brian Farnen, General Counsel and CLO; Mackey Dykes, EVP of Financing Programs and Officer; Alex Kovtunenko, Deputy General Counsel; Emma Ellis, Counsel, and David Beech, Senior Manager of Clean Energy Finance

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CONNECTICUT GREEN BANK

270 5th Street, Bridgeport, CT 06607

C-PACE Project Diligence Memo

July 22, 2025

[redacted]

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To: Green Bank Board of Directors
From: David Beech, Senior Manager
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: July 22, 2025
Re: C-PACE Project Located at 270 5th Street, Bridgeport, CT 06607

Summary

Property Information		
Property Address	270 5th Street, Bridgeport, CT 06607	
Municipality	Bridgeport	
Property Owner	250 Fifth Street, LLC	
Type of Building	Industrial	
Building Size *(sf)*	26,756	
Year of Build / Most Recent Renovation	1930	
Environmental Screening Report	[redacted]	
Project Information		
Proposed Project Description	243 kW DC rooftop solar installation	
Contractor	[redacted]	
Objective Function	27.44 kBTU / ratepayer dollar at risk	
Tariff	Buy All/Sell All (secured)	
		Total
Projected Energy Savings (mmBTU)	Year One	1,009
	Over EUL	23,761
Estimated Cost Savings (incl. RECs/Tariff and tax benefits)	Year One	$304,088
	Over EUL	$1,475,918
Financial Metrics		
C-PACE Assessment (Ratepayer funds at risk)	$866,079	
Term Duration *(years)*	20	
Term Rate	5.25% annually	
Construction Rate	5.25% annually	
Annual C-PACE Assessment	$70,463	
Average DSCR over Term	[redacted]	
Savings-to-Investment Ratio		
Lien-to-Value *(LiTV)*		
Loan-to-Value *(LTV)*		
Appraisal Value		
Mortgage Lender Consent		

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, Green Bank seeks to provide a $866,079 construction and term loan under the C-PACE program to 250 Fifth Street, LLC, the building owner of 270 5th Street, Bridgeport, CT 06607(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 July 22, 2025 (the "Memo").

NOW, therefore be it:

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

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

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

Submitted by: Bryan Garcia, President and CEO; Bert Hunter, EVP and CIO; Brian Farnen, General Counsel and CLO; Mackey Dykes, EVP of Financing Programs and Officer; Alex Kovtunenko, Deputy General Counsel; Emma Ellis, Counsel, and David Beech, Senior Manager of Clean Energy Finance

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50 Harrison Street, Manchester, CT 06040

C-PACE Project Diligence Memo

July 22, 2025

[redacted]

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To: Green Bank Board of Directors
From: Christina Tsitso, Senior Transaction Analyst
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: July 22, 2025
Re: C-PACE Project Located at 50 Harrison Street, Manchester, CT 06040

Summary

Property Information		
Property Address	50 Harrison Street, Manchester, CT 06040	
Municipality	Manchester	
Property Owner	DuBaldo Realty 50 Harrison LLC	
Type of Building	Industrial	
Building Size *(sf)*	37,256 sf	
Year of Build / Most Recent Renovation	1980 / 2023	
Environmental Screening Report	[redacted]	
Project Information		
Proposed Project Description	291.6 kW DC rooftop solar installation	
Contractor	[redacted]	
Objective Function	36.36 kBTU / ratepayer dollar at risk	
Tariff	Buy All/Sell All (secured)	
		Total
Projected Energy Savings (mmBTU)	Year One	1,200
	Over EUL	27,201
Estimated Cost Savings (incl. RECs/Tariff and tax benefits)	Year One	$70,351
	Over EUL	$1,340,244
Financial Metrics		
C-PACE Assessment (Ratepayer funds at risk)	$748,188	
Term Duration *(years)*	20	
Term Rate	5.25% annually	
Construction Rate	5.00% annually	
Annual C-PACE Assessment	$60,872	
Average DSCR over Term	[redacted]	
Savings-to-Investment Ratio		
Lien-to-Value *(LiTV)*		
Loan-to-Value *(LTV)*		
Appraisal Value		
Mortgage Lender Consent		
Co-Borrower	1. D. DuBaldo Electric LLC 2. Silk CityStorage, LLC	

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, Green Bank seeks to provide a $748,188 construction and term loan under the C-PACE program to DuBaldo Realty 50 Harrison LLC, the building owner of 50 Harrison Street, Manchester, CT 06040, Manchester ("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 July 22, 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; Emma Ellis, Counsel, and Christina Tsitso, Senior Transaction Analyst of Clean Energy Finance

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689 Hopmeadow Street, Simsbury, CT 06070

C-PACE Project Diligence Memo

July 22, 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:	Larry Campana, Associate Director
CC:	Bryan Garcia, President and CEO; Bert Hunter, EVP and CIO; Brian Farnen, General Counsel; CLO; Mackey Dykes, EVP of Financing Programs and Officer; Alex Kovtunenko, Deputy General Counsel; Emma Ellis, Counsel
Date:	July 22, 2025
Re:	C-PACE Project Located at 689 Hopmeadow Street, Simsbury, CT 06070

Summary

Property Information		
Property Address	689 Hopmeadow Street, Simsbury, CT 06070	
Municipality	Simsbury	
Property Owner	First Church of Christ and Ecclesiastical Society of Simsbury	
Type of Building	Place of Worship	
Building Size *(sf)*	30,413	
Year of Build / Most Recent Renovation	1967	
Environmental Screening Report	[redacted]	
Project Information		
Proposed Project Description	142.56 kW DC carport solar installation	
Contractor	[redacted]	
Objective Function	22.75 kBTU / ratepayer dollar at risk	
Tariff	Net Metering (secured)	
		Total
Projected Energy Savings (mmBTU)	Year One	613
	Over EUL	11,694
Estimated Cost Savings (incl. RECs/Tariff and tax benefits)	Year One	$191,918
	Over EUL	$1,199,991
Financial Metrics		
C-PACE Assessment (Ratepayer funds at risk)	$514,073	
Term Duration *(years)*	20	
Term Rate	5.25% annually	
Construction Rate	5.25% annually	
Annual C-PACE Assessment	$39,885 (Average payment used: sculpted schedule)	
Average DSCR over Term	[redacted]	
Savings-to-Investment Ratio		
Lien-to-Value *(LiTV)*		
Loan-to-Value *(LTV)*		
Appraisal Value		
Mortgage Lender Consent		
Co-Borrower	N/A	

[1] Combined 2024 municipal appraisal of [redacted] of the projects 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, Green Bank seeks to provide a $514,073 construction and term loan under the C-PACE program to First Church of Christ and Ecclesiastical Society of Simsbury, the building owner of 689 Hopmeadow Street, Simsbury, CT 06070 (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 July 22, 2025 (the "Memo").

NOW, therefore be it:

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

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

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

Submitted by: Bryan Garcia, President and CEO; Bert Hunter, EVP and CIO; Brian Farnen, General Counsel and CLO; Mackey Dykes, EVP of Financing Programs and Officer; Alex Kovtunenko, Deputy General Counsel; Larry Campana, Associate Director of Clean Energy Finance, and Emma Ellis, Counsel

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CONNECTICUT GREEN BANK

266 Brookside Road, Waterbury, CT 06708

C-PACE Project Diligence Memo

July 22, 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:	July 22, 2025
Re:	C-PACE Project Located at 266 Brookside Road, Waterbury, CT 06708

Summary

Property Information		
Property Address	266 Brookside Road, Waterbury, CT 06708	
Municipality	Waterbury	
Property Owner	17 Berkshire Road, LLC	
Type of Building	Flex Industrial	
Building Size *(sf)*	36,910sf	
Year of Build / Most Recent Renovation	1963 [redacted]	
Environmental Screening Report		
Project Information		
Proposed Project Description	281.60 kW DC rooftop solar installation	
Contractor	[redacted]	
Objective Function	30.40 kBTU / ratepayer dollar at risk	
Tariff	Buy All/Sell All (secured)	
		Total
Projected Energy Savings (mmBTU)	Year One	1.075
	Over EUL	20,514
Estimated Cost Savings (incl. RECs/Tariff and tax benefits)	Yearly Avg	$60,616
	Over EUL	$1,515,398
Financial Metrics		
C-PACE Assessment (Ratepayer funds at risk)	$674,901	
Term Duration *(years)*	25	
Term Rate	5.45% annually	
Construction Rate	5.45% annually	
Annual C-PACE Assessment	$49,755 [redacted]	
Average DSCR over Term		
Savings-to-Investment Ratio		
Lien-to-Value *(LiTV)*		
Loan-to-Value *(LTV)*		
Appraisal Value		
Mortgage Lender Consent		
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 $674,901 construction and term loan under the C-PACE program to 17 Berkshire Road, LLC, the building owner of 266 Brookside Road, Waterbury, CT 06708("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 July 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 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**

Project Second Amendment Memo

To: The Green Bank Board of Directors

From: Larry Campana, Associate Director, Investments

CC: Bryan Garcia, CEO; Bert Hunter, EVP and CIO; Brian Farnen, General Counsel and CLO; Mackey Dykes, VP, Financing Programs

Date: July 22, 2025

Re: Second Amendment to C-PACE Project at 580 Tolland Street East Hartford, CT

Background

A C-PACE project for 580 Tolland Street East Hartford totaling $491,537 was previously approved in April 2023 by the Connecticut Green Bank Board of Directors Deployment Committee. The Project Qualification Memo (April '23) is attached in its original form, as Appendix E.

A utility upgrade was identified as a requirement to complete the previously approved project. This upgrade of $76,875, along with the original project scope of $491,537, for a total project cost of $572,250 was approved in December 2023 by the Connecticut Green Bank Board of Directors. The Project Amendment Memo (December '23) is attached in its original form, Attachment 2.

An additional utility upgrade was required for 600 Amp service. This upgrade of $8,637, along with the original project scope of $491,537, and the previously approved utility upgrade of $76,875, for a total project cost of $580,887 was approved in February 2024 by Staff.

The total financed cost (Principal, capitalized interest, closing fees, and Less: owner equity) is $592,016.

Summary

Subsequent from the time of approval (December '23), construction has been funded, the project has been built, the solar installation became operational, and financing was converted into a 20-year term loan. The system had a significant lapse in generation and the building owner requested a loan amortization payment restructuring as a remedy for the loss in savings related to the decrease in generation. The request was submitted by Daniel Sullivan, via email, on June 25, 2025. An excerpt is below:

Resolutions

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

WHEREAS, Green Bank has provided a construction loan, which converted into a $592,016 term loan under the C-PACE program to 580 Tolland Street, LLC the building owner of 580 Tolland Street East Hartford, CT (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;

WHEREAS, Green Bank staff seeks Board approval to restructure the Loan (“Loan Restructure”) as described in that certain memorandum submitted to the Board dated July 22, 2025; 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 Restructure consistent with the Board Memo and the Green Bank’s Loss Decision Process; and

RESOLVED, that the proper the 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.

Submitted by: Bryan Garcia, President and CEO, Bert Hunter, EVP and CIO, Mackey Dykes, Vice President, and Larry Campana, Associate Director of Investments

Resolutions

WHEREAS, pursuant to Connecticut General Statute Section 16a-40g (the “Statute”), 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, 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 $572,250 construction and (potentially) term loan under the C-PACE program to 580 Tolland Street, LLC the building owner 580 Tolland Street East Hartford, CT (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.

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 memorandum submitted to the Committee dated December 8, 2023, 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 the Board of Directors;

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 proper the 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, Mackey Dykes, Vice President, and Larry Campana, Associate Director of Investments

Appendix E- Original Project Memorandum

580 Tolland Street
C-PACE Project in East Hartford, CT
Diligence Memo, April 14, 2023

[redacted]

Document Purpose: This document contains background information and due diligence on the 580 Tolland Street facility and the stakeholders involved, including 580 Tolland Street, LLC, and the Town of East Hartford, CT. This information is provided to the Connecticut Green Bank officers and senior staff 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 Green Bank in confidence and should be excluded under C.G.S. §1-210(b) and §16-245n(D) from any public discourse under the Connecticut Freedom of Information Act. If such information is included in this package, it will be noted as confidential.

580 Tolland Street: A C-PACE Project in East Hartford, CT

Address	580 Tolland Street, East Hartford, CT 06108			
Owner	580 Tolland Street LLC			
Proposed Assessment	$491,536.60			
Term (*years*)	20			
Term Remaining (*months*)	Pending construction completion			
Annual Interest Rate[1]	5.25			
Annual C-PACE Assessment	$41,125.50			
Savings-to-Investment Ratio	[redacted]			
Average DSCR	[redacted]			
Lien-to-Value	[redacted]			
Loan-to-Value	[redacted]			
Projected Energy Savings (mmBTU)		EE	RE	Total
	Per year		1,018	1,018
	Over EUL		24,565	24,565
Estimated Cost Savings (incl. ZRECs and tax benefits)	Per year		$59,969.00	$59,969.00
	Over EUL		$1,430,671.00	$1,430,671.00
Objective Function	49.98 kBTU / ratepayer dollar at risk			
Location	East Hartford, CT			
Type of Building	Office			
Year of Build	1949			
Building Size (*sf*)	31,668			
Year Acquired by Owner	1/26/2016			
As-Complete Appraised Value[2]	[redacted]			
Mortgage Lender Consent	[redacted]			
Proposed Project Description	223kW DC Solar project			
Est. Date of Construction Completion	Pending closing			
Current Status	Awaiting Deployment Committee Approval			
Energy Contractor	[redacted]			

[1] Nominal rate unadjusted for actual/360 calculation

[2] 2021 Private appraisal of [redacted] of the C-PACE costs

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CONNECTICUT GREEN BANK

Memo

To: Connecticut Green Bank Board of Directors

From: Mariana Trief, Director, Investments; Matt Healy, Analyst, Investments

CC: Bryan Garcia, President & CEO; Bert Hunter, Chief Investment Officer; Mackey Dykes, VP, Financing Programs; Brian Farnen, General Counsel & CLO

Date: July 18, 2025

Re: Connecticut Green Bank Commercial Solar and Storage Program Expansion

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Purpose

The purpose of this memorandum is to request Board approval to increase the capital allocation for the existing Connecticut Green Bank Commercial Solar Program ("Green Bank Commercial Solar and Storage Program" or the "Program") from $50 million to $88 million.

Background and Context

The Green Bank Commercial Solar Program has operated successfully since 2015 and has evolved into a multi-faceted financing program following multiple approvals by the Green Bank Board of Directors (the "Board").

The Program was last expanded in December 2023, when the Board approved the increase of the Program's allocation from $30 million to $50 million. In April 2024 Green Bank staff approved the Green Bank (or its subsidiaries) to own and operate commercial solar projects, apply for and monetize related state and federal incentives, and utilize or create subsidiaries as needed to support these initiatives. In the approximately 18 months since the $50 million approval, the Program has continued to experience robust demand with steady deployment In summary, since October 2018, the Board approved the allocation of $50 million funding for:

1. Development capital;
2. Construction financing;
3. Financing one or more 3rd-party ownership platforms, in the form of sponsor equity and/or debt;
4. Selling solar and storage PPA or lease projects developed by CEFIA Holdings LLC, the Green Bank subsidiary that acts as a development company, to third parties;
5. Lending directly to property owners (such as condominium associations, non-profits and municipalities) who are unable to access C-PACE financing for the installation of solar and storage projects on their property; and

6. Allow the Green Bank (or its subsidiaries) to own and operate commercial solar projects, apply for and monetize related state and federal incentives, and utilize or create subsidiaries as needed to support these initiatives.

This memorandum requests an increase to the allocated capital for the Commercial Solar Program so that the Green Bank may continue to execute transactions that fall into the six categories noted above and, in so doing, respond to market demand—particularly in light of recent changes to the Investment Tax Credit ("ITC") that have accelerated interest in safe harboring—and advance the financial sustainability of Green Bank through the deployment of clean energy in the state.

Summary of Capital Allocated to Date via Green Bank Commercial Solar Program

The table below summarizes the $38.1M capital committed or deployed to date under the Green Bank Commercial Solar Program. It includes closed and active loans, as well as capital deployed through the Green Bank's Marketplace Assistance Program ("MAP") which supports underserved municipalities and affordable multifamily housing property owners access clean energy, storage and energy savings. [1]

Table 1. Summary of Capital Allocated Under Current Program Authority

Category	# of Projects	Combined kW	Capital Deployed
Closed Loans	~60	~8,500	$11.6M[2]
Active Loans	7	2,755	$19.6M[3]
MAP: Affordable Multifamily Housing (AMFH) Round 1[4]	7	1,715	$6.1M
MAP: Municipal Round 2	2[5]	445	$0.8M
Total	**76**	**13,415**	**$38.1M[6]**

Market Need for Expansion of Green Bank Commercial Solar Program

[1] MAP provides no-cost, turnkey project development support to identify optimal projects, access necessary incentives and financing, and shepherd the projects through design, permitting and construction. Projects on similar development timelines are bundled into project portfolios. The Program administers a competitive solicitation to bid project portfolios out to the market to select construction partner(s).

[2] For closed loan facilities, capital deployed is calculated as the amount outstanding on the facility.

[3] The number of projects and combined kW figures reflect only projects for which funds have been advanced as of the date of this memo. As additional funds are drawn on active loan facilities, these figures will increase. For active loans, capital deployed is calculated as the total facility size.

[4] Round 1 projects have signed leases with the property owners, and installers have been selected through a competitive RFP process. Agreements with the selected installers are currently in the process of being executed.

[5] Green Bank plans to be the long-term owner of these projects (Groton).

[6] As of the writing of this memo, four projects totaling approximately $1.4 million in financing were sold to third-party investors. Per the mechanics of the board authority, these projects are not included in the capital deployed figure.

Green Bank continues to field inbound interest from parties interested in its financing solutions for commercial solar and storage projects in Connecticut. Staff are currently engaged with several third-party owners of solar who are seeking up to $15 million in debt financing. In addition, staff is anticipating approximately $20 million of additional pipeline, including both internally originated projects through MAP and those being developed by external developers. This demand has been further amplified by recent changes to the ITC, prompting Green Bank and developers to pursue safe harbor strategies that preserve project economics and ensure savings for counterparties in projects already under development.

The table below summarizes projects currently in the development pipeline that may require financing through the Program. While not all projects are guaranteed to move forward, they represent a credible forecast of potential capital needs based on development progress.

Table 2. Projected Capital Needs Based on Pipeline

Category		**# of Projects**	**Combined kW**	**Projected Capital Deployed**
Loans	Budderfly	TBD	TBD	~$7.5M
	SCEF	1	5,884	$5.0M
	Winn	TBD	TBD	$2.5M
MAP: Affordable Multifamily Housing (AMFH)		11	3,197	$8.7M
MAP: Municipal		6	3,189	$9.6M
Developer Pipeline		12	2,943	$9.6M
Total		**30+**	**15,213+**	**$43.0M**

Staff is coming to the Board at this time to request additional authority given deployment to date and the continued growth of the pipeline. Of the existing $50 million Board-authorized allocation, approximately $38.1 million has been deployed. To accommodate the current development pipeline, which includes over $40 million in potential capital deployment, members of the Green Bank staff are requesting an increase to the program's capital allocation to a total of $88 million.

Rationale for Value of Increased Capital Allocation

Since the Program's last increase in allocation in December 2023, deployment has continued at a high rate. Given the program's growth and existing pipeline as well as the market need to safe harbor projects before the end of the year, an increase to $88 million in total allocation is expected to support the current pipeline before a further review by the Board.

Table 3. Summary Requested Allocation

Category	Amount
Capital Deployed	$38.1M
Pipeline	$43.0M
Subtotal (Projected Need)	**$81.1M**
Contingency (~20%)[7]	$6.9M
Total Requested Allocation	**$88.0M**

Program Risks and Mitigation Strategies

The risks of structuring a commercial solar financing product are well understood by Green Bank given our deep experience operating in the market in both debt- and equity-holder roles.

Legislative Risk:

Risks:

- Recent federal legislation, namely the One Big Beautiful Bill Act ("OBBBA"), have introduced uncertainty around eligibility requirements for solar and storage ITCs, particularly regarding begun construction requirements and restrictions on equipment sources from foreign entities ("FEOCs"). Given that many projects rely on the ITC to be economically viable, changes to eligibility may significantly impact project feasibility and financing structures.
- Accelerated or unclear rulemaking timelines from federal agencies may constrain the Green Bank's ability to adjust ITC eligibility criteria or pricing assumptions in a timely manner.

Mitigation Strategy

- Actively pursuing "safe harbor" strategies for projects in development, which involves incurring at least 5% of project costs to lock in ITC under current IRS guidance. Green Bank is coordinating with contractors and site owners to ensure timely procurement of eligible equipment and compliance with applicable regulations.
- Green Bank is in close contact with internal and external legal counsel to monitor ongoing legislative and regulatory developments related to the ITC, and to evaluate potential implications on project structuring, eligibility criteria, and the viability of future solar deployments.

[7] Calculated as projected deployment in excess of $50 million multiplied by 20%

Consistent Program Elements

The following sections remain unchanged from the Board-approved Program memorandum dated December 2023 and are not restated here:

- Parameters for Actual Deployment of Capital;
- Green Bank Participation and Financial Benefit;
- Program Risks and Mitigation Strategies (with the exception of the newly added Legislative Risk, described earlier in this memorandum).

Capital Available to Deploy

The Investment Team, Financing Programs Team and Accounting Team collaborate quarterly on a capital deployment plan – forecasting and updating sources and uses of Green Bank capital for the various programs it supports. This ongoing process confirms that the Green Bank has sufficient resources to accommodate this increase in capital allocation over the expected time frame for deployment.

Summary, Conclusion & Recommendation(s)

In summary, Staff has identified a market need to build on the success of the Green Bank Commercial Solar Program and increase its capital allocation from $50M to $88M especially as it responds to market demands associated with the OBBBA. Staff requests Board approval to increase the capital allocation.

Resolutions

WHEREAS, the Connecticut Green Bank ("Green Bank") Board of Directors (the "Board") passed resolutions at its December 15, 2023 meeting to approve funding, in a total not-to-exceed amount of $50 million, subject to budget constraints, for the continued development by Green Bank, and financing of development by 3rd parties, of commercial-scale solar PV projects, to be utilized for the following purposes pursuant to market conditions and opportunities:

1. Development capital;
2. Construction financing;
3. Financing one or more 3rd-party ownership platforms, in the form of sponsor equity and/or debt;
4. Sell solar power purchase agreement / lease projects developed by Green Bank to third parties; and
5. Offer loans to property owners that are unable to access financing, such as C-PACE, for installation of solar.

WHEREAS, there is continuing demonstrated need for flexible capital to expand access to financing for commercial-scale customers looking to access solar, including near term opportunities to deploy capital at a rate that would mean the $50 million allocation would be consumed, as explained in a memorandum submitted to the Green Bank Board of Directors (the "Board") dated July 14, 2025 (the "Board Memo"); and,

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

NOW, therefore be it:

RESOLVED, that the Board approves the increase of the allocation of $50 million to the revised allocation of $88 million, subject to budget constraints, use cases, and appropriate approval of investments as explained in the Board Memo;

RESOLVED, that the President of Green Bank; and any other duly authorized officer of Green Bank, is authorized to execute and deliver, any contract or other legal instrument necessary to continue to develop and finance commercial projects on such terms and conditions as are materially consistent with the Board Memo; and,

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

Submitted by: Bryan Garcia, President and CEO; Bert Hunter, EVP and CIO; Mariana Trief, Director, Investments; Matt Healy, Analyst, Investments

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CONNECTICUT GREEN BANK

Line of Credit Renewal

A Funding Facility for Connecticut Green Bank

Revolving Line of Credit Warehouse Funding Facility

Secured by SHRECs

July 18, 2025

Document Purpose: This document contains background information and due diligence on a proposed revolving line of credit warehouse funding facility for the Connecticut Green Bank which is presently being provided by Webster Bank and Liberty Bank, but subject to renewal upon its existing expiration date of July 25, 2025. The information herein is provided to the Connecticut Green Bank Board of Directors for the purposes of reviewing and approving recommendations made by the staff of the Connecticut Green Bank.

In some cases, this package may contain, among other things, trade secrets and commercial or financial information given to the Connecticut Green Bank in confidence and should be excluded under C.G.S. §1-210(b) and §16-245n(D) from any public disclosure under the Connecticut Freedom of Information Act. If such information is included in this package, it will be noted as confidential.

Memo

To: Connecticut Green Bank Board of Directors

From: Bert Hunter, EVP and CIO and David Beech, Senior Manager, Investments

CC: Bryan Garcia, President and CEO; Brian Farnen, General Counsel and CLO; Eric Shrago, Vice President of Operations, Jane Murphy, Executive Vice President of Finance and Administration; Sergio Carrillo, Managing Director of Incentive Programs

Date: July 18, 2025

Re: SHREC Warehouse Funding Facility Renewal

Background

Connecticut Green Bank (the “Green Bank”) commenced a green bond issuing program in 2019. The Green Bank made issuances in 2019, 2020, and 2021, each of which were secured by receivables from Eversource and United Illuminating in respect of the Solar Home Renewable Energy Credit (“SHREC”) program, which supported the implementation of the Residential Solar Investment Program (“RSIP”). The SHREC receivables are grouped into tranches according to the vintage of the underlying SHRECs. The “asset backed security” green bond issuance of 2019 was secured by Tranche 1 and 2 SHREC receivables, the 2020 special capital reserve fund (SCRF)[1]-backed inaugural Green Liberty Bond was secured by Tranche 3, and the second Green Liberty Bond issued on Earth Day in 2021 being secured by Tranche 4. A third (and final) Green Liberty Bond secured by SHRECs (Tranches 5 and 6) is to be issued later this summer and is also being secured by the SCRF. See Table 1 for overview of SHREC program.

Table 1. Overview of SHRECs Produced from the Implementation of the RSIP

Tranche	# of RSIP Projects	Installed Capacity of RSIP Projects (kW_{DC})	SHREC Price
1	6,796	49,212	$50
2	7,258	59,824	$49
3	4,818	39,294	$48
4	6,957	59,349	$47
5	7,264	61,904	$35
6	3,501	31,624	$34
Total	**36,594**	**301,207**	

[1] A SCRF is a debt service reserve fund approved by the Connecticut Office of the Treasurer and the Office of Policy and Management that is set up at the time the bonds are issued, in an amount equal to the lesser of either one year's principal and interest on the bonds or ten percent of the issue. If the borrower makes the scheduled debt service payments, the interest earnings on the reserve fund will pay the interest on the bonds that created it and the principal will go to retire the final maturity of the bond issue. If the borrower is unable to pay all or part of the scheduled debt service payments, the reserve may be drawn upon to pay debt service. The reserve provides up to a year's adjustment time to deal with a revenue shortfall. When the SCRF has been drawn down in part or completely, a draw on the General Fund is authorized and the reserve is fully restored. The draw on the General Fund is deemed to be appropriated and is not subject to the constitutional or statutory appropriations cap. All that is required is a certification by the issuing authority of the amount required. If draws on a SCRF continue, the annual draws on the General Fund required to refill it also continue.

In the period between issuing green bonds, the Green Bank utilizes a short-term revolving credit warehouse facility (the "Warehouse"), which is secured by the Tranche(s) that will later be removed as collateral for the Warehouse and used instead to secure the green bonds. The Warehouse facility size has varied depending on the size of the Tranche(s) securing it in the period in question. For the year ended July 25, 2025, it is a $5M facility (expandable to $10M at Green Bank request and subject to approval by the Warehouse Lenders (defined below)), secured by Tranche 5 and Tranche 6 SHREC receivables.

The Warehouse, a joint financing facility with two Connecticut banks (Webster Bank and Liberty Bank, collectively "Warehouse Lenders") provided at the present time to a special purpose vehicle ("SPV") of the Green Bank, was originally approved by the Board at its June 28, 2018 meeting. It had a term of one year with interest-only payments (i.e., no required repayment of principal except at facility maturity). The Board approved renewal of the Warehouse, i.e., extension for an additional one-year period, at its July 18th, 2019, July 24th, 2020, July 23rd, 2021, June 24, 2022, June 16, 2023 and July 26, 2024 meetings.

Warehouse Renewal

Staff recommends continued utilization of this Warehouse facility that (a) provides a bridge to the next bond issuance (expected to be in September 2025) and (b) enhances liquidity and allows the Green Bank to meet its significant obligations in a flexible manner (e.g., can draw and repay as needed). Staff is bringing forward for approval a renewal of the Warehouse not to exceed 4 months (to a maximum of November 30, 2025) on the terms identical in all material respects to the term sheet submitted to the Board for the existing Warehouse (Appendix A) except for a lower fee as explained below. The key terms that are being brought forward to this renewal facility are noted below:

1. Advances under the Warehouse facility are secured by a pledge of the SHREC receivables.
2. In addition to the pledge of the SHREC receivables, as is the case under the existing Warehouse, the Green Bank will continue to provide guaranty of repayment of the advances to the SPV by the Warehouse Lenders.
3. The interest rate remains 1 month term SOFR + 2.40% which equates to 6.75% as at July 15, 2025. (the rate was 7.75% when the warehouse was brought to the board in 2024)
4. The facility size remains $5M, but as is the case today will include an accordion feature allowing it to be upsized to $10M if required.
5. Collateral in the form of Tranche 5 & 6 SHREC receivables.
6. There is a $25,000 facility fee for an extension up to 4 months and an unused fee of 0.50% per annum on any portion of the Warehouse that is fully committed (i.e., initially $5M) but not utilized.
7. Other key economic terms (interest-only payments (i.e., no required repayment of principal except at facility maturity)) remain the same as before.

Staff requests approval by the Board to move forward with renewing and amending the warehouse funding facility and approve resolutions in respect of approval by the Green Bank as well as separate resolutions in respect of approval by SHREC WAREHOUSE 1 LLC, the wholly-owned subsidiary of Green Bank, as borrower under the Warehouse facility.

Resolutions

The Board of Directors (the "**Board**") of the Connecticut Green Bank, a quasi-governmental agency of the State of Connecticut (the "**Green Bank**"), which is the sole member of SHREC Warehouse 1 LLC, Connecticut limited liability company (the "**Company**"), hereby consent to and adopt the following resolutions for and on behalf of the Green Bank and, in the Green Bank's capacity as the sole member of the Company, for and on behalf of the Company:

WHEREAS, the Company intends to enter into a Sixth Amendment to Credit Agreement (the "**Sixth Amendment**"), which amends the Credit Agreement dated as of July 31, 2019, as amended by that certain First Amendment to Credit Agreement and Other Loan Documents dated July 28, 2020, and by that certain Second Amendment to the Credit Agreement and Other Loan Documents dated July 30, 2021, and by that certain Third Amendment to the Credit Agreement and Other Loan Documents dated August 24, 2022, and by that certain Fourth Amendment to the Credit Agreement and Other Loan Documents dated July 28, 2023, and by that certain Fifth Amendment to the Credit Agreement and Other Loan Documents dated July 26, 2024 (collectively, the "**Credit Agreement**") with Webster Bank, National Association ("**Webster**"), as Administrative Agent (in such capacity, as "**Agent**") and as a lender and Liberty Bank, as Lead Arranger and as a lender (Webster and Liberty Bank, in their capacities as lenders, are referenced to herein collectively as, "**Webster-Liberty**"), whereby Webster-Liberty have made available to the Company a Five Million and 00/100 Dollar ($5,000,000) secured revolving line of credit, with a Five Million and 00/100 Dollar ($5,000,000) uncommitted accordion feature ("**Loan**") for the purpose of financing the Tranche 5-2021 and Tranche 6-2022 (as defined in the Credit Agreement) Solar Home Renewable Energy Credit program ("**Tranche 5-2021 SHRECs**" and "**Tranche 6-2022 SHRECs**" respectively);

WHEREAS, the Company and Green Bank have requested that Webster-Liberty and Agent modify the Loan and the terms of the Credit Agreement pursuant to the Fifth Amendment, in order to, among other things, extend the term of the Loan;

WHEREAS, to induce Webster-Liberty to continue to extend the Loan to the Company, Green Bank shall continue to guarantee the Loan pursuant to the Guaranty Agreement dated as of July 31, 2019 made by Green Bank in favor of Agent (the "**Guaranty**");

WHEREAS, along with a general repayment obligation by the Company, Agent and/or Webster-Liberty are secured by, and the Company and the Green Bank are authorized to secure the Loan and the Guaranty by, among other things, granting to Agent and/or Webster-Liberty (i) a first priority security interest in all assets of the Company, (ii) a collateral assignment of and security interest in all of the Company's and the Green Bank's right, title and interest in the Tranche 5-2021 SHRECs and Tranche 6-2022 SHRECs and all rights and obligations relating thereunder under those certain Master Purchase Agreements for the Purchase and Sale of Solar Home Renewable Energy Credits by and between the Green Bank and each of The Connecticut Light & Power Company d/b/a Eversource Energy and The United Illuminating Company each dated February 7, 2017, each as amended by those certain First Amendments, dated July 30, 2018, as further amended by those certain Second Amendments, dated April 1, 2020, (as further amended from time to time, the "**MPAs**"), which collateral assignment and security interest shall include any and all rights to payment of money under the MPAs with respect to Tranche 5-2021 and Tranche 6-2022 SHRECs and those other attributes and rights associated with the Tranche 5-2021 and Tranche 6-2022 SHRECs, (iii) a collateral assignment of all of the right, title and interest in that certain Sale and Contribution Agreement by and between Green Bank and the Company, dated as of the date of the closing of the Loan, including without limitation, any security interest created under the Sale and Contribution Agreement, and (iv) a security interest in the MPA Collection Account, the Webster Interest Reserve Account and the Liberty Interest Reserve Account (the security interests listed in (i)-(iv) hereof, together, the "**SHREC Collateral**"); and,

WHEREAS, Webster-Liberty has requested and the staff of Green Bank has recommended that the Board provide these resolutions approving the renewal and extension of the Loan and the Green Bank's guarantee thereof in accordance with the terms of the Sixth Amendment.

NOW, therefore be it:

RESOLVED, that the Board of the Green Bank hereby authorizes, ratifies and approves the Loan, as modified, from Webster-Liberty to the Company pursuant to the terms of the Sixth Amendment and any ancillary documentation and authorizes, ratifies, directs and approves the Company's and the Green Bank's entering into the Sixth Amendment and any ancillary documentation to which it is a party and of each other contract or instrument to be executed and delivered by the Company and the Green Bank in connection with the transactions contemplated by the Sixth Amendment;

RESOLVED, that the Board of the Green Bank hereby reauthorizes, ratifies and reaffirms the Green Bank's obligations under the Guaranty;

RESOLVED, that each of the Company and the Green Bank be and it hereby is, authorized to continue to secure the Loan and the Guaranty by, among other things, granting to Agent and/or Webster-Liberty a first priority security interest in and to the Company's property, including, without limitation the SHREC Collateral;

RESOLVED, that the Board hereby authorizes, directs, ratifies and approves Green Bank's and the Company's execution, delivery and performance of the Sixth Amendment and any ancillary documentation and all of the Green Bank's and the Company's obligations under the Sixth Amendment and any ancillary documentation;

RESOLVED, that the actions of Bryan Garcia in his capacity as the President and Chief Executive Officer of Green Bank ("**Garcia**"), Roberto Hunter in his capacity as the Chief Investment Officer of Green Bank ("**Hunter**") and Brian Farnen in his capacity as General Counsel and Chief Legal Officer of Green Bank ("**Farnen**"; and together with Garcia and Hunter, each an "**Authorized Signatory**"), are hereby ratified and approved with regard to the negotiation, finalization, execution and delivery, on behalf of Green Bank and the Company, of the Sixth Amendment and any ancillary documentation and any other agreements that they deemed necessary and appropriate to carry out the foregoing objectives of Green Bank and/or the Company, and any other agreements, contracts, legal instruments or documents as they deemed necessary or appropriate and in the interests of Green Bank and/or the Company in order to carry out the intent and accomplish the purpose of the foregoing resolutions are hereby ratified and approved;

RESOLVED, that the Authorized Signatories be, hereby are, acting singly, authorized, empowered and directed, for and on behalf of the Green Bank and the Company (in the Green Bank's capacity as the sole member of the Company), to execute and deliver the Sixth Amendment and the other Modification Documents; and,

RESOLVED, that any other actions taken by any Authorized Signatory are hereby approved and ratified to the extent that such Authorized Signatory or Authorized Signatories have deemed such actions necessary, appropriate and desirable to effect the above-mentioned legal instrument or instruments.

Appendix A

Term Sheet - summary

SHREC Warehouse 1, LLC, (a special purpose vehicle wholly owned by the Connecticut Green Bank – hereinafter "**Company**" or "**Borrower**") has applied to Webster Bank, National Association ("**Webster**") and Liberty Bank ("**Liberty**" – each of Webster and Liberty a "**Bank**" and together the "**Banks**") for up to $5,000,000 of loans (the "**Loan**").

Borrower	SHREC Warehouse 1, LLC – a special purpose vehicle and direct wholly owned "single member" LLC subsidiary of the Connecticut Green Bank
Guarantor	The Connecticut Green Bank ("**Guarantor**")
Credit Facility	Revolving Line of Credit not the exceed $5,000,000 with uncommitted accordion feature for up to an additional $5,000,000. The accordion feature is subject to final approval review by the Banks, prior to the exercise of this feature.
Use of Proceeds	For working capital purposes of the Guarantor and to make incentive payments under the Guarantor's Residential Solar Investment Program (RSIP); and bridge finance the securitization of Tranches 5 & 6.
Facility Maturity	364 days from closing (the "**Maturity Date**").
Interest Rate	Variable based on 1 month Term SOFR rate plus 2.40%.
Payment	Monthly interest payments with any principal and remaining interest due at the earlier of the Maturity Date or sale of the collateral.
Unused Fee	Half of 1% payable monthly in arrears.
Commitment Fee	$75,000 payable at closing, with 50% due to each Bank. ***Note: for the up to 4 month extension the fee shall be $25,000***
Security	First priority lien on all assets of the Borrower. Guarantor or Borrower shall collaterally assign to the Banks (i) its rights in respect of each SHREC Tranche 5 and 6; (ii) its rights in each SHREC MPA (shared with existing SHREC noteholders under the SHREC 2019-1 ABS securitization; (iii) full and unconditional guarantee of payment from Connecticut Green Bank and any rights of payment guarantee under state statutes; and (iv) assignment of the Guarantor's membership interest in the Borrower.
Debt Service Reserve	Minimum of $100,000 at all times and increasing in value commensurate with the amount in borrowed funds and not to exceed $300,000.
Deposit Accounts	The Borrower will maintain all of its primary operating accounts at the Agent Bank.
Loan Documents	The Loan Documents shall contain representations and warranties, conditions precedent to closing, affirmative and negative covenants, and events of default as are customary for loans of this size, type and purpose.
Financial Reporting	Audited financial statements of the Borrower and Guarantor to be submitted within 120 days of each fiscal year end and tax returns within 15 days of filing. All financial statements will be prepared in accordance with GAAP or GASB consistently applied and accompanied by an unqualified statement from an independent certified public accountant (such independent certified public accountant shall be acceptable to the Banks). Within 45 days after the close of the 1st, 2nd and 3rd fiscal quarters, unaudited financial statements of the Borrower and Guarantor.

	All financial statements shall be accompanied by a covenant compliance certificate.
Expenses	The Borrower agrees to reimburse each Bank for its reasonable attorneys' fees and expenses.
Governing Law	State of Connecticut

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PosiGen

ESS Funding Facility

July 22, 2025

Document Purpose: This document contains background information and due diligence for the extension of a working capital line for the purchase of battery energy storage systems for PosiGen Inc. ("PosiGen") backed by the future incentive payments PosiGen will earn from the deployment and operation of these storage systems with low-income residents and residents of Distressed Communities in Connecticut. The information herein is provided to the Connecticut Green Bank Board of Directors for the purposes of reviewing and approving recommendations made by the staff of the Connecticut Green Bank.

In some cases, this package may contain, among other things, trade secrets and commercial or financial information given to the Connecticut Green Bank in confidence and should be excluded under C.G.S. §1-210(b) and §16-245n(D) from any public disclosure under the Connecticut Freedom of Information Act. If such information is included in this package, it will be noted as confidential.

Investment Modification Memo

To: Connecticut Green Bank Board of Directors
CC: Bryan Garcia, President and CEO; Bert Hunter, EVP of Investments 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: July 22, 2025
Re: Energy Storage Solutions Funding Facility Modification

Background

At its April 22, 2022 meeting, the Board of Directors (the "Board") of the Connecticut Green Bank (the "Green Bank") approved staff's request to support PosiGen, Inc. and its subsidiaries (collectively, "PosiGen") with a $2 million working capital line and a $6 million term loan to provide affordable storage as part of the Energy Storage Solutions Program ("ESS").[1] ESS, was authorized by the Connecticut Public Utilities Regulatory Authority ("PURA") in July of 2021 and designed to expand the development of battery energy storage systems across the state, has as a priority to deliver resilience benefits to low- and moderate-income ("LMI") customers and customers in environmental justice and economically distressed communities. The working capital line provided by the Green Bank to PosiGen was for purchasing the batteries and associated equipment from Generac (their strategic partner for the ESS program); the term loan was sized to future dispatch incentive payments and would be funded by payments from Eversource and UI as well as customer lease payments. The $2 million working capital line is fully drawn, while no amount of the term loan has been drawn. On January 23, 2024, the Board approved a reduction of the term loan amount to $1 million, which has increased to $3 million (approval from the Board authorized an increase above $1 million dollar for dollar to a maximum of $3 million for each dollar of repayment under the tax equity bridge or the ESS Working Capital Facility).[2]

On July 26, 2024, the Board of Directors approved a one-year extension to the working capital line, from September 30, 2024 to September 30, 2025.

The Green Bank has a longstanding relationship with PosiGen, including a "2nd Lien" facility subordinated to Brookfield (the "second lien credit facility", or "SLCF") and $10 million in existing Connecticut performance-based incentive ("PBI") first lien Term Loans (with approximately $3.80 million outstanding and in repayment via a 100% sweep of Green Bank now closed Residential Solar Investment Program ("RSIP") PBIs paid quarterly by Green Bank). Finally, in December 2022, the Board approved a $6 million retained position in a $12 million tax equity bridge loan facility to PosiGen under the Capital Solutions program associated with a variety of tax credit adders created under the Inflation Reduction Act at the Federal level. (The Green Bank participated $6 million of the $12 million facility to two other lenders.) In October 2024, PosiGen paid off the Tax Equity Bridge facility in its entirety, which brought the total available for funding to a balance of $2 million ESS Working Capital ($2 million drawn) and $3 million ESS Term Loan ($0 drawn) in accordance with the January 23, 2024 approval noted above.

[1] The Memorandum submitted for purposes of the April 22, 2022 Board Approval is provided as Appendix A to this document.
[2] Please refer to the Memorandum titled "PosiGen: Green Bank Term Loan Facility Modification Request" dated January 23, 2024 for additional details about the changes made to the ESS term loan.

Overall, the Green Bank's funded exposure to PosiGen for ESS as of July 2025 is $2 million (the working capital advances). The Green Bank's ESS facilities with PosiGen and associated exposure as of July 2025, are summarized below. Additional information about the imposition of the associated caps associated with each program are explained in more detail in the Board Memorandums dated January 23, 2024, March 15, 2024, and July 19, 2024. A separate facility, which would lower exposure through the SLCF by deploying a new 1st lien facility (as discussed in Executive Session during the June 2025 Board meeting) is presented to the Board concurrently with this memorandum, dated July 22, 2025.

Facility (millions)	**Security Position**	**Facilities/ Exposure (millions $)**	**Cap Link Description**	**Current Balances (millions $)**
ESS Loan (Working Cap + Term Loan)	Senior	$2.0 WC $3.0 TL	Link to SLCF	$2.0 WC $0 TL
ESS Exposure		$3.0 Cap		$2.0

The proposed extension of the Working Capital Loan for one year, and transition from Working Capital to Term Loan, as detailed further in this memo, will support the Green Bank's successful and growing partnership with PosiGen and will help advance the state's goals to expand battery storage adoption in underserved communities. The $3.0 million cap allows additional borrowing in working capital advances dollar-for-dollar as PosiGen converts existing working capital advances to term loans secured by revenues from completed and interconnected battery storage systems under the ESS Program administered by the Green Bank, Eversource and Avangrid. Accordingly, if all existing working capital advances are converted, PosiGen could advance up to $1 million against the ESS facility, which would then convert to term loans as described above, resulting in a maximum of $3 million in exposure on a first lien basis, secured by incentive payments paid by Eversource and Avangrid and guaranteed as to the active dispatch payments by the battery manufacturers (explained below).

The extension of the Working Capital facility is proposed under the Capital Solutions Program with a Cover Letter, provided as Attachment A, as a formal request to modify the existing facility.

Progress of ESS and PosiGen's Storage Program

Following April 22, 2022 Board Approval, PosiGen started to provide an 18-kWh battery that paired with existing rooftop solar installations to provide a clean backup solution for its residential customers. PosiGen pays for the purchase, installation, and maintenance of the asset. The customer does not pay anything upfront and either sees a slight increase in their solar lease payment or may not see any increase at all (which is PosiGen's goal wherever possible), depending on the final product pricing. PosiGen's partnership with Generac allowed it to provide Generac's PWRcell product as the primary initial offering to its customer base.

In addition, PosiGen's monetization of the Federal Investment Tax Credit and earning of incentive payments through the ESS program, including through both passive and active dispatch activities, keeps the storage offer affordable to the customer.

As a part of its offering, PosiGen works with the battery Original Equipment Manufacturers ("OEM") to operate the assets in accordance with the requirements of the ESS Program. OEMs guarantee active dispatch incentive payments to PosiGen, regardless of actual performance, in return for a small haircut on the incentive payments. The program is set up in such a way that the OEM pays PosiGen within 30 days of receiving payment from the utility company (Eversource or UI pay performance incentives directly to system owners).

The initial OEM partner for the PosiGen residential program in Connecticut was Generac. The agreement, relationship, and technology at Generac were all a fit for the program with the exception that cold New England winters in Connecticut required batteries to be housed inside. At times, the installation required separate enclosures, which raised the cost of the installation. An alternative partnership has been developed with SolarEdge. The battery technology has been reviewed by PosiGen and meets its specifications for the program. SolarEdge has agreed to a similar Guaranteed Payment program (as the agreement with Generac), for which the battery performance payments act as the Borrowing Base for the loan from Green Bank, the draft version of a Collaboration Agreement between SolarEdge and PosiGen has been reviewed by Staff and is included as Appendix B. Furthermore, Generac has agreed to honor its agreement for the approximately 150 battery systems which are installed or in various phases of development. This change will allow PosiGen to move beyond the obstacles from the previous technology, which using a similar payment agreement to lower the risk to Green Bank.

The ESS program began in January 2022, and as of July 2025, **132** residential units have been approved under the program, totaling system power of about **1,003** kW. The sum of total system energy capacity in the residential sector increased from **1,782** kWh in 2024, and **594** kWh so far in 2025. The program is a success and continues to grow.

As a result of the financing facility assembled by the Green Bank for working capital and term loan for PosiGen, there have been **at least 132** homes with battery storage leases signed. This pipeline of projects is in various stages of deployment, including one that is ready for enrollment with Green Bank's

ESS incentive program (as of 7/15/2025). If this full pipeline moves into installation, staff estimates **2,376** kWh of resilience will be added.

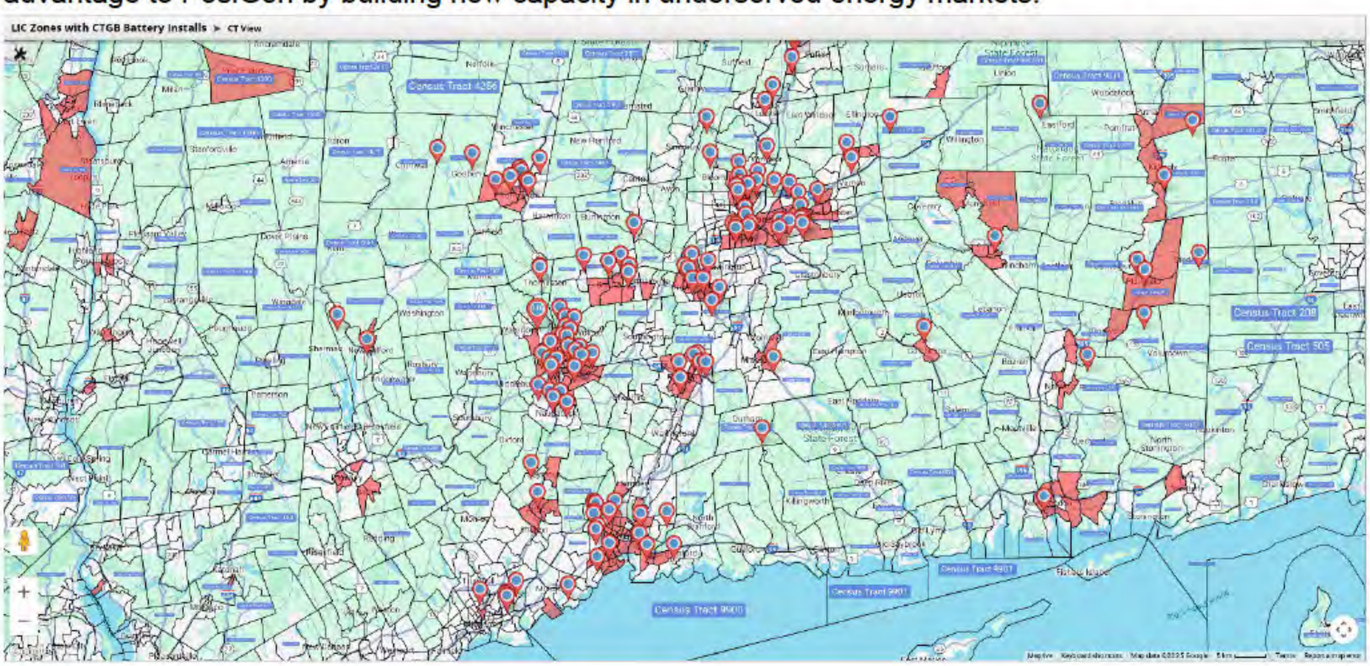
Given the recent success of the program, such figures are promising. Given the strategic partnership that the Green Bank has with PosiGen, their good performance in other programs, and reduced exposure with the ESS facility as a whole, staff recommends transitioning to a $3 million term loan and the phase out the $2 million working capital line over one year though a cap for the combined facilities of $3 million.

Low and Moderate Income Focus

PosiGen is current on obligations to the Green Bank and is continuing to both expand its presence in Connecticut and deliver on its commitments to serving LMI customers across the state.

Area Median Income (AMI) is the midpoint of a specific geographic area's income distribution. The Green Bank defines low to moderate income as 100% or less of the Area Median Income (AMI) of a Metropolitan Statistical Area (MSA). The average area median income is calculated by using the income for the census tracts from the American Community Survey (ACS) 5-Year Estimate data. The chart to the right analyzes the 134 installed batteries in Connecticut and highlights two-thirds of projects meet Green Bank's for investment in vulnerable communities, far exceeding its goal of 40%. The map below overlays the installed PosiGen projects in Connecticut with the Federally identified Low Income Zones for a visual representation of the concentration in underserved communities. Investment in communities disproportionately harmed by climate change meets a mission objective of Green Bank and simultaneously provides a competitive advantage to PosiGen by building new capacity in underserved energy markets.

Row Labels	Count of PROJECT #	
-60	22	
60-80	34	
80-100	33	
100-120	18	
120+	26	
Grand Total	**133**	
	89	**in 100% or Less AMI**
	67%	



Green Bank Positioning

To support the Green Bank's continued partnership with PosiGen and enable the growth of their affordable storage product, Staff is proposing to provide a one-year extension to the $2 million working capital line. Under this modified facility PosiGen would only have the ability to re-draw capital under the working capital facility such that the maximum possible funded exposure for both facilities, together, will be $3 million. As projects are approved in the Green Bank residential ESS program, accepted through the manufacturer guarantee program (Generac or SolarEdge), and meet underwriting criteria, the debt for approved battery leases will transfer from the working capital facility into the term facility. The availability period to draw will extend from September 30, 2025, to September 30, 2026. All other terms and conditions will not be affected.

The chart below illustrates a potential draw schedule over the 12-month availability period. Interest on the term loan assumes a proportionate mix to the current demographics where 67% of projects qualify for LMI, with an annual interest rate of 4%, and 33% of projects are outside LMI areas, with an annual interest rate of 5%. An estimate of $12k per project value (based on NPV of projected revenues) is used to forecast the draw schedule. The chart shows that as batteries move into the term facility, the interest earned to the Green Bank increases. This is also shown by the annual run rate of interest earned by the Green Bank of $129k for the Term Loan versus $40k for the Working Capital facility. The variance is a function of the higher cap and interest rate on the term loan.

Hypothetical Facility Schedule

Month	# Installed (Current)	# Activated (Cumulative)	Working Capital	Interest @2%	Term Loan	Interest @ 4.33% Blended	Total Interest	Total Drawn
Sep-25	150		2,000,000	3,333	-	-	3,333	2,000,000
Oct-25	150	5	2,000,000	3,333	60,000	217	3,550	2,060,000
Nov-25	150	10	2,000,000	3,333	120,000	433	3,766	2,120,000
Dec-25	150	20	2,000,000	3,333	240,000	866	4,199	2,240,000
Jan-26	150	40	2,000,000	3,333	480,000	1,732	5,065	2,480,000
Feb-26	150	65	2,000,000	3,333	780,000	2,815	6,148	2,780,000
Mar-26	150	90	1,920,000	3,200	1,080,000	3,897	7,097	3,000,000
Apr-26	150	115	1,620,000	2,700	1,380,000	4,980	7,680	3,000,000
May-26	150	140	1,320,000	2,200	1,680,000	6,062	8,262	3,000,000
Jun-26	150	165	1,020,000	1,700	1,980,000	7,145	8,845	3,000,000
Jul-26	150	190	720,000	1,200	2,280,000	8,227	9,427	3,000,000
Aug-26	150	215	420,000	700	2,580,000	9,310	10,010	3,000,000
Sep-26	150	240	120,000	200	2,880,000	10,392	10,592	3,000,000
Oct-26	150	265	-	-	3,000,000	10,825	10,825	3,000,000
Subtotal				31,900		66,899		
Annual Run Rate			2,000,000	40,000	3,000,000	129,900		

Recommendation

The Green Bank's ongoing partnership with PosiGen has brought the benefits of solar and energy efficiency to low-income customers and residents of Distressed Communities across the state. Such partnership is expected to continue with the various ongoing projects, as further described in a memorandum dated July 19, 2024. The ESS program, which initiated in 2022 and the Green Bank supported, has become a success. The transition into the term loan will allow the program to meet its original goal to bring resiliency benefits to these underserved communities. Furthermore, by phasing out the Working Capital facility, the Green Bank will continue to cap its exposure under the ESS facility while improving its return on capital. For these reasons, staff recommends proceeding with the extension to the working capital line as outlined herein.

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 and energy efficiency financing offering to LMI households in Connecticut;

WHEREAS, on April 22, 2022, the Green Bank Board of Directors ("Board") approved a battery energy storage system ("ESS") working capital and term loan facility to support PosiGen's offerings to LMI households in Connecticut to include an ESS option that provide customers backup power during a power outage and reduce peak demand on the electric distribution system;

WHEREAS, on January 26, 2024, the Board approved a modification to the ESS term facility to be reduced to $3 million, and an overall cap of $3 million for the ESS working capital and term loan facilities combined; and,

WHEREAS, the Board approved an extension of ESS working capital loan on July 26, 2024.

NOW, therefore be it:

RESOLVED, that the Green Bank is authorized to extend the working capital line to PosiGen for the purchase of ESS for an additional term of one year and changes to the related term loan facility for the ESS as may be required to accommodate the extension of the working capital line (such as an extension of the availability period and ultimate maturity date), otherwise following terms substantially similar to those described in the original working capital line agreement, as well as decisions approved by the Board since the approval of the working capital line and term loan in support of ESS;

RESOLVED, that the cap of $3 million in funding available for both PosiGen ESS facilities combined, which includes the working capital line and term loan, is hereby affirmed; 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 and Larry Campana, Associate Director

APPENDIX A
Cover Letter

PosiGen
Solar Energy and Energy Efficiency

Dear Mr. Hunter,

PosiGen is submitting a proposal to the Connecticut Green Bank's Open RFP for Capital Solutions, asking the Green Bank to participate in the financing facilities that will support our Income Eligible Battery Lease available to qualified Low-Income customers and customers residing in Distressed communities in Connecticut. The facilities include the Revolving Credit Agreement and the Term Loan Credit Agreement. These facilities will enable PosiGen to provide 320 underserved customers a whole-home backup solution at a discounted lease rate.

Included in our application are the materials requested by the Green Bank to evaluate the request based on the selection criteria, including a list of 132 batteries that have already been installed at customer homes.

We are excited to partner with the Connecticut Green Bank to make storage more accessible across the state.

Sincerely,

Jayson Uppal

Sr. Director, Products & Markets

PosiGen

PosiGen, Developer, LLC
Connecticut HIC.0663487 | ELC.0187081-E1 · Louisiana RC #89863.1 | EC#74446
Massachusetts HIC.205094 | EC 22388A · Mississippi 25120-MC - New Hampshire #9590
New Jersey HIC.13VH09712800 | EC 34EB01502400 - Pennsylvania PA173662 | 0195279-E1
Rhode Island EC-A0004959

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#SolarforAll

APPENDIX C
Board Memo dated April 15, 2022

PosiGen

Working Capital Line and Term Loan Request

April 15, 2022

PosiGen
Solar Energy and Energy Efficiency

Document Purpose: This document contains background information and due diligence for the creation of a working capital line for the purchase of battery energy storage systems and associated term loan for PosiGen Inc. ("PosiGen") backed by the future incentive payments PosiGen will earn from the deployment and operation of these storage systems with low-income residents and residents of Distressed Communities in Connecticut. The information herein is provided to the Connecticut Green Bank Board of Directors for the purposes of reviewing and approving recommendations made by the staff of the Connecticut Green Bank.

In some cases, this package may contain, among other things, trade secrets and commercial or financial information given to the Connecticut Green Bank in confidence and should be excluded under C.G.S. §1-210(b) and §16-245n(D) from any public disclosure under the Connecticut Freedom of Information Act. If such information is included in this package, it will be noted as confidential.

Investment Memo

To: Connecticut Green Bank Board of Directors
CC: Bryan Garcia, President and CEO; 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: Bert Hunter, EVP and CIO
Date: April 15, 2022
Re: PosiGen BESS Working Capital and Term Loan Facility

Background

The Energy Storage Solutions Program, ordered by the Connecticut Public Utilities Regulatory Authority ("PURA") in July of 2021, is designed to expand the development of battery energy storage systems across the state. Amongst the goals for the initiative that PURA identified in its decision, the program must prioritize delivering resilience benefits to low- and moderate-income ("LMI") customers and customers in environmental justice and economically distressed communities – with a focus of no less than 40 percent of installations being installed in such communities. PosiGen, Inc. and its subsidiaries (collectively, "PosiGen"), are currently launching an affordable storage offering targeting these traditionally underserved customers.

To support PosiGen in providing an affordable storage offering, staff is recommending to the Board of Directors (the "Board") that the Connecticut Green Bank ("Green Bank") provide a working capital line and term loan to the company. As the Board is well aware, the Green Bank has a longstanding relationship with PosiGen, including an existing 2nd lien credit facility that supports PosiGen's solar and energy efficiency offerings and a 1st lien facility against PBI payments under the RSIP. As of March 1, 2022, PosiGen had approximately $1.8 million remaining balance on the 2nd lien facility, after successfully paying down over $12.7 million of the balance in September 2021, and about $8.8 million against the PBI, which is fully drawn and amortizing over the next 5 years or so (in line with PBI payments). The proposed working capital line and term loan, as detailed further in this memo, will build on the Green Bank's successful partnership with PosiGen and will advance the state's goals to expand storage adoption in underserved communities.

PosiGen's Storage Offering

PosiGen plans to provide an 18 kWh battery that will be paired with both existing and new rooftop solar installations to provide a clean backup solution for its residential customers. PosiGen has partnered with Generac, a global supplier of backup generators and a rapidly growing player in battery energy storage systems, to provide their ***PWRcell*** product as the primary initial offering to its customer base. Appendix A includes the product specification.

PosiGen's goal for this program, similar to the company's traditional solar + EE offering, is to focus on affordability in providing a backup solution to its customers. As with its existing solar lease offering, PosiGen will pay for the purchase, installation, and maintenance of the asset. The customer will not pay anything upfront and will either see a small increase in their solar lease payment or may not see any increase at all (which is PosiGen's goal wherever possible), depending on the final product pricing.

In addition to the upfront incentive offered through the Energy Storage Solutions Program (the "ESS Program"), PosiGen can keep the storage offer affordable to the customer by monetizing the Federal Investment Tax Credit (currently available when storage is paired with solar) and by earning incentive payments through the ESS Program, including through both passive and active dispatch activities.

- **Passive Dispatch:** Participants in passive dispatch are required to set the storage system to automatically store and dispatch energy to reduce demand during summer peak periods. The proposed incentive rate through 2024 is $200/kWh for standard customers, $300/kWh for customers in underserved communities, and $400/kWh for low-income customers. Total incentives per system cannot exceed the lesser of 50% of the total installed cost or $7,500.

- **Active Dispatch:** The utility may call on the asset to dispatch differently than the passive dispatch schedule. The asset will be paid based on the average discharge capacity across all active events during a given season. Assets can participate in active dispatch for up to 10 years. The proposed incentive rate for assets participating in summer events is $200/kW for the first 5 years and $115/kW for years 6-10. Th proposed incentive rate for assets participating in winter events is $25 for the first 5 years and $15 for years 6-10.

As a part of its offering, PosiGen will work with Generac to operate the assets in accordance with the requirements of the ESS Program. Generac will guarantee active dispatch incentive payments to PosiGen, regardless of actual performance, in return for a small haircut on the incentive payments. Generac will pay PosiGen within 30 days of receiving payment from the program administrator.

In terms of program rollout, PosiGen will initially target several hundred existing low-income solar customers in Distressed Communities who have an existing solar ease. From there, the company will expand to its other 2,000+ customers living in Distressed Communities.

Proposed Congressional Bank Facility and Green Bank Positioning

To expand the Green Bank's continued partnership with PosiGen and enable the launch of their affordable storage product, staff is proposing to provide a $2 million working capital line to support the purchase of hardware and a $6 million term loan sized to future dispatch incentive payments, which (from a performance perspective) are guaranteed by Generac to PosiGen.[3] A summary of the proposed working capital line terms follows below:

- Provide capital for the purchase of hardware, including the Generac storage systems. This credit line will not be used to pay for soft costs so will be fully collateralized via the inventory purchased
- Not to exceed $2 million
    - This will allow PosiGen to purchase approximately 150 Generac systems at a time, which should coincide with projected near-term sales volume as the program rolls out

[3] Should any battery system performance failure result in a loss of active dispatch incentive payments that would have been paid by the utility (but for such failure), the Generac guarantee will cover such shortfall. See Appendix B.

- Fixed 2% interest rate per annum
- Allowed to revolve for a [2-yr] draw period (subject to extension by PosiGen in Green Bank's sole discretion), but specific assets purchased under the facility must convert to collateral for the Term Loan within [180] days or be repaid at the end of such 180-day advance period unless modified or waived by Green Bank in Green Bank's sole discretion).

A summary of the term loan terms follows below:

- $6 million term loan facility that provides 100% advance against the present value (at 4.5%) of the Generac guaranteed payments and any customer payments
  - o Generac is the credit counterparty, and the guaranteed payments limit PosiGen's exposure to performance risk
  - o Customer payments are expected to be a nominal portion of the revenues if PosiGen decides to charge a lease fee at all. Most, if not all, of the revenues will come from Generac
  - o The loan at this size is anticipated to cover an estimated 1,000 installations over a targeted 2 year period
- Amortizes fully over 10 years, which is tied to the life of the underlying asset, with an option for an Interest Only period (to be approved by Green Bank in Green Bank's sole discretion, but in any event not to exceed 12 months from date of the corresponding conversion to term status)
- Fixed interest rate per annum as follows:
  - o LMI / Distressed Communities Portion (up to $6,000,000): 4%
  - o Non-LMI / Distressed Communities Portion (not to exceed lesser of (a) $2,400,000 or (b) $6,000,000 *less* LMI Portion advanced): 5%
- Projects to be owned by various PosiGen-managed tax equity funds, with this new structure running through the company's existing master back-leverage facility
  - o The collateral approach will mirror the Green Bank's existing 1st lien credit facility against PBI cash flows where such PBI cash flows (in this case – the BESS cash flows) are "carved out" from the collateral pool which benefits the 1st and 2nd lien lenders. Using the PURA approved direct payment structure, the utilities make active dispatch incentive payments directly to PosiGen's solar fund structure (the owners of the BESS assets).

Recommendation

The Green Bank's ongoing partnership with PosiGen has brought the benefits of solar and energy efficiency to low-income customers and residents of Distressed Communities across the state. By providing a working capital line and a term loan to support PosiGen's new battery storage offering, the Green Bank can expand on this successful investment and bring resiliency benefits to these underserved communities, as well. Furthermore, the Green Bank's exposure to performance risk is limited through the direct payment arrangement by the utilities to PosiGen's solar fund structure, our secured collateral position, and PosiGen's guaranteed revenue agreement with Generac, a very substantial New York Stock Exchange-listed enterprise (ticker: GNRC) with nearly $4 billion in annual sales and in excess of $2 billion in stockholders' equity (see Corporate Overview at Exhibit B). For these reasons, staff recommends proceeding with an investment as outlined herein.

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 and energy efficiency financing offering to LMI households in Connecticut;

WHEREAS, PosiGen is planning to expand its offerings to LMI households in Connecticut to include an affordable battery energy storage system ("BESS") option that will provide the customer backup power during a power outage and will reduce peak demand on the electric distribution system, as more fully explained in a memorandum dated April 15, 2022 to the Green Bank Board of Directors (the "Board Memo");

NOW, therefore be it:

RESOLVED, that the Green Bank may advance a working capital line to PosiGen for the purchase of battery energy storage systems not to exceed $2 million on the terms substantially similar to those described in the Board Memo;

RESOLVED, that the Green Bank may further advance up to $6 million in term loan financing to PosiGen by periodically converting such working capital advances (or any cash purchased eligible collateral owned by PosiGen or its subsidiaries that is backed by customer contracts for BESS systems) on terms substantially similar to those described in the Board Memo; and

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

Submitted by: Bert Hunter, EVP and CIO

APPENDIX A
Spec Sheet, p1

GENERAC

PWR CELL

OUTDOOR RATED BATTERY

PWRcell Outdoor Rated Battery Cabinet (Ordering SKU: APKE00028)

3.0kWh PWRcell DCB Battery Module
Model #: BJ-DCB05ZKBG (Ordering SKU: G0080040)

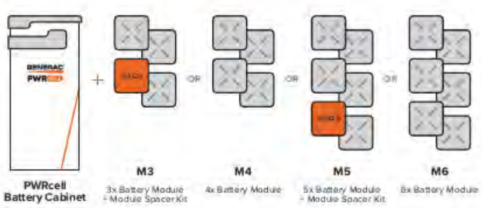
3.0kWh PWRcell EX Battery Module
Model #: G0080001, G0080003

The PWRcell™ Outdoor Rated (OR) Battery Cabinet is a Type 3R smart battery enclosure that allows for a range of storage configurations to suit any need. DC-couple to Generac PWRzone solar, PWRgenerator, or AC-couple to a third party PV array. No other smart battery offers the power and flexibility of PWRcell.

PWRcell BATTERY CABINET DESIGN

The PWRcell Battery Cabinet allows system owners the flexibility to scale from an economical 9kWh to a massive 18kWh by installing additional battery modules to the PWRcell Battery Cabinet. An existing PWRcell Battery Cabinet can be upgraded with additional modules. Use the graphic below and the chart on the back of this sheet to understand what components you need for your chosen PWRcell configuration.

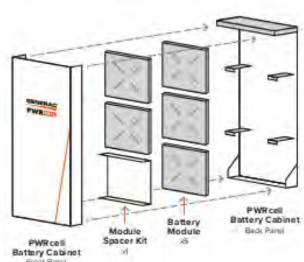
BATTERY CONFIGURATION GUIDE



FEATURES & BENEFITS

- Best-in-class battery backup power
  - AC-couple to third party solar array
- Connect 2 PWRcell Battery Cabinets to a single PWRcell Inverter for up to 36kWh of usable storage
- Plug-and-play with all PWRcell products
- Time-of-use (TOU) and zero-export ready
- 3R cabinet for outdoor and indoor installations
- Floor standing or wall-mounted design

BATTERY CABINET ASSEMBLY



APPENDIX A
Spec Sheet, p2

Specifications

PWRcell™ BATTERY CONFIGURATIONS	M3	M4	M5	M6
BATTERY MODULES:	3	4	5	6
USABLE ENERGY[1]:	9 kWh	12 kWh	15 kWh	18 kWh
NOMINAL CONT. AC POWER[1,2]:	3.4 kW	4.5 kW	5.6 kW	6.7 kW
MAX. AC POWER[1,3]:	4.5 kW	6 kW	7.5 kW	9 kW
NOMINAL CONT. DC (CHARGE/DISCHARGE) - A:	11.6	15.5	19.4	23.3
PEAK MOTOR STARTING CURRENT (2 SEC) - A, RMS:	25	33	42	50
COMPATIBLE BATTERY MODULES[4]:	Generac PWRcell EX 3.0 kWh, Generac PWRcell DCB 3.0 kWh, Generac PWRcell DCB 2.85 kWh			
REbus™ VOLTAGE - INPUT/OUTPUT:	360-420 VDC			
NOMINAL VOLTAGE:	380 VDC			
DC-DC ROUND-TRIP EFFICIENCY:	96.5%			
MAXIMUM AMBIENT OPERATING TEMPERATURE:	14 TO 122 °F (-10 TO 50 °C)			
OPTIMAL AMBIENT OPERATING TEMPERATURE:	41 to 104 °F (5 to 40 °C)			
MAXIMUM INSTALLATION ALTITUDE - FT (M):	6560 (2000)			
DIMENSIONS, L x W x H - IN (MM):	22" x 10" x 68" (559 x 254 x 1727)			
WEIGHT, ENCLOSURE - LB (KG):	115 (52)			
WEIGHT, INSTALLED W/ DCB MODULES - LB (KG):	280 (127)	335 (152)	390 (177)	445 (202)
WEIGHT, INSTALLED W/ EX MODULES - LB (KG):	287 (130)	344 (156)	401 (182)	459 (208)
WEIGHT, ACCESSORY MOUNTING HARDWARE - LB (KG):	21 (10)			
ENCLOSURE TYPE:	Type 3R			
WARRANTY - LI-ION MODULES:	10 Years, (7.56MWh)			
WARRANTY - ELECTRONICS AND ENCLOSURE:	10 Years			
COMMUNICATION PROTOCOL:	REbus™ DC Nanogrid™			
SEISMIC RATING:	IEEE 693-2018 (HIGH)			
COMPLIANCE:	UL 9540, UL 9540A[5], UL 1973, UL 1642, CSA 22.2 #107.1			

[1]Assumes use of 3.0kWh battery module. | [2]Average AC power over a complete discharge cycle. | [3]Values provided for 40°C (104°F). | [4]All PWRcell battery models used in a PWRcell Battery Cabinet must be the same model. Do NOT combine module SKUs in a single battery cabinet. | [5]Meets residential indoor requirement as per UL9540A ed 4 in PWRcell OR M DCB configuration.*
Note: Charge/discharge rate may be reduced at temperature extremes

PWRcell ACCESSORIES

Inside of the PWRcell Battery Cabinet, battery modules are stacked two deep on three levels, allowing for up to six modules to be connected in series. You can upgrade an existing PWRcell Battery Cabinet by adding Battery Modules and a Module Spacer (APKE00008). A Module Spacer is only required for battery configurations with an odd number of modules (i.e. 3 or 5).

Generac offers a convenient PWRcell Battery Upgrade Kit (APKE00009) to help replace lost or misplaced hardware.

Note: When adding modules, be sure all modules within a cabinet are the same model (i.e., EX or DCB). Instructions are provided in product manual.

PWRcell MODEL BUILDER

PRODUCT SERIES	ENCLOSURE TYPE	# OF MODULES	BATTERY SERIES
PWRcell	OR	M6	DCB
	IR (Indoor Rated) OR (Outdoor Rated)	3 Modules 4 Modules 5 Modules 6 Modules	DCB EX

Sample Model Name: **PWRcell OR M6 DCB**

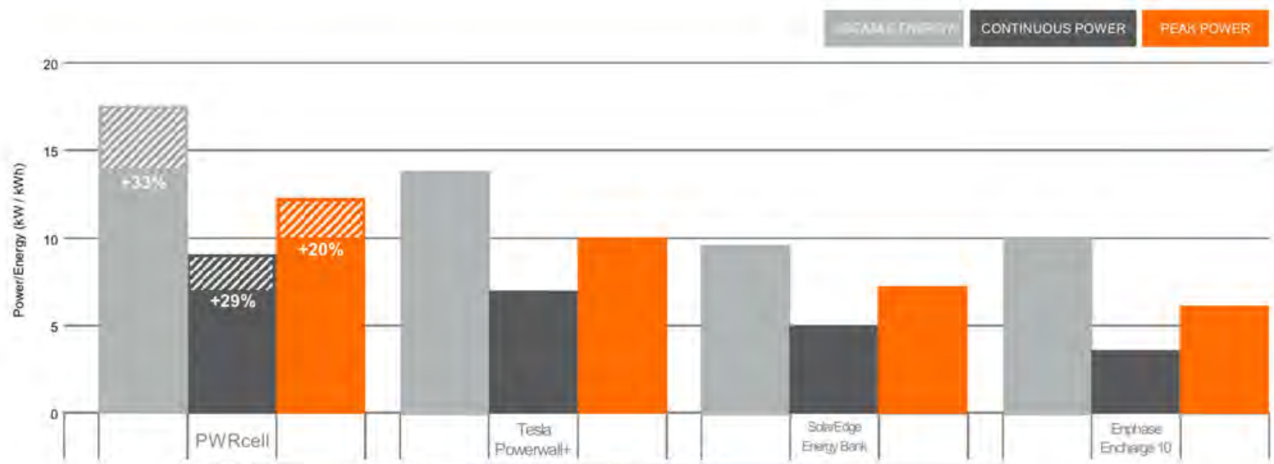
Generac Power Systems, Inc.
S45 W29290 Hwy. 59, Waukesha, WI 53189
www.Generac.com | 888-GENERAC (436-3722)
A0000949454 REV F

CONNECTICUT GREEN BANK

APPENDIX A
Spec Sheet, p2

PWRCELL® WHOLE HOME
POWER COMPARISON

GENERAC



	PWRcell	Tesla	SolarEdge	[illegible]
Useable Energy	18kWh	13.5kWh	9.7kWh	10.1kWh
Continuous Power	9kW	7kW	5kW	3.8kW
Peak Power (seconds)	12kW	10kW	7.5kW	5.76kW

Note: Shaded lines represent market leading advantage in terms of power capability, with specific percentages as compared to Tesla

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APPENDIX B
Generac Overview, p1

GENERAC BY THE NUMBERS

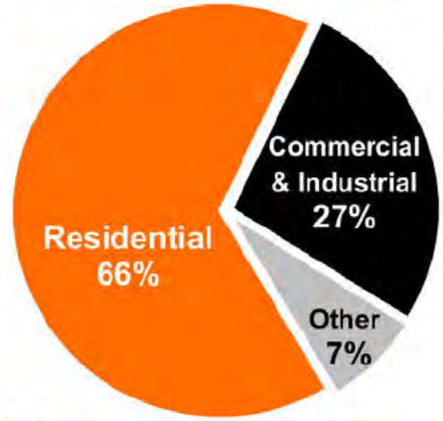
GENERAC

Residential

Home Standby, Clean Energy, Portables, Chore Products

2021 Net Sales

Domestic 85% | International 15%



Other

Aftermarket Parts, Product Accessories, Extended Warranty, Grid Services, Remote Monitoring

Concerto™ MobileLink™ eco+

APPENDIX B
Generac Overview, p2

APPENDIX B
Generac Overview, p3

INDUSTRY LEADING HARDWARE SOLUTIONS

Several million grid edge assets

INTEGRATED DELIVERY & CUSTOMER SERVICE

Over 10,000 Dealers & Distributors

INDUSTRY-LEADING SOFTWARE TECHNOLOGY

Control millions of end points in real-time

INTEGRATED SERVICES & SUPPORT

24/7 Operations and Customer Care

CONNECTICUT GREEN BANK

APPENDIX B

[redacted]

[redacted]

APPENDIX B
Evaluation Form

Capital Solutions Open RFP Evaluation

Proposal: Approve a one-year extension to PosiGen's $2 million working capital line

Criteria	Rating	Explanation	Score
1 Meeting Green Bank Goals – how well does this project align with the Green Bank's goals?	High	Providing the extension to the working capital line to PosiGen will help the Green Bank achieve the following goal formalized in the Comprehensive Plan: Scaling Up Investment and Impact in Connecticut and Beyond - in order to achieve the climate change goals set forth, more investment from private capital sources leveraged by innovative public sector financing will be needed to scale-up and scale-out the Green Bank model's impact.	3
2 Green Bank Essentiality – to what extent is participation by the Green Bank essential to the success of the project?	High	Given the Green Bank's support of the ESS program in 2022 and the success that the program has begun to show, the Green Bank's participation is crititcal to allowing PosiGen to reach more underserved communities whom we together hope to serve (including and especially so with respect to energy storage solutions, which are particularly dependent methods that make these projects affordable for LMI customers).	3
3 Project Feasibility – How feasible is the project to achieve its stated goals?	High	Highly feasible. There is a proven track record here and the project has started to show success. Execution on a larger scale, which will be a possibility with the extension of the working capital line, is the mandate with respect to this investment.	3
4 Project Replicability – Could a similar project be replicated in Connecticut or elsewhere, or is this a unique opportunity?	High	Providing affordable ways to involve LMI customers in storage has started to show its success and could well be replicated by installing more batteries. Given PosiGen's strong presence as a solar installer, there are a lot of people who are fit for this storage solution. In addition, over time the cost of batteries has decreased, making them more affordable for the public.	3
5 Relevant Experience – Does the proposer offer relevant and sufficient experience for the type of project being proposed?	High	Yes. PosiGen has been in business for over a decade now and has demonstrated the capabilities to deliver on its mandate of expanding clean energy access to LMI households and communities.	3
6 References	High	The Connecticut Green Bank has had positive experiences working with PosiGen for over half a decade.	3
7 Pending Litigation	High	Through its status as an Observer to the PosiGen board, the Green Bank has access to all pending litigation with respect to PosiGen and is comforable with the risk profile associated with all outstanding legal matters which it does not consider material.	3
8 Management and character review	High	Over the past year, PosiGen has continued to build out its management team and has enhanced its executive leadership with seasoned veterans from the solar industry and beyond, including highly qualified individuals in the CFO, COO, General Counsel, CHRO, and Chief Compliance and Policy Officer roles.	3
Bonus Points	**Rating**	**Explanation**	**Score**
1 Project benefits LMI or underserved communities	Applicable		1
2 Project benefits communities with environmentally hazardous areas, such as superfund sites	N/A		0
TOTAL SCORE	**Pass**		**25/24**

Appendix Annual Cash Waterfall

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

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PosiGen

Capital Solutions Term Loan Facility

July 22, 2025

PosiGen
Solar Energy and Energy Efficiency

Document Contents: This document contains background information and due diligence on new and existing credit facilities for PosiGen, PBC ("PosiGen") collateralized by residential solar PV facilities located within and outside of Connecticut and by the future performance-based incentive ("PBI") payments PosiGen will earn from various residential solar PV projects in Connecticut. The information herein is provided to the Connecticut Green Bank Board of Directors for the purposes of reviewing and approving recommendations made by the staff of the Connecticut Green Bank.

In some cases, this package may contain, among other things, trade secrets and commercial or financial information given to the Connecticut Green Bank in confidence and should be excluded under C.G.S. §1-210(b) and §16-245n(D) from any public disclosure under the Connecticut Freedom of Information Act. If such information is included in this package, it will be noted as confidential.

Capital Solutions Investment Memo

To: Connecticut Green Bank Board of Directors

CC: Bryan Garcia, President and CEO; Jane Murphy, Executive Vice President Finance and Administration; Brian Farnen, General Counsel and CLO; Eric Shrago, Vice President of Operations; Sergio Carrillo, Managing Director of Incentive Programs

From: Bert Hunter, EVP and CIO; Mariana Trief, Director of Investments; Larry Campana, Associate Director of Investments

Date: July 22, 2025

Re: PosiGen Term Loan Facility

Background

On April 9, 2024, PosiGen formally amended its first lien asset-backed facility (the "FLCF") with Brookfield Asset Management ("Brookfield") by adding $150 million capacity, raising the total FLCF capacity to $400 million, and expanded the use of funds to include work-in-progress ("WIP") systems. As part of the upsize, the Green Bank increased its "2nd lien" facility subordinated to Brookfield (the "second lien credit facility", or "SLCF") by $8 million, increasing the total SLCF commitment to $34 million. The commitment includes $6.75 million from other participants and a PBI facility of $10 million (which is defeased with a sweep of performance based incentive ("PBI") revenues paid by the Green Bank (to itself) thereby reducing the face exposure to the PBI facility to $7 million).

In October 2024, PosiGen successfully closed on a 2nd upsize of $200 million with Brookfield (now up to $600 million), which supports PosiGen's growth in Connecticut and beyond. This transaction was viewed as credit positive for Green Bank as it included the repayment of the former $12 million ITC Investment Tax Credit Bridge Loan ("ITC Bridge") position (repaid $6 million to Green Bank and $6 million to participants in October 2024). Beyond the repayment of the ITC Bridge, staff supported the upsize to $600 million because it involved an extension of the existing Brookfield warehouse facility on favorable terms relative to current market conditions. The 2nd upsize supports the growth of PosiGen as it is realized more than 1,000 installs per month in Q4 of 2024.

The FLCF/SLCF upsizes were completed to lower PosiGen's cost of funding WIP systems, and to accommodate PosiGen's growth in Connecticut and other states while PosiGen pursued a new $1 billion term loan facility with the U.S. Department of Energy's Loan Programs Office ("LPO") under the Title 17 SEFI program (broadly, "LPO Term Loan"). In April 2024, the Green Bank Board of Directors was presented with a Term Sheet outlining the terms offered to PosiGen by the LPO, which included a syndication of State Energy Finance Institutions - Connecticut Green Bank among them. Since 2024, a change in federal Administration has significantly affected priorities at multiple agencies, including LPO. At this time, all progress towards closing on the SEFI facility with PosiGen has ceased. Both PosiGen and Green Bank have begun focusing on alternatives to continue to finance PosiGen's growth.

Building on its operational success in key markets such as Connecticut, New Jersey, Louisiana, and California—and benefiting from the exits of major players like SunPower and Sunnova, PosiGen's existing facility with Brookfield as senior lender in first lien position, along with Green Bank and other second lien ("2L") participants, is near its cap of [redacted] million (excluding Green Bank PBI facility). With Brookfield's facility effectively, fully drawn, PosiGen is developing multiple follow-on facilities with several notable lenders, but these will not be available to fund until late Q3, 2025.

Furthermore, while PosiGen was pursuing the LPO Term Loan, as a precaution in case of a change in administration in Washington, PosiGen pursued an asset-backed securities issuance strategy with its investment bank [redacted] The nature of PosiGen's business model, deploying solar, energy efficiency and battery storage assets, requires consistent access to capital to meet its obligations to develop, deploy and install projects. With the Brookfield facility at its limit, and with the other takeout options still in progress but with a documentation close 2 to 3 months away, this timing mismatch has created a near-term funding gap, presenting the Green Bank with an opportunity to provide interim funding with a bank partner while strategically reducing Green Bank's current 2L exposure.

Portfolio Refinancing for Connecticut Assets

As noted, PosiGen is pursuing a strategic refinancing of its residential solar portfolio to address its own capital needs. Concurrently, [redacted]

It must be emphasized that PosiGen has and is fully performing on all of its obligations under the Brookfield and Green Bank credit facilities. The proposed incremental Green Bank and bank lending partner credit facility proposed here is structured to (a) provide much needed funding support for PosiGen so it can continue to grow while it pursues the significantly larger funding solutions noted above (warehouse funding facility and ABS takeout) and (b) enable a strategic

reduction for Green Bank in its subordinated 2L facility which is the most exposed to risk of loss in the event PosiGen should experience a prolonged period of financial distress combined with potential for foreclosure by the senior first lienholder. A summary of the recent historic PosiGen relationship across the loan facilities is captured here:

	Running Posigen Loans Reconciliation						
	2L Loan	PBI Loan	$2M revolving Credit Loan (ESS)	$6m Tax Equity Bridge Loan	Total	Provision for Loan Loss	Net Exposure per Financial Statements
6/30/2022	2,699,423	8,150,518			10,849,941	1,084,994	9,764,947
6/30/2023	4,500,000	8,470,495	1,995,160	6,000,000	20,965,655	2,096,565	18,869,089
6/30/2024	14,377,491	5,856,545	1,995,160	6,000,000	28,229,195	2,822,920	25,406,276
6/30/2025	16,750,000	3,468,242	1,995,160	0	22,213,402	2,822,920	19,390,482
Total Borrowed	16,750,000	10,000,000	1,995,160	6,000,000	34,745,159		
Total Repaid	0	(6,531,758)	0	(6,000,000)	(12,531,758)		
					22,213,402	2,822,920	19,390,482

Green Bank, currently holding $16.75 million in 2L exposure (88% of its total commitment to PosiGen under a total of 4 facilities), [redacted] cutting 2L exposure by roughly 36%. This interim refinancing is structured around a new $40 million borrowing base (calculated as the Present Value of lease receivables cashflows using a 7% discount rate) secured by a portfolio of 5,102 projects where 88% of those projects are Connecticut Based. The remainder of the portfolio is almost entirely New Jersey-based projects.

As staff has structured this new credit facility, [redacted] Bank [redacted])) would partner with Green Bank to fund a total of $37.2 million. [redacted] is a natural partner for this transaction—they've expressed interest in working with Green Bank, and they have [redacted]. The structure provides for a lending split of advances equal to ~40% of the borrowing base from [redacted] Bank and 53% from Green Bank. Green Bank would also use best efforts to sell down a portion of the $21M to interested parties; it has already engaged [redacted]$21 million advance. Additionally, upon the next Brookfield or follow-on facility draw, PosiGen would be required to fund [redacted] defeasance reserve described in further detail in the Risk Assessment section, offering further protection to all lenders. This would offer Green Bank the ability to "cross-collateralize" the 2L exposure it has with surplus cash flows from the proposed facility, further reducing Green Bank's exposure under the 2L facility. At the same time, the funding being provided would enable PosiGen to fund between 1,000 and 2,000 systems in various stages of deployment in Connecticut and other states they serve.

The basic financial terms are summarized in the table below:

	PosiGen	CGB	[redacted]
Loan Amount	$37,200,000	$21,000,000	$16,200,000
Loan Term	15 Years	15 Years	7 Years
Closing Fee	1%	1%	1%
Cash [redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]	[redacted]

A few additional considerations for the facility are outlined below:

- [redacted]
[redacted]
[redacted]

A summary annual cash waterfall is presented as a separate attached document.

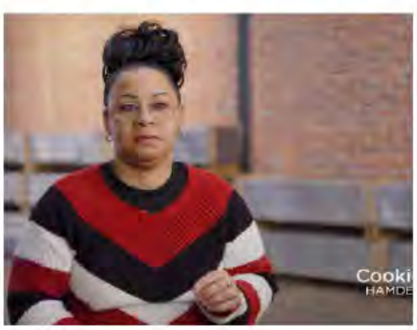
Connecticut Impact and Growth

The PosiGen/Green Bank "Solar for All" campaign under the Residential Solar Investment Program ("RSIP") generated considerable economic, environmental and customer savings; an impact that continues today through the residential renewable energy solutions ("RRES") program administered by the utilities. Under the RSIP installed systems, we track system performance which reduces energy burden for the families that lease the 4,500+ systems the Green Bank supported through RSIP and "Solar for All". When residential electric rates sharply increased in 2023 because of inflationary pressures caused by War in the Ukraine, limited in-region fuel sources, and over-reliance of Connecticut on natural gas power plants the savings to PosiGen customers increased nearly two-fold. Solar became a hedge protecting low-income families against rising energy prices. The chart below summarizes the savings for the RSIP and Solar for All. The annual savings to homeowners has increased each year since 2021. In 2024, the annual savings were $5.2 million ($1,158 per homeowner for the year) and there were a cumulative savings of $14 million.

Savings	Rate R	Rate 1	Cumulative	Annual
2017	127,801	5,515	133,316	133,316
2018	566,361	100,006	666,367	533,051
2019	1,371,585	336,261	1,707,846	1,041,479
2020	2,366,249	792,708	3,158,957	1,451,111
2021	3,308,539	1,179,452	4,487,991	1,329,034
2022	4,551,906	2,368,848	6,920,754	2,432,763
2023	6,379,419	4,187,114	10,566,533	3,645,779
2024*	8,355,956	5,683,639	14,039,595	5,209,593

*2024 is prorated for Q4, with data collected through September 1, 2024.

We push these accomplishments to the public via social media – captured at the following link: https://www.youtube.com/watch?v=TnOWjdczjfE



Risk Assessment and Portfolio Exposure

From a risk perspective, the proposed financing structure notably reduces Green Bank's 2L exposure in the Brookfield facility from $16.75 million to approximately $10.65 million. The proposed transaction also reduces the total balance of the Brookfield 1L facility by roughly $34.4 million, enabling Brookfield to re-lend this amount against new collateral. After removing the assets from the Brookfield collateral pool to support the new facility, approximately 2,757 Connecticut systems will remain in Brookfield's pool, valued at approximately $41.5 million (PV6 basis). Based on an assumed advance rate of 83.3% for Brookfield and 6.7% for other lenders such as Green Bank (2L position), this reduction results in a $1.5 million - $2.75 million recovery to Green Bank. Furthermore, in connection with the next Brookfield draw—assuming they lend at the 83% advance rate—a defeasance reserve would be funded by PosiGen to cover the spread between Brookfield's advance rate and the 75% blended advance rate otherwise offered to PosiGen by other lenders, which translates into a defeasance reserve of $3.4 million. This reserve would be shared by all participating lenders in the new facility. However, given that [redacted] is prioritized in the cash waterfall and has a higher DSCR, the defeasance reserve would be effectively to the benefit of the Green Bank (and any participants amortizing over a 15-year period with the Green Bank).

Under the proposed new facility, Green Bank's exposure would increase by approximately $18.25 million (a gross increase of $21 million less a recovery of $2.75 million noted above), but importantly, this exposure would be in a first-lien position alongside of [redacted] Bank backed by a very diverse portfolio of over 5,000 solar leases consisting primarily of Connecticut-based households, which historically demonstrate strong performance and low default rates. Historical delinquency rates for the borrowing base demonstrate consistently low levels of delinquency. While some customers experience short-term payment delays, these are typically resolved within 60 days. Delinquencies extending beyond 60 days—averaged over six months to account for seasonality—remain low, with an average of 1.13% and a maximum of 1.75%. These levels are not material and consistent with expectations for the portfolio, as well as with the default assumptions used when sizing the borrowing base for the transaction. **Exhibit A** provides the supporting delinquency data. In addition, the majority of customers are paying via ACH, which helps reduce both collection costs and delinquency rates; ACH usage increased from 73% in 2023 to 78% in 2025.. In addition, Green Bank is using best efforts to bring in other lenders like [redacted] to further reduce its exposure (potentially a reduction of $10 million if both participate). Green Bank also brings significant familiarity with this collateral, including 12 years of experience and three prior residential solar portfolios (Solar Lease 1, Solar Lease 2 and Sungage), enhancing our ability to manage the asset pool if needed under a default scenario. Our confidence in the lease performance of this predominantly Connecticut portfolio is supported by Green Bank's own experience with Solar Lease 2 lease receivables, a portfolio of nearly 1,200 systems developed by the Green Bank from 2013 to 2017:

[redacted]

[redacted]

[redacted]

[redacted]

This exceptional lease performance is similar to what the Green Bank has experienced with the Solar Lease 1 and Sungage solar loan portfolios. We expect the Connecticut leases owned by Posigen to perform similarly over time. It is important to note that, in light of recent legislative changes signed into law by Congress and the Trump Administration, homeowner-claimed Investment Tax Credits (“ITCs”) are scheduled to begin phasing out on 12/31/2025. However, the phase-out does not apply to third-party owners like PosiGen, who will continue to qualify for ITCs through 12/31/2027, with “safe harbor” provisions extending eligibility through 12/31/2029. Thus, if a homeowner does not pay their solar lease rental, they will (1) if located in Connecticut, pay much more for their electricity from the utility (typically $1,000 more per year) – making that homeowner even worse off, and (2) the homeowner will not be able to economically be able to buy a new system (with ITC going away) – and will likely be shunned by any other lease or PPA provider given non-payment. Accordingly, staff believes the economic compulsion associated with staying current on a PosiGen lease becomes stronger under the changed policy context.

Additionally, the high-yielding nature of the new facility can support additional financial statement reserves to protect against remaining 2L exposure (potentially $600,000 to $700,000 annually during the first seven years of the “interest only” portion of the facility, which could add a further $5 million to Green Bank’s reserves for loan loss). This is accomplished by taking a portion of our earned yield (approximately 300 basis points) and using that income as an additional increment to the Green Bank’s provision for loan loss. Our net exposure is further reduced by the $2.8 million in existing reserves for loan losses against the 2L facility on the Green Bank financial statements. Together, these repayments and reserves reduce our net 2L exposure from about $14 million today to just under $3 million, a reduction of 80%. Also, with the PBI facility fully amortizing over time (paid in full by September 2027), it contributes to a reduction in gross exposure to PosiGen (even though PosiGen's obligations are effectively 100% defeased via a direct cash sweep of PBI payments by the Green Bank for "nil" net exposure).

[redacted]

	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]				[redacted]
[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
[redacted]	[redacted]				[redacted]
[redacted]	[redacted]				[redacted]
[redacted]		[redacted]			[redacted]
[redacted]	[redacted]	[redacted]		[redacted]	[redacted]
[redacted]	[redacted]				[redacted]
[redacted]	[redacted]	[redacted]		[redacted]	[redacted]

[redacted]

[redacted]

So, net of reserves, while our PosiGen concentration of investment definitively increases from ~9% to ~11%, staff suggests that the incremental investment, being senior secured and with an underlying lease portfolio concentration nearly 90% CT-based, is a more prudent investment and enables the Green Bank to reduce its risk in the 2L subordinated facility on an immediate basis with an improving risk profile over time. It also affords our

1 [redacted]

ability to increase collateral against our 2L position from excess collateral in the new facility.

Funds Available for Investment:

Staff acknowledges that the request for this Capital Solutions investment is significant. At the same time, the Green Bank views the investment as well within the capacity of the Green Bank to fund this transaction, particularly with the Green Bank having substantial funds available for investment as some larger planned transactions have been cancelled or substantially pushed back. Working together, the Finance and Accounting and Investments teams project quarterly the Green Bank's sources and uses of capital resources. In July, and with the PosiGen investment in mind, the teams forecast adequate resources throughout FY2026 as shown here:

	FY26-Q1	FY26-Q2	FY26-Q3	FY26-Q4
FY 26 Summary Investments				
Beginning Bal Investible Cash	54,280,174	28,375,455	7,512,408	12,550,046
SHREC/REC/Other Income	3,650,000	5,550,000	9,850,000	4,800,000
P&I repayments	7,634,256	3,953,527	6,652,651	9,246,415
Green Liberty Bonds Issuance	15,000,000	-	-	-
Anticipated Investments	(51,150,000)	(25,000,000)	(10,150,000)	(7,525,000)
Debt Payments	(1,038,975)	(5,366,575)	(1,315,013)	(1,201,583)
End Balance Investible Cash	28,375,455	7,512,408	12,550,046	17,869,878

Staff is comfortable with the projected sources and uses of cash which assumes that the Green Bank is not successful in participating portions of this transaction to other lenders. Given the feedback to date, Green Bank believes at least one participant will join the Green Bank for at least a $5 million investment which would raise the quarter-end balance of investible cash shown above in like amount. Also, since nearly all Green Bank investments are funded 100% with cash, the Investments team can leverage a significant portion of these investments with one of our several lending partners if there is a need to do so. This is particularly true for our C-PACE investments which the Green Bank has previously securitized and which are "super senior" in priority with an exceptional payment performance over several years.

Capital Flow Diagram:

The Capital Flow Diagram for the proposed transaction is provided below.

[redacted]

PosiGen's Portfolio Performance and Delinquencies

PosiGen's collections performance showed steady improvement over the past several months, with April 2025 marking the highest monthly collections at [redacted], this reflects strong and improving collection efficiency, with controlled delinquency risk.

[redacted]

To reduce delinquencies, PosiGen applies a structured collections strategy rooted in risk identification, tailoring resolution tactics by delinquency stage, payment behavior, and associated risk. Early-stage delinquencies (5–30 days past due) are treated as low-risk, with resolution efforts focused on reminders via calls, texts, and emails. As delinquency extends into 31–90 days, customers are viewed as "mild payers" with rising risk, prompting more proactive outreach such as "avoid disconnection" messages. Accounts 91+ days past due are classified as high-risk or severe, involving in-person visits, disconnection execution, or repossession decisions. Strategies escalate accordingly, incorporating payment plans, "fresh start" opportunities, and root cause analysis to recover payments and reduce long-term default risk.

Additionally, PosiGen has improved the overall portfolio performance by shifting to a savings-driven origination strategy which demonstrates a clear link between higher average annual savings and lower default rates. Since 2017, average customer savings have tripled—from $191 in 2017 to $580 in 2024—with a peak of $626 in 2023. Projects with lower savings levels (under $480) show significantly higher termination and redeployment rates, reaching up to 17% terminations in the $240–$480 bucket. In contrast, projects with higher savings (> $960) experience minimal terminations (1% or less), confirming that increased customer savings are correlated with portfolio stability and reduced risk. Given Connecticut's high electricity prices, PosiGen is able to offer significant savings which will, in turn, improve the portfolio performance and reduce delinquencies.

[redacted]

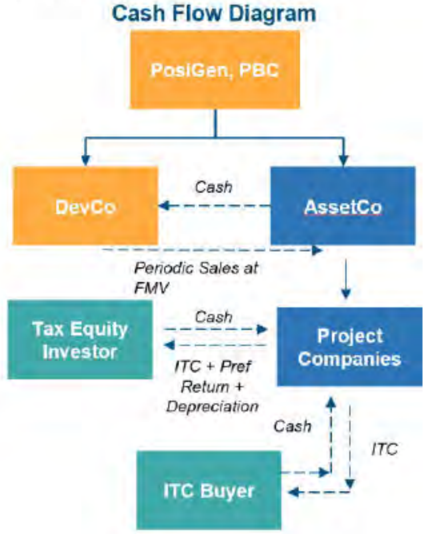
PosiGen Financial Position

PosiGen operates as a dual-entity structure composed of:

1. a **development company ("DevCo")** responsible for origination and sales, and
2. an **asset holding company ("AssetCo")** that owns and operates the underlying solar assets.

Together, the DevCo and AssetCo are consolidated into the PosiGen **public benefit corporation ("PBC")** shown here:

Cash Flow Diagram



The DevCo originates projects, completes sales, and ultimately sells the systems to the AssetCo using a fair market value ("FMV") approach. The AssetCo then leverages the long-term lease cash flows to raise tax equity and secure back-leverage financing. It is this secure back-leverage financing which constitutes the Brookfield (1L) and Green Bank (2L) facilities.

DevCo - PosiGen's DevCo has reached an inflection point where profitability is within reach, driven by growth and improved cost-efficiency due to scale. DevCo's business model benefits from high operating leverage—fixed costs are relatively stable while revenue growth continues through geographic and channel expansion. Continued profitability will depend on DevCo's ability to secure access to capital that supports sustainable growth. [redacted] when the company was still in its early scaling phase and had incurred substantial upfront investments to support future growth.

The **PBC** holds the operational portfolio and is backed by a diverse set of private equity investors—approximately 5 to 6 firms, each holding between 10–20% equity stakes. While PosiGen recently raised capital via convertible notes, this raise was limited to existing investors and not offered to the broader market, reflecting a controlled approach to equity dilution. From a GAAP financial reporting perspective, the PBC's financials which consolidates the DevCo and AssetCo financials appear weaker than their economic reality due to structural factors:

- DevCo revenue is eliminated in consolidation, so the PBC only reports lease payments and SREC revenue as income. Total Revenue year-to-date as of May 31, 2025, based on internally prepared financial statements for the PBC is [redacted] compared to [redacted] in the previously ended calendar year 2024, if we annualized that figure to [redacted] it would be an approximately 28% annual increase.
- Solar assets are recorded at cost in the Balance Sheet rather than FMV, and contributions from tax equity and debt financing are not reflected as income. Solar energy systems valued at cost in the balance sheet for the PBC were [redacted] as of May 31, 2025.
- As a result, revenue and profitability metrics in the PBC are understated compared to actual project economics showing negative [redacted] in the period ending on May 31, 2025

Internally prepared financials for the Devco and PBC for 2025 are provided in Exhibit B.

The core risks to PosiGen's long-term financial position from an operational perspective remain tied to continued origination and growth along with ongoing access to financing to support that growth. However, these risks are partially mitigated by recent industry developments (where some notable competitors have filed for bankruptcy protection) and PosiGen's position in the market. With several national solar competitors having exited or scaled back, PosiGen's differentiated platform and customer focus have positioned it to capture greater market share. Their ability to access new financing, including a forthcoming asset-backed securitization ("ABS"), is a positive signal that supports future scalability and sustainability.

From the perspective of the proposed facility, Green Bank and [redacted] are secured in the first lien (i.e., senior) position using a traditional project finance and bankruptcy remote structure. This structure protects the lenders (i.e., [redacted] and Green Bank) from the cash flows that come from the more than [redacted] (88% in Connecticut) as well as REC revenue to repay our debt service. From our direct experience across three major solar portfolios, we are confident that the cash revenue stream has sufficient cash flow to support not only our debt service but also operation and maintenance expense to keep the solar PV systems performing as expected.

As mentioned earlier, PosiGen has been working with RBC Capital Markets planning for PosiGen's inaugural ABS issuance. The Investments team has been briefed by RBC on their progress with PosiGen on the path to their first securitization. We were briefed concerning the scope of the RBC engagement, the stakeholders they are engaging with – such as investors, ratings agencies, legal and financial advisors, etc. and the feedback that has resulted from this engagement thus far. We have also obtained a sense of sizing for the capital raise (approximately $150 million), a general idea of timing (September / October 2025), and their sense of the market's receptiveness to an inaugural issuance by PosiGen. Although everyone understands how the regulatory clouds and certain bankruptcies by some notable players can impact the investment climate, [redacted] is sufficiently confident that the launch issuance for PosiGen will be successful. On a year-to-date basis, there have been $1 billion in solar ABS issuances in 2025 vs $2.5 billion for all of 2024. Sunrun – a major third-party owner of solar PV systems similar to (but considerably larger than) PosiGen recently and successfully issued $431 million in ABS securities, and this was following the passage of the "One Big Beautiful Bill Act". RBC reports an active pipeline for lease ABS, with both inaugural (like PosiGen) and programmatic issuers expected to access the market. [redacted] and PosiGen have assembled the following team for the proposed issuance:

[redacted]

Staff will brief the Board about the proposed securitization in Executive Session during the Board meeting.

Capital Solutions

PosiGen has applied for up to $21 million from Green Bank through the Green Bank Capital Solutions Program. The full Capital Solutions application is attached hereto as **Exhibit C.**

Via the prior application into Capital Solutions, Staff contacted the 3 professional references via videoconference, including Brookfield Asset Management (the 1L lender). All 3 provided positive feedback with some specific comments highlighting good growth, refining processes in regards to ITC adders, additional capital investment, retained focus on LMI, and positive balance sheet strength.

Staff has analyzed the opportunity through the program Evaluation Matrix attached as **Exhibit D**. Green Bank has invested with PosiGen since 2015. The company has consistently aligned closely with the goals of the Green Bank including clean energy investment, supporting LMI communities, and creating predictable cash flow from its projects. Throughout our relationship, the company has increased its size, developed its management team, improve its balance sheet, and grown its capital. The company continues to meet and exceed its financial and impact goals. Evaluation score is 25 out of 24 from a “bonus point” for “project benefits LMI or underserved communities.”

Recommendation

Staff recommends the Board approve the participation of the Green Bank in a new senior secured debt facility with PosiGen alongside [redacted] Bank. This facility will refinance a subset of PosiGen’s existing lease portfolio in the Brookfield facility, reducing the Green Bank’s second-lien exposure while establishing a new first-lien position funding high-performing Connecticut assets. The structure is intended to preserve the Green Bank’s downside protections through enhanced reserves, a Payment-in-Kind mechanism, and participation in a well-collateralized portfolio. Staff further recommends the Green Bank allocate up to $21 million of capital to this facility, with a direction by the Board to staff to use its best efforts to attract participations in the Green Bank retained position in order to further reduce Green Bank risk.

Resolutions

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

WHEREAS, the Green Bank Board of Directors (the "Board") previously approved subordinated debt financing to PosiGen, PBC ("PosiGen") through a second-lien ("2L") facility under the Brookfield structure, with the current exposure under the 2L facility totaling $16.75 million;

WHEREAS, PosiGen now seeks to establish a new senior secured debt facility (the "New Facility") from Green Bank and a banking partner to refinance a portion of its existing lease portfolio and provide near-term liquidity ahead of a larger follow-on facility expected later in 2025;

WHEREAS, staff recommends that the Board approve Green Bank allocating up to $21 million to the New Facility together with a bank partner and reduce its second-lien exposure as part of the New Facility;

WHEREAS, PosiGen's repayment performance on its existing obligations remains consistent and satisfactory; and,

WHEREAS, that the Board had previously authorized the Green Bank to extend multiple facilities with a cap of $25 million, excluding the Connecticut performance based incentive term loans and excluding third-party participation.

NOW, therefore be it:

RESOLVED, that the Board hereby authorizes the Green Bank to commit up to $21 million in the proposed senior secured debt facility to PosiGen, PBC, as outlined in the July 22, 2025 memorandum presented to the Board provided staff secures the participation of a bank partner of not less than $16.2 million, and further provided that the Board directs staff to use its best efforts to secure additional participations in the New Facility in order to reduce Green Bank's retained position in the New Facility;

RESOLVED, staff is authorized to finalize loan terms, support due diligence, coordinate with other lenders, and conduct internal due diligence; 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; Mariana Trief, Director, Investments; Larry Campana, Associate Director, Investments

Exhibit D
Capital Solutions Evaluation Matrix

Capital Solutions Open RFP Evaluation

Proposal: Approve PosiGen's application for a term loan with additional Participants

	Criteria	Rating	Explanation	Score
1	**Meeting Green Bank Goals – how well does this project align with the Green Bank's goals?**	High	Providing this loan to PosiGen will help the Green Bank achieve the following goal formalized in the Comprehensive Plan: Scaling Up Investment and Impact in Connecticut and Beyond – in order to achieve the climate change goals set forth, more investment from private capital sources leveraged by innovative public sector financing will be needed to scale-up and scale-out the Green Bank model's impact.	3
2	**Green Bank Essentiality – to what extent is participation by the Green Bank essential to the success of the project?**	High	Green Bank has been instrumental to develop and coordinate among multiple organizations to maximize the impact of its finite capital. Green Bank's experience with the customer, knowledge of the regional market, and expertise help to mitigate risk for itself and the potential participants. Finally, Green Bank's ability to step in as a servicer in the event of default provides additional security.	3
3	**Project Feasibility – How feasible is the project to achieve its stated goals?**	High	Highly feasible. There is a proven track record here, and execution on a larger scale is the mandate with respect to this investment.	3
4	**Project Replicability – Could a similar project be replicated in Connecticut or elsewhere, or is this a unique opportunity?**	High	Yes. The proposed facility could be expanded within the state, with or without Green Bank's additional capital. The facility could also be used as a model in other states which would support Green Banks investment in turn.	3
5	**Relevant Experience – Does the proposer offer relevant and sufficient experience for the type of project being proposed?**	High	Yes. PosiGen has been in business for over a decade now and has demonstrated the capabilities to deliver its mandate of expanding clean energy access to LMI households and communities.	3
6	**References**	High	The Connecticut Green Bank has had positive experiences working with PosiGen for over half a decade. 3 external references have been contacted by Staff and Sr. Management.	3
7	**Pending Litigation**	High	Through its status as an Observer to the PosiGen board, the Green Bank has access to all pending litigation with respect to PosiGen and is comfortable with the risk profile associated with all outstanding legal matters which it does not consider material.	3
8	**Management and character review**	High	PosiGen has continued to build out its management team and has enhanced its executive leadership with seasoned veterans from the solar industry and beyond, including highly qualified individuals in the CFO, COO, General Counsel, CHRO, and Chief Compliance and Policy Officer roles.	3
	Bonus Points	**Rating**	**Explanation**	**Score**
1	**Project benefits LMI or underserved**	Applicable	PosiGen's mission and marketing focus is with LMI areas.	1
2	**Project benefits communities with environmentally hazardous areas, such as**	N/A		0
	TOTAL SCORE	**Pass**		**25/24**

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CONNECTICUT GREEN BANK

Memo

To: Board of Directors of the Connecticut Green Bank

From: Ed Kranich (Associate Director of Incentive Programs), Sergio Carrillo (Managing Director of Incentive Programs), Bryan Garcia (President and CEO)

Cc Mackey Dykes, Brian Farnen, Bert Hunter, Jane Murphy, and Eric Shrago

Date: July 18, 2025

Re: Energy Storage Solutions Program – Upfront Incentive Approval Request for Two Scale Microgrids Projects

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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. Upfront Incentive Approval Process

In its June 24, 2022 Board meeting, the Green Bank Board approved a process for the approval of upfront incentives for projects participating in the ESS Program by which projects with estimated upfront incentives greater than $500,000 would follow a process similar to the one used by the C-PACE program.

Within the existing Board of Directors (BOD or Board) and Deployment Committee regular meeting schedule, the Green Bank staff will seek BOD or Deployment Committee approval of these upfront incentives via consent agenda, and only after the upfront incentives are approved, Green Bank staff will issue Reservation of Funds (ROF) letters.

The Board approved that Green Bank staff shall obtain Board or Deployment Committee approval of estimated upfront incentive payments via consent agenda utilizing the Tear Sheet process described in the Memorandum to the Board dated June 24, 2022. Only after securing

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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.

Board or Deployment Committee approval, will Green Bank Staff issue ROF letters to project developers and/or owners.

After projects are fully operational, Green Bank staff will notify the BOD of their intent to issue Confirmation of Funds (COF) letters, highlighting any differences between the Board- or Deployment Committee-approved incentive and the final incentive amount, and the reason for the difference.

B. About Scale Microgrid Solutions

Scale Microgrid Solutions, headquartered in New Jersey and founded in 2016, is a vertically integrated microgrid platform with the expertise to design, build, finance, operate, and maintain distributed energy projects. They rely on their team's expansive knowledge and experience inside energy markets to identify efficiencies and maximize savings.

Scale has been an active partner in ESS since 2024 and they currently have 14 approved projects totaling 53.4 MW.

C. About Albertsons

Albertsons operates as a banner of Albertsons Companies, one of the largest food and drug retailers in the United States. The company operates grocery stores across 35 states and the District of Columbia under 20 brands, including ACME Markets.

Since its founding in 1891, ACME Markets has grown to operate 164 stores throughout its native Pennsylvania, as well as New Jersey, Delaware, New York, Connecticut, and Maryland. Two Connecticut ACME Markets stores are seeking upfront incentive reservations for battery energy storage systems (BESS) to be installed at two locations – one in New Canaan and one in Stamford. The BESS will serve both for demand management and backup power.

D. Request for Approval of New Upfront Incentives Over $500,000

Table 1 below shows the two non-residential projects seeking upfront incentives for a total amount of $1,047,410 and total capacity of 3.854 MW.

Project Number	**ESS-02322**	**ESS-02326**
Utility	Eversource	Eversource
Contractor	Scale Microgrids	Scale Microgrids
System Owner	Scale Microgrids	Scale Microgrids
Customer Class	Medium C&I	Medium C&I
Annual Peak Demand	318 kW	204 kW
Host Customer	Albertsons – ACME Markets	Albertsons – ACME Markets
Host Customer Address	288 Elm St.	1201 High Ridge Rd.
Host Customer City	New Canaan	Stamford
System Pairing	Standalone	Standalone
System Energy Capacity	3,854 kWh	3,854 kWh
System Power	1,927 kW	1,927 kW
Total Battery Cost	$3,079,140	$3,058,297
Incentive Adder	25% (Critical Facility)	25% (Critical Facility)
Upfront Incentive	$523,705	$523,705
Program Dispatch	Active and Passive	Active and Passive

Table 1. Estimated Upfront Incentives Over $500,000

The attached Tear Sheets provide these and other details pertaining to the two projects seeking upfront incentive reservations in the ESS Program.

<u>Resolutions</u>

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

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

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

NOW, therefore be it:

RESOLVED, that the Board of Directors hereby approves the estimated upfront incentives sought by Scale Microgrids for two non-residential projects each for a not-to-exceed amount of $523,705.00 for a not-to-exceed total of **$1,047,410.00** consistent with the approved Procedures; and,

RESOLVED, that the proper Green Bank officers are authorized and empowered to do all other acts and execute and deliver any and all documents and regulatory filings as they shall deem necessary and desirable to effect the above-mentioned incentives consistent with the Procedures.

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CONNECTICUT GREEN BANK

Memo

To: Connecticut Green Bank Board of Directors

From: Barbara Waters, Director of Smart-E Loan Program

CC: Bryan Garcia, Bert Hunter, Eric Shrago, Brian Farnen

Date: July 18, 2025

Re: Smart-E Interest Rate Buydown (IRB) Promotion in Support of Battery Storage/Energy Storage Solutions

---

Green Bank staff proposes to use the remaining $241,405.33 of the American Recovery and Reinvestment Act of 2009 ("ARRA") funds dedicated for Smart-E Loans for an Interest Rate Buydown ("Promotional IRB") on battery storage to run limited time offer promotions with our lending partners for their customers.

The Promotional IRB will be a marketing tool we offer to participating lenders in our Smart-E product. The Green Bank will pay lenders a portion of the interest on loans for battery storage projects as a limited time offer.

<u>Overview</u>

In 2012 the Green Bank received over $8M from the American Recovery and Reinvestment Act of 2009 through a contract with DEEP who received the funds from the U.S. Department of Energy ("DOE") for the benefit of Connecticut. Over the past decade Green Bank has used these funds very successfully in stimulating usage of our Smart-E Loan. For example, in just the past 5 years, we have run three different interest rate buydown ("IRB") promotions that resulted in almost 1,000 loans. During the last promotion, 12 projects that included battery storage were funded using the lower IRB rate. Most were in conjunction with the installation of a Solar PV system.

<u>Rationale</u>

There are two primary reasons to choose battery storage as the product we would like to promote with this effort:

1. A Smart-E IRB on Battery Storage projects is an effective way to maximize the benefits a homeowner can receive when they get a Smart-E loan in conjunction with participation in the Energy Storage Solutions program. It also helps support the state goals in the ESS program.
2. Use of the ARRA funds within any Smart-E loan requires review of the plans for the property in question by the State Historic Preservation Office (SHPO) to ensure that the project does not visibly impact any historic aspects of the house. This can add time to the approval process for measures that can be visible from the outside. However, the applicable historic preservation guidelines already contain an exception for: "Battery storage for solar voltaic panel systems wherein the battery storage system is placed on a nonpublic facing elevation, or an interior installation that does not damage or obscure historic finishes (individually listed or eligible properties)." This suggests potential to streamline the approval process for these projects significantly.

Cost of Promotional IRB

This opportunity will be restricted by the amount of the ARRA funds remaining, and loans will be available on a "first come, first served" basis. Assuming a budget of $241,000, and an average loan of $30,000 for 10 years where the current interest rate is 6.99%, this promotion could result in anywhere between 30 and 90 loans, depending upon the buydown chosen and the actual loan amounts. Our recommended target IRB is 1.99%, where Green Bank as seen in the chart below. We believe this will attract significant attention from both consumers and contractors and will accelerate the pace of battery storage loans into the program. As an FYI, in FY 25, Smart-E processed 30 loans that included battery storage.

$30,000 average cost—10-year loan	**IRB: 6.99% to 1.99%**
Cost of IRB	**$6,296.96**
Number of Loans	**38**

Recommendation and Request

The proposed IRB program would offer a good pathway to utilize the remaining ARRA funds which the Green Bank has utilized in various clean energy financing programs over more than a decade. Additionally, until the funds are expended, Green Bank staff must report quarterly to DEEP / DOE concerning the status of the funds, which consumes staff time and resources. Staff requests the Board approve the request to utilize the remaining ARRA funds for the Promotional IRB program for ESS residential projects utilizing the Smart-E loan program as described above.

__**Resolutions**__

WHEREAS, in 2012, the Connecticut Green Bank ("Green Bank"), through a contract with the Connecticut Department of Energy & Environmental Protection, received over $8,000,000 from the American Recovery and Reinvestment Act of 2009 ("ARRA"), dedicated for Smart-E Loan Program ("Smart-E") initiatives;

WHEREAS, the Green Bank would like to utilize its remaining ARRA funds;

WHEREAS, Staff believes the highest and best usage of the remaining funds is to create an interest rate buydown ("IRB") promotion for Smart-E battery storage projects;

WHEREAS, the Green Bank Board of Directors (the "Board") has previously approved ARRA funds to be used for IRB promotions on Smart-E loans, with significant benefits to Connecticut homeowners; and,

WHEREAS, Green Bank will work closely with its Smart-E lending partners to provide a time-limited, valuable marketing promotion that has been proven effective in increasing customer uptake of Smart-E loans.

NOW, therefore be it:

RESOLVED, the Board approves the use of ARRA funds in an amount not-to-exceed $241,405.33 for a time-limited IRB promotion for Smart-E loans in support of battery storage projects consistent with the Board Memo dated July 18, 2025;

RESOLVED, that all other Smart-E Loan Program terms and conditions remain unchanged; and,

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 IRB promotion with terms and conditions consistent with the Program.

Submitted by: Bryan Garcia, President and CEO; Bert Hunter, EVP and CIO, Eric Shrago, Vice President of Operations; Barbara Waters, Director, Smart-E Loan Program

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CONNECTICUT GREEN BANK

Memo

To: Connecticut Green Bank Board of Directors

From: Robert Schmitt, Associate Director, Marketing & Outreach; Bryan Garcia, President and CEO

CC: Eric Shrago, Vice President of Operations; Jayson Velazquez, Manager of Community Outreach; Leigh Whelpton, Director of Environmental Infrastructure; Ashley Stewart, Manager, Engagement, Environmental Infrastructure Programs

Date: July 18, 2025

Re: Grant Agreement with Sustainable CT Program – Community Engagement

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Background & Purpose

Per the Comprehensive Plan of the Connecticut Green Bank ("Green Bank"), this memorandum seeks approval from the Green Bank Board of Directors ("Board") for it to enter into a grant agreement with Sustainable CT.[1] This grant enables the continued support of Sustainable CT to engage communities throughout the state to improve their sustainability, explore environmental infrastructure needs, and to drive participation in incentive and financing programs administered by the Green Bank and promoted through Sustainable CT.

As highlighted in the Green Bank's Comprehensive Plan for Fiscal Years 2023 through 2026, Sustainable CT and the Green Bank are working together to provide individuals, families, and businesses with investment opportunities to make an impact on sustainability in their communities.[2] The partnership between Sustainable CT and the Green Bank has focused on the following key priorities:

- Driving investment in projects in our communities, with a goal to accelerate over time;
- Community-level engagement, from project origination through financing, that is inclusive, diverse, and "knitted";

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[1] It should be noted that the staff of the Green Bank were actively involved in assisting and setting up Sustainable CT since 2016 and its subsequent formation as a 501(c)3 nonprofit organization in 2019. Bryan Garcia served on its Board of Directors and many members of the Green Bank staff provide support to the organization's efforts. Ashley Stewart of the Environmental Infrastructure team currently serves as a board member.

[2] It should be noted that the Green Bank and Sustainable CT have had a strategic relationship since the FY 2020 Comprehensive Plan

- Creating a structure that harnesses all types of capital for impact – from donations (e.g., through grant-providing platforms such as Patronicity,[3] administered by Sustainable CT) to investment (e.g., through approaches such as green bonds, issued by the Green Bank);

- Developing a business model that covers the cost of the program; and

- Creating a measurable impact, both qualitative and quantitative.

Since 2019, the partnership has been successful in meeting its objectives to support Sustainable CT's capabilities to engage communities throughout the state and work with the Green Bank to provide citizens, families, and businesses with investment opportunities. This engagement has laid a rich foundation of collaboration between the organizations to build awareness of and engagement in Green Bank programs. As the Green Bank continues with the expansion of our scope beyond clean energy to include environmental infrastructure, municipalities are a key stakeholder in identifying priority areas for Green Bank's program development. With the continuation of grant support, Sustainable CT can leverage their strong relationship with towns to get input on Green Bank strategic planning and program build-out for environmental infrastructure.

The Green Bank's goal of no less than 40% of investment and benefits be directed to vulnerable communities by 2025 captures and furthers our longstanding efforts to bring clean energy and environmental infrastructure to more communities in coordination with partners like Sustainable CT. Sustainable CT provides significant support and has built higher engagement in distressed communities statewide, providing an excellent opportunity to funnel new climate actions and support tools into these communities. With new Green Bank programs and goals, future grant work can focus on targeted community engagement and action alignment needed to support new and existing Green Bank programs, particularly Energy Storage Solutions and environmental infrastructure.

The Green Bank's FY 2026 Budget, Marketing Expenditures, allocates $200,000 in funding for the purposes of supporting Sustainable CT with its community engagement efforts, while enabling the Green Bank to access potential end-use customers to achieve its incentive and financing programs and environmental infrastructure program targets for FY 2026. Presented for consideration by the Board is a grant to allocate $200,000 to Sustainable CT to further increase the Green Bank's impact, more specifically, through:

- **Awareness**- as more communities come into the Sustainable CT program, continuing to build awareness of the Green Bank from stakeholders across the state through increased community engagement on our existing incentive and financing (e.g., Solar MAP+, C-PACE, Energy Storage Solutions) programs and services and future initiatives (e.g., Environmental Infrastructure, Resiliency Improvement Districts);
- **Engagement**- engaging Sustainable CT's network of partners, local municipalities, businesses, and their citizens with incentive and financing programs and

[3] Patronicity is a civic crowdfunding platform to support people doing great things in their community, from large initiatives like creating a green alley to small ones, like funding a neighborhood block party

environmental infrastructure that will help them achieve their sustainability goals including Sustainable CT's online crowdfunding campaign (i.e., Community Match Fund) and its Sustainable CT Fellows program;

- **Action**- moving the local municipalities, businesses, and citizens beyond awareness and engagement to action, leading to the purchase and installation of more clean energy and environmental infrastructure through support from the Green Bank

This grant agreement will leverage the existing partnership with Sustainable CT to guide inclusive program development and participation with a focus on environmental infrastructure. The partnership connects the Green Bank with local advocates to help understand local needs, while eventually developing a pipeline of project leads for programs– creating more opportunities for local projects with municipalities, nonprofits, businesses, and families through Sustainable CT and its various citizen engagement approaches.

Increasing Green Bank's Impact in Connecticut through Sustainable CT

Since 2018, Sustainable CT has been the primary platform supporting Connecticut's 169 cities and towns to become more sustainable through a voluntary certification program. Currently, 138 cities and towns are registered and 62 of them certified. 17 municipalities are currently designated as Climate Leaders[4], an increase from 11 last year. This program includes numerous actions where the Green Bank can increase its impact through its programs and services, including participating and promoting the C-PACE program, installing solar and stroage on municipal buildings through the Green Bank Solar PPA, streamlining solar permitting, supporting zero emission vehicle deployment, increasing renewable energy use in municipal buildings, implementing community energy campaigns, and supporting the development of environmental infrastructure projects. Currently, municipalities can earn up to 250 points, more than the 200 points needed for Bronze certification, by taking actions that support Green Bank's clean energy incentive and financing programs. These actions include those that require a town to implement a community energy campaign (such as an educational effort supporting Smart-E), support battery storage (promoting the Energy Storage Solutions program), participate and promote C-PACE (such as opting into the program or hosting a workshop), or increase the use of renewable energy in municipal buildings (such as by using the Green Bank's Solar PPA).

Previous grant activity focused on increasing the Green Bank's impact in communities by "offering up" its line of clean energy incentive and financing programs to help municipalities implement Sustainable CT's sustainability actions. Funding was purposed for various programmatic purposes, including matching grant dollars for Sustainable CT's Community Match Fund, an online crowdfunding platform where citizen leaders access financial resources they need for local sustainability projects, and matching grant dollars for municipal outreach through the Sustainable CT Fellows program. As of July 11, 2025, the Fund has raised

[4] 19 of the 25 municipalities on DECD's Distressed Municipality List 2023 are represented in the Sustainable CT program with Ansonia, Bridgeport, Chaplin Derby, East Haven and Putman being "Registered," East Hartford, Meriden, Montville, New London, Norwich, Torrington, Waterbury, West Haven, Winchester and Winham achieving "Bronze" certification, Mansfield and New Britain achieving "Silver" certification, and Hartford achieving both "Silver" certification and a "Climate Leader Designation."

$2,509,198 from 25,832 individual contributors, which was matched by $2,227,763 from various sponsors, and supported 385 projects. The Community Match Fund enabled the Green Bank's support to match various projects outside of our programs but aligned with our mission of democratizing investment in sustainability projects, including, but not limited to:

- Save Remington Woods: This project relates to covering costs associated with completing and holding screenings for a documentary centered on the Bridgeport community's efforts to conserve and protect Remington Woods. The conservation of this 422-acre urban forest has far reaching impacts on community health, outdoor access, and biodiversity.
- Solarize the Wilcox-Bushley Homestead Environmental Education Center: This project covered the final costs associated with installing a 19.55kW Photovoltaic System at the Farmington Land Trust's Environmental Education Center. The Center provides experiential learning about topics such as the importance of pollinators, land conservation, and climate change. With the addition of solar energy, they can now provide these programs in an energy-efficient and earth-friendly facility.
- Sustainability Expo - For A Resilient North Hartford: The SWIFT Sustainability Expo was a first-of-its-kind gathering that served to connect leading energy professionals to engage the community in dialogue about current energy industry trends. This unique event united everyday consumers with personnel from both public and private energy corporations, in a vibrant setting within Connecticut's Capital City, the iconic Swift Factory.

Through the Sustainable Fellows program of Sustainable CT, students from colleges and universities in Connecticut work directly with community leaders and volunteers to create much-needed capacity at the local level. In FY 2025, the Fellows Program enabled 11 fellows to provide 4,350 hours of direct support to local communities. Green Bank staff participated in the onboarding process to train these Fellows on Green Bank resources to better support municipalities pursuing our programs. Continued sponsorship of the Fellows Program will further:

- Enhance commitment to sustainability by supporting communities where employees and customers live, work, and play.
- Support the development of Connecticut's future workforce and accelerate Connecticut's low-carbon economy.
- Create connections with community leaders across Connecticut.
- Build partnership with Sustainable CT and support the Green Bank's development of environmental infrastructure programs and initiatives.

To date, Sustainable CT has expanded their certification actions to further align with Green Bank programs, developed online resources to increase awareness of the partnership, and facilitated municipal outreach to participating municipalities and stakeholders. Sustainable CT has become a significant outreach channel for the Green Bank's community engagement efforts and underpins the outreach strategy for the Solar Marketplace Assistance Program (Solar MAP+) for Towns & Cities providing project development support for the Green Bank

PPA, as well as the C-PACE program. Sustainable CT deployed new action items to support energy storage and environmental infrastructure related actions by towns. Through these efforts the partnership met the goals outlined in previous grant agreements for the support of Green Bank Solar PPA, C-PACE, Energy Storage Solutions and our expansion into environmental infrastructure.

Furthermore, Sustainable CT plays a significant role in enabling the Green Bank to communicate with communities, both to solicit feedback on program development and to promote existing programs. During the period of the previous grant agreement, Sustainable CT:

- Facilitated introductions and provided municipal contact information to support Green Bank outreach for the Solar MAP+ Green Schools Infrastructure.
- Leveraged their monthly newsletter and social media to promote the Green Bank's webinars, Green Liberty Notes offerings, share hiring announcements, promote Green Bank municipal listening sessions & promote Green Bank PR stories (e.g., Green Bank announcement regarding EPA notice of funding opportunities for greenhouse gas reducing programs).
- In 2024, Sustainable CT launched a new action item for municipalities to earn credit if they "Support Battery Storage Solutions," which supports the Green Bank's Energy Storage Solutions program. One municipality successfully completed this action in 2024, and two have successfully completed it as of June 2025.
- Collaborated with Green Bank staff to provide their expertise for certification review for the actions below:
    - 3.7 Provide Education on Responsible Water Usage
    - 5.6 Streamline Solar Permitting for Small Solar Installations
    - 6.4 Support Zero Emission Vehicle Deployment
    - 7.7 Implement a Community Energy Campaign
    - 7.9 Participate in and Promote the C-PACE Program
    - 7.10 Support Battery Storage Solutions

In Fiscal Year 2025, Green Bank for the first time expanded its support of Sustainable CT by funding the Sustainable Communities Fellow, a yearlong fellowship designed to enable deeper engagement with municipalities in support of achieving Sustainable CT certification. In FY 2025, the Fellow:

- Developed "no-cost assistance" offering to help plan and execute C-PACE workshops for building owners in support of action 7.9 Participate in and Promote the C-PACE Program with the goal of both helping towns and driving participation in C-PACE.
- Conducted outreach to over 70 municipalities regarding the Sustainable CT program, certification, and hosting C-PACE informational workshops
- Promoted No-Cost Assistance C-PACE workshops to 50 municipalities, including:
    - Initiating and leading meetings with municipalities about the C-PACE program and hosting workshops

    - Secured dates for workshops in 6 communities so far with at least 4 more considering participation: Windsor, Fairfield, Mansfield, Norwalk, Stamford, and Windham
        - 4 workshops have taken place (Windsor on 4/24, Fairfield on 5/13, Mansfield on 5/28, and Stamford on 6/26). Fellow supported in planning, logistics, conducting outreach, coordinating with Green Bank and town on marketing tactics, and hosting and executing workshops.
        - These workshops have resulted in 1 new C-PACE Registered Contractor, 19 new leads for the C-PACE program and has reconnected the Green Bank with several town officials and economic developers who are integral to connecting businesses to the Green Bank.
        - Norwalk will be having a workshop in September, and Windham is still planning a workshop date.
        - Bristol, Groton, West Hartford, and Plainville are all interested in participating but have not yet committed.
    - Fellow has also directly connected municipal contacts with the Green Bank and promoted Green Bank programs in conversations.
        - For example, a property owner in Bristol interested in C-PACE was connected to Peter Ludwig after the Bristol Economic Development Director contacted Fellow about this specific property owner
- Additionally:
    - Assisted municipalities with the Sustainable CT Action Roadmap
    - Supported municipalities with Sustainable CT certification
    - Managed the Sustainable CT External Grants Portal
    - Conducted event planning and coordination for Sustainable CT

Overall, grant support has been successful at increasing the impact of the green bank model by supporting our marketing efforts and increasing awareness of and enrollment in Green Bank programs through the support and promotion of Sustainable CT. Continued support would allow the partnership to capitalize on the opportunities currently being harnessed and accelerate activity in our programs.

Grant Allocation

In order to further engage communities to improve sustainability and focus investment opportunities on participation in Green Bank incentive and financing programs and the development of environmental infrastructure program, the grant funds will be used per the following:

1. $30,000 matching grant for Sustainable CT Fellows Program. Sustainable CT will provide opportunities for Green Bank staff to train and mentor fellows on Green Bank programs while fellows encourage and better support municipalities participation in Sustainable CT and their participation in Green Bank related action items.
2. $40,000 for a yearlong fellowship, with a focus on engaging with communities to support Green Bank programs. Fellow will work directly with municipalities to support them in achieving actions related to Green Bank products. For example, they may identify a town, and help them conduct a C-PACE informational workshop (including the work to identify and invite attendees, coordinate location, and securing a speaker from the Green Bank to attend the event, etc.) or support other action items related to Green Bank programs above and beyond the General Operating Support identified in this agreement.
3. $30,000 matching grants for projects submitted through the Patronicity online crowdfunding platform for the Community Match Fund, including collaborating on the promotion of Community Match Fund projects that are aligned with the Green Bank's mission.
4. $100,000 organizational support to Sustainable CT which includes Sustainable CT's continued support of Green Bank programs by integrating them into their certifications, leveraging their engagement with distressed communities to help build awareness of Green Bank programs, and provide strategic communication and community engagement support.

An increase in grant allocation has been made to accommodate a yearlong fellowship, with a focus on engaging communities focused on Green Bank programs. This increase in funding supports Sustainable CT and allows them to increase capacity and provide better services to communities, but will also provide the Green Bank with a more dedicated Sustainable CT staff person who can work with communities to increase their participation and accelerate the completion of action items that result in Green Bank program uptake, and ultimately leading to more of the Green Bank's desired outcomes.

Desired Outcomes

- **Awareness**- more citizen engagement and cities and towns becoming registered and certified by Sustainable CT as sustainable communities given their progress on implementing clean energy and environmental infrastructure projects and recognizing the benefits to them for doing so; and
- **Community-level Engagement and Impact**- significant community-level engagement leads to activity in the Green Bank's incentive and financing programs and critical to garnering feedback needed to shape future environmental infrastructure programs and products. To deliver this impact, in partnership with Sustainable CT, the Green Bank will:
    - **Environmental Infrastructure-** execute on a community-based engagement strategy that continues to include Sustainable CT as a mechanism to solicit municipal feedback in Green Bank's planning strategy and program development, seeking alignment in areas of nature-based solutions for

stormwater management, supporting local agriculture and land conservation, and creating job opportunities;

- o **<u>Battery Storage</u>** – leverage Sustainable CT as a mechanism to increase the deployment of battery storage for residential customers, especially deployment in vulnerable communities to make them more resilient to the impacts of climate change, through its revised action items;
- o **<u>Solar PPA/Roof Lease</u>** – engage towns and cities who can support outreach to affordable multifamily housing properties and Boards of Education to achieve program goals, including the deployment of storage for resiliency; and
- o **<u>Fleet Electrification Accelerator</u>** – engage towns and cities who can support outreach to Boards of Education to support school bus electrification.
- o **<u>C-PACE</u>** – engage Sustainable CT communities to generate no less than 10 leads for the C-PACE program in Sustainable CT communities.
- o **<u>Green Liberty Bonds and Notes</u>** – leverage Sustainable CT to promote Green Liberty Bonds and Notes and seek opportunities to create connections between Green Liberty Bonds and Notes and communities
- o **<u>Project Sunbridge / Solar For All</u>** – work with Sustainable CT to encourage towns and cities participation in Project Sunbridge as well as other community-based campaigns or initiatives of the Green Bank

- **Lessons Learned**- continuously sharing best practices and lessons learned with other municipalities and states in order for the Green Bank to transfer knowledge that increases and accelerates the uptake of clean energy and environmental infrastructure through the adaptation and adoption of the green bank model and its line of incentive and financing programs.

Strategic Selection

Green Bank is pursuing this arrangement and approval from the Board on the basis of a Strategic Selection. The proposed impact investment satisfies all criteria of the Strategic Selection and Award process of Green Bank operating procedures, namely: (1) special capabilities, (2) uniqueness, (3) strategic importance, (4) multiphase project; follow-on investment, and (5) urgency and timeliness:

(1) Special Capabilities
Evolving in large part from the Connecticut Clean Energy Communities Program,[5][6] Sustainable CT is a 501(c)3 nonprofit organization focused on providing local cities and towns with the resources they need to achieve sustainability. It has demonstrated exceptional experience and expertise in community engagement, and a strong platform to help the Green Bank achieve its objectives, including rewarding municipalities for supporting and participating in Green Bank programs.

[5] Created in 2005 by the predecessor of the Connecticut Green Bank – the Connecticut Clean Energy Fund
[6] "Climate Policy and Voluntary Market Initiatives: An Evaluation of the Connecticut Clean Energy Communities Program" by Matthew Kotchen as Working Paper 16117 of the National Bureau of Economic Research.

(2) Uniqueness
The highly successful engagement presents a unique opportunity to leverage the momentum and heightened awareness of Green Bank resources to further drive program activity through a highly visible community-based initiative across Connecticut.

(3) Strategic Importance
At the strategic retreat of the Green Bank in 2019[7], it was determined that by creating a public awareness and engagement program in partnership with Sustainable CT, the Green Bank could enlist local citizens to take action on clean energy – deploy it, invest in it, and defend it (e.g., build citizen support for the Green Bank). The Green Bank was very active in the formation of Sustainable CT and currently serves on its board of directors. Sustainable CT will match the Green Bank's contribution (e.g., through community match fund contributions, etc.) and its programs will have broad reach and deliver exceptional education value of strategic importance to the Green Bank.

(4) Multiphase; Follow-on Investment
Green Bank recognized the ability of Sustainable CT to drive sustainable action and investment in communities at its inception. Through early participation in Sustainable CT's working groups, Green Bank has integrated its programs and products into Sustainable CT's menu of coordinated, voluntary sustainability actions for municipalities. The Green Bank looks to continue to integrate new programs and initiatives into the menu of actions, especially a focus on environmental infrastructure. Under previously awarded grants, Sustainable CT has demonstrated its leadership in driving sustainable actions in communities while deepening the Green Bank's engagement with municipalities. The proposed grant builds on these connections and bolsters the human resources available to municipalities through the Sustainable CT Fellows program and operational support to provide the capacity needed to participate in Green Bank incentive and financing programs and achieve certification. As highlighted in the Green Bank's Comprehensive Plan for Fiscal Year 2023 through 2026, Sustainable CT and the Green Bank are working together to provide individuals, families, and businesses with investment opportunities to make an impact on sustainability in their communities from grants through the Community Match Fund to bonds through the Green Liberty Bonds.

(5) Urgency and Timeliness
The previously awarded grant to Sustainable CT expired at the end of the Fiscal Year, while our engagement with Sustainable CT communities is still underway. It is important to renew our grant support in a timely fashion so that our partnership and the community engagement that our programs are relying on is uninterrupted.

[7] Connecticut Green Bank 2.0 – From 1 to 2 Orders of Magnitude (click here)

Conclusion & Recommendation

Sustainable CT offers strategic importance for the Green Bank to increase its impact by applying the green bank model through its incentive and financing programs to help municipalities improve their sustainability and take action on clean energy and environmental infrastructure. The proposed grant agreement is necessary to expand upon the existing partnership between Sustainable CT and the Green Bank. With Board approval, the partnership will continue to engage communities through providing input on program development, driving investment in projects in our communities, supporting communities from project origination through financing, and creating a measurable impact.

Staff recommend this grant agreement to the Board for approval.

Strategic Plan

Is the program proposed consistent with the Board approved Comprehensive Plan and Budget for the fiscal year?

Yes – the proposed grant agreement underpins the partnership between the Green Bank and Sustainable CT that is highlighted and specified in Green Bank's Comprehensive Plan for Fiscal Years 2023 through 2026 as well as the FY26 budget allocation of $200,000.

Ratepayer Payback

How much clean energy is being produced (i.e. kWh over the project's lifetime) from the program versus the dollars of ratepayer funds at risk?

Sustainable CT has supported outreach for the Green Bank's Solar MAP program in previous years, resulting in Green Bank Solar PPA projects with Sustainable CT participating towns and cities. 5 Green Bank Solar PPA projects (i.e., 863 kW and $2.2 MM in investment) produce an average 69,000 MWh over the lifetime[8] of the projects. Therefore, previous grants to Sustainable CT have generated nearly $1.3MM of Green Bank investment through the Green Bank Solar PPA product.

The Green Bank's outreach and business development strategy has shifted for the Solar MAP+ program, with a focus on schools and Affordable Multifamily Housing. Sustainable CT has continued to support this outreach and engagement which will lead to additional PPA projects. Sustainable CT also encourages participation in Green Bank programs like C-PACE and Energy Storage Solutions that will result in positive outcomes for ratepayers such as kWh of clean energy being produced. This can be achieved through an emphasis on Sustainable CT action items such as those encouraging local business owners to access C-PACE financing. In FY 2025, the Sustainable Community Fellow sourced C-PACE workshops which are creating leads and pipeline for future C-PACE applications and project closings. So far, 19 leads have been produced and one new contractor has joined the program, who may provide additional leads or project opportunities through their participation.

With respect to Environmental Infrastructure, metrics to track outcomes of this grant support will be through municipal participation in programs being developed. Sustainable CT has an

[8] Green Bank average PPA system size is 172.65 kW.

established market that supports municipal infrastructure investment across all the Green Bank's key environmental infrastructure areas, including many nature-based solutions like agriculture, land conservation, and stormwater management, to name a few.

Terms and Conditions

What are the terms and conditions of ratepayer payback, if any?

As a result of the increase in interest revenues from 5 Green Bank Solar PV projects in previous years, derived from approximately $1.3 MM investment of Green Bank funds through the Green Bank Solar PPA (i.e., each project on average is a $432,500 investment of which 60% of the capital is from the Green Bank)[9] generating approximately $85,000 in present value interest income per project (i.e., from $110,000 in interest income over the life of the PPA), for a total of $425,000 present value interest income for 5 projects, the costs of the grant as well as personnel and non-personnel related expenses has been covered 2 times over.

This is representative of Sustainable CT's ability to drive positive outcomes for Green Bank programs. As the Green Bank has shifted its outreach strategy on the Solar PPA for municipalities, it will look to achieve this ratepayer payback by generating interest in other programs, such as Solar PPAs for affordable multifamily housing or schools which are likely to provide similar value, or for C-PACE projects. A typical C-PACE project generates approximately $145,000 in present value interest income per project, meaning a single C-PACE project covers nearly 75% of the total grant cost alone.[10] The Green Bank currently has several active applications for C-PACE financing from leads generated due to outreach conducted in Fiscal Year 2023 by municipalities motivated to complete C-PACE related action items.[11] There are several additional leads in the C-PACE pipeline generated as a result of municipal outreach. The team anticipates that C-PACE workshops conducted in partnership with Sustainable CT Fiscal Year 2025 will lead to additional applications for financing.

While raising funding is a top priority for the development of environmental infrastructure programs, partnering with Sustainable CT to support municipal access to and development of environmental infrastructure initiatives are enabled through increasing grant support. As new programs are further developed under environmental infrastructure, (e.g. Smart-E's expansion into climate adaptation and resilience and water measures, C-PACE inclusion of resilience) having established connections with towns for marketing these programs will be important.

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[9] Of the total investment of $13.4 MM of investment on the Green Bank Solar PPA in FY 2019, $8.1 MM was from the Green Bank.

[10] Net Present Value calculation based on the incremental increase in interest income generated for the Green Bank through a C-PACE financed transaction vs. the return the Green Bank could achieve through lower risk options (e.g., a treasury note), assuming a typical C-PACE project of $500,000 with a 20-year term, 5.75% interest rate and a 4.50% discount rate.

[11] Sub-action 7.9.2 (encourage local business owners to access C-PACE financing).

Capital Expended

How much of the ratepayer and other capital that Green Bank manages is being expended on the project?

The full $200,000 grant amount is coming from earned revenues from the Green Bank's financing programs.

Risk

What is the maximum risk exposure of ratepayer funds for the program?

The maximum risk exposure is $200,000 of Green Bank funds.

Financial Statements

How is the program investment accounted for on the balance sheet and profit and loss statements?

When funds are paid:

$200,000 Credit: Cash [Sustainable CT Grant – Marketing Expense]

Target Market

Who are the end-users of the engagement?

There are multiple end-users who will benefit from this engagement, including:

- Participating Sustainable CT Communities – those cities and towns, especially vulnerable communities, which utilize the Green Bank's incentive and financing programs to reduce the burden of energy costs through the deployment of clean energy, and those supporting the development of environmental infrastructure initiatives;
- Sustainable CT Fellows – Connecticut college and university students supporting Sustainable CT cities and towns across the state; and
- Citizens – local citizens who use the Patronicity platform to match contributions through an online citizen engagement platform in support of local sustainability projects in their communities.

Green Bank Role, Financial Assistance & Selection/Award Process

The Green Bank will award the grant.

Risks and Mitigation Strategies

The following is the key risk and mitigation strategy:

<u>Loss of the Grant</u> – the $200,000 grant to Sustainable CT is intended to create new opportunities (i.e., new marketing channels for environmental infrastructure or C-PACE) for the Green Bank to offer its incentive and financing programs. If there is not enough origination of transactions from the Green Bank's programs (e.g., closed C-PACE or Solar

PPA projects), then the likelihood of interest income paying for the grant over time is lessened.

It should be noted that on average $85,000 of present value of interest income (i.e., earned revenues) is generated from a solar PPA project through the Sustainable CT channel and a typical C-PACE project produces $145,000 in present value. In order to cover the $200,000 grant, only 1 typical C-PACE and 1 Solar PPA project would be required to cover the cost of the grant. The mitigation strategy is to develop and track measurable performance targets to ensure that grant proceeds towards community-based marketing strategies are resulting in increased deal flow to the Green Bank.

Market Development – Sustainable CT has incentivized sustainable actions through a voluntary certification program that has expanded to include more than 75% of municipalities in Connecticut. Through this work they have developed a market for municipal and community led action towards environmental stewardship, climate change mitigation and planning. This partnership, with respect to environmental infrastructure, will focus on working with Sustainable CT to expand its support of modernized environmental infrastructure through community and municipal projects.

Resolutions

WHEREAS, the Comprehensive Plan and FY 2026 budget identify Sustainable CT as a partner of the Connecticut Green Bank ("Green Bank"), including an allocation of $200,000 from the FY 2026 Marketing budget;

WHEREAS, the Green Bank staff has submitted to the Green Bank Board of Directors (the "Board") a proposal for Green Bank to enter into a grant agreement with Sustainable CT for $200,000 for programmatic purposes in order to increase our impact by applying the green bank model through Sustainable CT's programs as explained in a memorandum to the Board dated July 16, 2025;

WHEREAS, Sustainable CT satisfies all criteria of the Strategic Selection and Award process of Green Bank operating procedures, namely: (1) special capabilities, (2) uniqueness, (3) strategic selection, (4) multiphase, follow-on investment and (5) urgency and timeliness;

WHEREAS, Green Bank staff recommends that the Board approve a grant between the Green Bank and Sustainable CT, generally in accordance with memorandum summarizing the grant to the Board in a memorandum dated July 16, 2025; and,

WHEREAS, Green Bank would benefit from Sustainable CT's public awareness and engagement program to increase participation in and development of Green Bank's incentive and financing programs, especially those in development for environmental infrastructure. Through the partnership, Green Bank and Sustainable CT are driving investment in projects in communities throughout the state.

NOW, therefore be it:

RESOLVED, that the Board approves Green Bank staff to enter into a grant agreement with Sustainable CT as a strategic selection;

RESOLVED, that the President, Chief Investment Officer and General Counsel of Green Bank, and any other duly authorized officer of Green Bank, is authorized to execute and deliver on behalf of Green Bank any of the definitive agreements related to the Sustainable CT grant agreement and any other agreement, contract, legal instrument or document as he or she shall deem necessary or appropriate and in the interests of Green Bank and the ratepayers in order to carry out the intent and accomplish the purpose of the foregoing resolutions; and,

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

Submitted by: Robert Schmitt, Associate Director, Marketing & Outreach; Bryan Garcia, President and CEO

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CONNECTICUT GREEN BANK

Memo

To: Connecticut Green Bank Board of Directors

From: Robert Schmitt, Associate Director, Marketing & Outreach

Cc: Bryan Garcia, President & CEO; Mackey Dykes, Vice President of Financing Programs; Brian Farnen, General Counsel & Chief Legal Officer; Eric Shrago, Vice President of Operations

Date: July 18, 2025

Re: Manufacturing Innovation Fund Sustainable Business Pilot: GreenGain Program

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Manufacturers in Connecticut are faced with many challenges when it comes to sustainability. Not only are they feeling pressure from rising energy costs, exasperated by the energy-intensive nature of their business, but they are also feeling pressure from their customers who seek to work with companies who demonstrate their commitment to responsible business standards. Increasing or uncertain costs for raw materials and components sourced or manufactured overseas means tighter margins, making saving on energy costs more important than ever. To remain competitive, manufacturers need tools and resources to address these issues. The Connecticut Green Bank ("Green Bank") has supported manufacturers in reducing their energy costs for years – including 30 manufacturing companies through its Energy on the Line program – and recognizes the burden this sector of the business community experiences from rising costs and increasing regulatory and market pressures – see Attachment A.

Last year, through a partnership with the Department of Economic and Community Development ("DECD") through its Manufacturing Innovation Fund ("MIF"), Connecticut Sustainable Business Council ("CTSBC") and the Green Bank, the Green Gain program was launched in order to continue to support Connecticut's manufacturing community with both outreach & education and funding that supports the development of projects related to manufacturer's energy, resiliency and sustainability challenges. GreenGain, led by the CTSBC, builds off the Green Bank's experience and success working with MIF on the Energy on the Line program and leverages CTSBC's unique role in the business community as an advocate, convener and problem solver.

To fund this initiative, MIF approved $355,000 in funding for GreenGain to support administrative costs, technical support and a voucher program, administered by the CTSBC and overseen by the Green Bank. The Green Bank has sought to leverage this opportunity to build stronger relationships with Connecticut's manufacturing community and to enable the

CTSBC to provide critical training & mentoring by administering the program on the Green Bank's behalf. The Green Bank expects this effort will increase awareness and adoption of its financing and incentive programs, without risking ratepayer dollars, whilst providing critical support to the manufacturing community in addressing their energy, sustainability and resiliency needs. Manufacturers have consistently accessed C-PACE financing, driving investment in the program

This program has satisfied a need identified by MIF and Green Bank following the conclusion of the Energy on the Line program for continued engagement with the manufacturing community, especially to support manufacturers in addressing their concerns around energy costs and efficiency, and other sustainability topics. Green Gain addresses this need without creating a significant burden on Green Bank staff time whilst still building awareness of its offerings for manufacturers including C-PACE for retrofit projects, new construction, electric vehicle infrastructure and resiliency. It also supports MIF's need to work with a trusted partner and expert in the area of energy and sustainability in conducting outreach. The program design also means that manufacturers who could not access C-PACE and may have been left on the sidelines during Energy on the Line are able to be met with support that better suits their needs in growth, innovation and progress towards more efficient, sustainable and resilient businesses.

This program is nearing the end of its first year, which has seen significant engagement from manufacturers eager to learn best practices and pursue support for projects that increase their sustainability. Across advanced manufacturing, printing, medical device manufacturing, cabinet making, and more, this program provides support for this critical industry during an important time. Green Bank and CTSBC have outlined a plan for extending this offering and are seeking additional funding from MIF to expand the program for two additional years.

Connecticut Sustainable Business Council

The CTSBC is an independent non-profit organization that brings together the state's sustainable business leaders. Their mission is to "engage and educate a cross-sector business community in building a sustainable economy in Connecticut." The Green Bank has supported this organization since it was founded in 2016, both through memberships and through supporting educational engagements with their community. Mackey Dykes, Executive Vice President of Financing Programs served on the Board of Directors from 2016 to 2024. Peter Ludwig, Senior Manager of Market Engagement stepped into this role in 2024.

As an independent non-profit, CTSBC is uniquely positioned to engage Connecticut's business community. CTSBC approached the Green Bank about partnering to conduct outreach to manufacturers across the State, providing them with subject matter expertise and financial resources to address efficiency and resiliency issues. CTSBC was building a coalition of partners to support in the education, training, and consulting needed to offer this outreach and identified the Green Bank as a fiscal and educational partner.

GreenGain Program: Year One

CTSBC initially proposed to MIF a 1-year pilot program called GreenGain – see Attachment B. To fund this initiative, the MIF approved $355,000 in funding to CTSBC through the Green Bank with $115,000 to support administrative costs and technical support (with CTSBC making additional in-kind contributions) and $240,000 for the voucher program.

The purpose of the program is to "provide access to training, subject matter expertise and financial resources to help small manufacturing companies merge energy efficiency and resilience with economic gains." This program concept was created and developed by CTSBC.

CTSBC identified the Green Bank as an educational partner and subject matter expert with opportunities to communicate the benefits and values of our financing programs throughout the program. In addition, they have identified outreach partners with previous C-PACE and Energy on the Line experience to support in the implementation of the program and support of the program. As a previous recipient of MIF funding, strategically partnering with the Green Bank to oversee the program's implementation while also providing its subject matter expertise created a unique opportunity for CTSBC to strengthen their proposal for funding.

CTSBC also identified the Green Bank as a fiscal and program implementation partner based on our experience with MIF and the successful Energy on the Line program. In effect, this results in a program that meets the Green Bank's goals of building upon the Energy on the Line program and objectives, but with minimum staff time required, and allowing manufacturers more flexibility in addressing their needs. It also allows MIF to continue addressing the needs of manufacturers while leveraging the Green Bank's network and expertise, by empowering the Green Bank to financially administer the program and work with CTSBC to execute on outreach and engagement.

The Connecticut Green Bank Board of Directors approved resolutions on July 26, 2024 that:

1. Approved staff's request to enter a Memorandum of Understanding with DECD for funding for the GreenGAIN Program, and;
2. Approved staff's request to enter into a Professional Services Agreement with the CTSBC to administer the GreenGAIN Program pursuant to Green Bank Operation Procedures Section XII.

Subsequently, the Green Bank executed agreements with both DECD and CTSBC in October, 2024, enabling the program's launch. Green Bank's Memorandum of Understanding with MIF allows it to receive and disburse the funding for GreenGain. GreenGain is administered by CTSBC under a Professional Services Agreement ("PSA") with the Green Bank, who oversees the implementation. CTSBC offers the training and mentoring, outreach, technical support, and coordination with MIF. The Green Bank regularly engages with CTSBC and ensures that all policies, guidelines and administration of the program are consistent with the terms of its MOU with the DECD as well as Green Bank's mission and values.

The program has four components:

1) **Training:** Training is delivered each month by subject matter experts. Companies such as Assa Abloy, Barnes Group and Stanley Black and Decker will serve as case studies and guest speakers. In between, a digital learning platform will house instructional videos, templates, tools and additional resources.
2) **Implementation and Mentoring:** Consulting, along with a corporate mentorship program that matches participating manufacturers with large manufacturers that will lend time and expertise to help participants implement what they learn from the training.
3) **Vouchers:** The voucher program provides matching funds to manufacturers seeking to implement energy efficiency equipment upgrades, renewable energy projects and battery storage. It also includes funding for energy audits and assessments to determine projects with the highest ROI.
4) **Outreach:** Outreach will consist of emails, social media posts and phone calls to the target audience. Partnerships with industry associations, chambers of commerce and other groups such as IAC that also target manufacturers. GreenGain leadership will speak at industry conferences and participate in webinars to boost recruitment. We will leverage a robust network of businesses and industry associations in Connecticut such as CT Sustainable Business Council, New Haven Chamber of Commerce, Minority Business Development Council, UCONN Industrial Investment Center, and the manufacturing industry groups in the state.

In the program's first year, so far:

- 6 manufacturers (average annual revenue of $20,743,282 and 78 Connecticut-based employees) participated in the first training and mentoring cohort.
- 4 manufacturers have already applied for the second cohort, launching August 27th.
- The first cohort had workshop and training opportunities including:
  - Tour of Legrand Facility in West Hartford
  - Introduction to Sustainability in Manufacturing Training
  - Understanding Standards, Certifications and Frameworks Training
  - Leveraging Carbon Accounting for Business Advantage Training
  - Navigating Energy Efficiency Programs and Clean Energy Financing Training
- CTSBC is finalizing multiple voucher applications, which will draw upon the $240,000 provided by MIF, including:
  - **Cricket Press, Inc.** Anticipated request for $9,000 (with a matching company contribution of $9,000) for new shrink-wrap equipment that will reduce energy consumption by 20-30%, reduces idle time over current inefficient equipment, and reduces waste by 15% by enabling more sustainable packaging materials.
  - **Beekly Corporation:** Anticipated request for $16,950 (with a matching company contribution of $17,564) for new metal inkjet plate makers that will reduce energy usage by 700+ kWhr a year, reduce hazardous waste by 100 pounds per year, a reduce paper waste by 34,000 linear feet per year.

    - Additional applications from the first and second cohort will draw additional funds from the total available amount. CTSBC anticipates a total of 6 applications for a total of $75,000 expended (with at least $75,000 in matching contributions from the participating manufacturers). This will leave approximately $165,000 in voucher funds remaining at the end of the first year agreements with DECD and CTSBC.
- Additionally, at least one participant is interested in pursuing the utilities Small Business Energy Advantage (SBEA) program (a program which the Green Bank supports).

Agreements in place allow the current program to run through October, 2024. In its first year, the Green Gain program has built community around sustainability in the manufacturing community, providing the cohort an opportunity to learn from peers and assess their sustainability practices and goals. Other manufacturers are interested in joining and prepared to participate in the next cohort and are demonstrating a need for continued support of the program both to draw down on the remaining funding and to create new opportunities for additional manufacturers.

Expanding GreenGain Beyond Year One

CTSBC and Green Bank seek to extend the GreenGain program for two years in order to continue providing support for the manufacturing community, provide training and mentoring to the second and additional cohorts of participating manufacturers, to administer the remaining voucher funds and to seek additional funding.

MIF will be considering additional funding requests in August 2025, and Green Bank Staff are seeking the Board's support of a request for additional funds to extend the program for two years, along with approval to amend the MOU with DECD to fund the program and approval to execute a new PSA with CTSCBC to administer the program in the event MIF approves additional funding. These pre-approvals are important from a timing perspective to ensure continuity of the program and access to vouchers for participating manufacturers, and sustained funding of resources and staff at CTSBC.

The first-year pilot of GreenGain demonstrated that structured, practical support makes a difference to participating manufacturers. Additional time and resources will support more local companies, with a goal of 30 manufacturers being served by the end of the additional two-year period.

In order to achieve this, CTSBC and Green Bank are seeking an additional $285,000 in voucher funding (which will augment the remaining pool of funding), $60,200 in additional administrative support to support program administration, accounting and outreach, and an additional $226,200 to support program director, program coordinator, events, a digital learning platform, and mentorship services. This includes additional staff time to conduct the outreach and direct support that manufacturers demonstrated needing in the first year of the program.

Benefits

For the Green Bank, the GreenGain initiative fills a market need for support of the manufacturing community in Connecticut, while addressing the Green Bank's concerns over the resource-intensive needs of running an outreach campaign. It also allows for an approach that meets manufacturers where they are, providing the services and support they need based on their size and the energy and sustainability issues they are addressing. It is also done without use of the Green Bank funds and, because CTSBC will administer the program, this will be achieved with minimal Green Bank staff time.

By serving this role, the Green Bank is able to engage closely with the CTSBC team and ensure that GreenGain supports our goals and initiatives. Development efforts and educational initiatives through this program should lead to positive outcomes, including manufacturers accessing financing products like C-PACE or SBEA, while also helping manufacturers achieve other actions needed on their journey's too be more sustainable and resilient (e.g., preliminary energy assessments and engineering). Without the Green Bank's support and involvement, such a program is unlikely to happen, leaving a significant gap in the market. The Green Bank's support will raise our brand's profile amongst this critically important sector of Connecticut's business community and support manufacturers in addressing the issues they face. It will enable the CTSBC to support this community and for MIF to provide continuity in its program offerings around issues of energy and sustainability.

Strategic Selection

The selection of CTSBC for the administration of the GreenGain program falls within the parameters of a strategic selection, subject to Board approval, for the reasons outlined below.

- **Special Capabilities** – CTSBC designed and developed a proposal for the GreenGain program based on their experience working with Connecticut's business community and identifying a unique opportunity to partner with the MIF. They sought the support of the Green Bank and other partners in order to bring this concept to market. MIF previously approved $355,000 in funding based on the initial program proposal CTSBC has developed contingent upon the Green Bank playing a fiscal role and overseeing the program. The opportunity to invest those funds in outreach to the manufacturing community was contingent upon the Green Bank selecting CTSBC to administer the program they developed. Extending the GreenGain program would not be possible without CTSBC who has developed and executed on the program and who has outlined the approach and proposal to MIF for a program extension that ensures continuity of support for the manufacturing community over the next two years. CTSBC is uniquely positioned to deliver an additional $285,000 in voucher funding to the manufacturing community, and leverage $286,400 in additional funding to administer and staff the program, offer events, deliver a digital learning platform, and offer mentorship services that otherwise will not be available to manufacturers.

- **Strategic Importance** – Connecticut has a rich manufacturing history, and manufacturing continues to be an important sector of the State's economy. Connecticut's manufacturing community feels the burden of increasing and fluctuating energy costs more than most industries, and additional pressure from supply chain uncertainty and the cost of raw materials make it even more critical of a time to support this industry. At the same time, they are also experiencing pressure from their customers and as members of supply chains to adopt more responsible business standards. The Green Bank was partnered with the MIF from 2016 through 2023 to support this community through the Energy on the Line program, the conclusion of which represents a gap in serving this critical sector of the market. The GreenGain program will continue to support a market sector which drove over $11M in C-PACE financing from 2016-2024.

- **Urgency and Timeliness** – The Green Bank and MIF ended the Energy on the Line program in 2022. GreenGain is MIF's current offering for the manufacturing community, who is disproportionately impacted by the pressures of energy costs and under increasing scrutiny from customers looking for responsible business standards, that address the areas of energy, sustainability, and resiliency. GreenGain launched in the Fall of 2024 and current funding will expire in October, 2025. Extending the GreenGain program will ensure continuity of this offering, supporting this critical sector of the Connecticut economy.

- **Multiphase Project** - Successful execution of the GreenGain program will result in increased awareness and education of Green Bank offerings and could lead to transactions including C-PACE financing or use of other Green Bank products. If the GreenGain program proves effective in achieving the goals of MIF and the Green Bank, it could lead to additional funding from MIF to expand or continue the program beyond the current extension being considered.

Recommendation

Green Bank staff recommends the Board approve of the Green Bank's support of and coordination with CTSBC on a request to MIF to extend the GreenGain program.

Should MIF approve the GreenGain extension and additional funding, staff requests the Board's approval to amend the existing Memorandum of Understanding with DECD to receive additional funding, up to $571,400, from the Manufacturing Innovation Fund enabling a two-year extension to the program.

Further, staff recommend that should MIF approve the GreenGain extension and additional funding, the Board approve of the Green Bank entering a new PSA with CTSBC, as a Strategic Selection, to continue administering the GreenGain program and managing voucher funds.

Resolutions

WHEREAS, the Connecticut Green Bank ("Green Bank") supports the Connecticut manufacturing community in their pursuit of solutions to issues of energy, sustainability, and resiliency and Green Bank offers products and programs including C-PACE, SBEA, and Energy Storage Solutions that support Connecticut's manufacturing community;

WHEREAS, Green Bank Board of Directors (the "Board") previously approved resolutions on July 26, 2024 that authorized staff to enter a (i) Memorandum of Understanding with the Connecticut Department of Economic and Community Development ("DECD") for funding for the GreenGain Program, and (ii) Professional Services Agreement with the CT Sustainable Business Council to administer the GreenGain Program pursuant to Green Bank Operation Procedures Section XII; and

WHEREAS, the Manufacturing Innovation Fund previously approved $355,000 in funding with $115,000 to support administrative costs and technical support and $240,000 for vouchers for the grant program;

NOW, therefore be it:

RESOLVED, that the Board approves staff's request to support CT Sustainable Business Council in pursuing expansion of the GreenGain Program, requesting from the Manufacturing Innovation Fund a two-year extension and additional funding up to $571,400 comprised of $285,000 in additional voucher funding, an additional $60,200 for administration, accounting and marketing and outreach, and an additional $226,200 to a support a program director, program coordinator, events, a digital learning platform, and mentorship and training services over the course of the two-year extension;

RESOLVED, that, should the Manufacturing Innovation Fund approve the request for program extension and additional funding, the Board authorizes staff to enter into a new Memorandum of Understanding with the Department of Economic and Community Development by the amount approved by the Manufacturing Innovation Fund; and

RESOLVED, that, should the Manufacturing Innovation Fund approve the request for program extension and additional funding, the Board authorizes staff to enter into a Professional Services Agreement with the Connecticut Sustainable Business Council in an amount not to exceed the amount approved by the Manufacturing Innovation Fund plus the amount of any remaining voucher funding at the end of the first Professional Services Agreement, to administer the GreenGain Program as a Strategic Selection and Award pursuant to the Green Bank Operating Procedures Section XII given the special capabilities, strategic importance, urgency and timeliness, and multi-phase characteristics of the GreenGain program; and

RESOLVED, that the proper Green Bank officers are authorized and empowered to do all other acts and execute and deliver all any documents as they shall deem necessary and desirable to effect the above-mentioned legal instrument or instruments.
Submitted by: Robert Schmitt, Associate Director, Marketing & Outreach

Attachment A – Energy on the Line

CONNECTICUT GREEN BANK.
BUILDING SOLUTIONS

Energy on the Line

The L.C. Doane Company will save **more than $55,000** in energy costs this year.

Energy Upgrade
200 kW roof mounted solar photovoltaic system

Project Energy Savings
$1.47 million over the life of the upgrades

"As a government subcontractor in the defense industry, it is essential to keep our own lights on. While manufacturing occurs under our roof, the power source is created from above. As we continue to expand, so does our roof!"
Bill Psillos, Vice President

Stencil Ease will save **more than $20,000** in energy costs this year.

Energy Upgrade
72 kW roof mounted solar photovoltaic system

Project Energy Savings
$400,000 over the life of the upgrades

Organization Name	Municipality	Total C-PACE Financing	Grant Amount	Project Description
The L.C. Doane Company	Essex	$1,094,500.74	$40,000.00	201.96 kW solar & roof
Sterling Engineering	Barkhamsted	$934,553.00	$40,000.00	293.76 kW solar & roof
Watertown Plastics	Watertown	$692,752.30	$40,000.00	280 kW solar
KTI, Inc.	East Windsor	$609,281.65	$40,000.00	267 kW solar
KR Grinding	New Britain	$566,933.62	$38,650.38	204.8 kW solar
Viking Kitchen	New Britain	$522,660.90	$35,632.10	204.8 kW solar
Precision Metal Products, Inc.	Milford	$470,977.80	$40,000.00	216.2 kW solar
Glenbrook Industrial Park	Stamford	$413,980.69	$35,402.90	135 kW solar & roof
Plastonics	Hartford	$406,526.58	$27,598.75	99.7 kW solar & roof; Lighting, Windows, Air Sealing
Progressive Sheet Metal	South Windsor	$394,578.54	$24,313.00	
– First Phase		$189,852.75	$11,698.00	36.8 kW solar
– Second Phase		$204,725.79	$12,615.00	32.8 kW solar & roof
La Pietra	Brookfield	$393,336.78	$26,703.24	135 kW solar; LED Lighting
Defeo Manufacturing	Brookfield	$390,926.53	$25,729.13	64.75 kW solar
New England Airfoil Products	Farmington	$377,457.94	$25,287.57	LED lighting, Catalyst EMS
Metal Finishing Technologies	Bristol	$370,650.53	$17,606.17	New electrical, new modern waste water
Bella Fabrics	Bethel	$357,359.89	$24,351.61	128.8 kW solar
Bausch Advanced Technologies	Clinton	$316,761.05	$21,504.63	137.1 kW solar
Ferazzoli Imports	Middletown	$289,193.10	$18,701.97	125 kW solar
Pyramisa Marble & Granite LLC	East Hartford	$268,599.28	$22,724.00	110.76 kW solar
Rome Fastener Corporation	Milford	$257,275.04	$12,426.14	56.1 kW solar & roof
DLZ Architectural Millwork	Hartford	$253,544.79	$21,481.33	98.28 kW solar & roof
Action Air Systems	Manchester	$249,804.36	$12,095.12	61.1 kW solar
4-6 New Park Road	East Windsor	$245,252.27	$11,891.95	113 kW solar
Gold Bond Mattress	Hartford	$221,931.04	$15,036.88	LED Lighting
Stencil Ease	Old Saybrook	$207,102.87	$14,080.55	72.8 kW solar
Bausch Technologies	Clinton	$180,684.76	$4,745.11	Lighting, HVAC
Burmco Inc.	North Haven	$153,844.22	$14,209.00	44.1 kW solar & roof
Royal Screw Machine Products	Bristol	$129,731.52	$6,217.68	High efficiency compressor with VFD, LED lighting, windows, roof & insulation
Richard Manufacturing Co.	Milford	$115,593.48	$8,043.32	44.16 kW solar
CT Boiler	West Hartford	$75,089.06	$3,598.84	28.1 kW solar
Watertown Plastics	Watertown	$65,620.32	$4,476.94	22.4 kW solar
	Totals	$11,026,504.65	$672,508.34	

Attachment B – Year One GreenGain Proposal

<u>GreenGain: *Energy Efficiency and Eco-Actions for Small CT Manufactures (Pilot Program)*</u>

This program provides access to training, subject matter expertise and financial resources to help small manufacturing companies merge energy efficiency and resilience with economic gains.

<u>Why GreenGain?</u> A CT manufacturer with 25 employees recently faced a dilemma: submit an Ecovadis rating or lose one of its biggest clients. Another small manufacturer is being required by its OEM to disclose its scope 1 and 2 greenhouse gas emissions and doesn't know where to start. Another manufacturer struggles to fill a critical skills gap to remain competitive in a rapidly changing marketplace.

<u>Target Audience</u> Employees from EHS, facilities, operations, finance and marketing/communications, owners and upper management of small manufacturing companies.

<u>Training</u> Training is delivered each month by subject matter experts. Larger manufacturers will serve as case studies and guest speakers. In between training sessions, a digital learning platform will house instructional videos, templates, tools and additional resources.

<u>Implementation</u> Consulting is provided, along with a corporate mentorship program that matches participating manufacturers with large manufacturers that will lend time and expertise helps participants implement what they learn from the training.

<u>Voucher</u> The voucher program provides matching funds to manufacturers seeking to implement energy efficiency equipment upgrades, renewable energy projects and battery storage. It also includes funding for energy audits and assessments to determine projects with the highest ROI.

Voucher Process:

- Applicant completes requirements and submits screening form and funding request

- Requests are reviewed by CTSBC and qualifying applications are sent to MIF for review and approval.
- Funds are disbursed to the applicant.
- Data is captured to track the impacts of funds.

Outreach Plan Beginning with MIF Regional Sector Partners, outreach will consist of emails, social media posts and phone calls to the target audience. Partnerships with industry associations, chambers of commerce and other groups such as MIF Regional Sector Partners and IAC that also target manufacturers. GREENGAIN leadership will speak at industry conferences and participate in webinars to boost recruitment. We will leverage a robust network of businesses and industry associations in Connecticut such as CT Sustainable Business

Council, New Haven Chamber of Commerce, Minority Business Development Council, UCONN Industrial Investment Center, and the manufacturing industry groups in the state.

Partnerships and Lead

The **Connecticut Sustainable Business Council** (CTSBC) is a non profit business association whose members include corporations, and medium and small enterprises. CTSBC will lead and manage the program.

Connecticut Green Bank is a quasi-state agency with experience supporting the Connecticut manufacturing community in reducing their energy costs through C-PACE. The Green Bank will provide training and financing for manufacturers in need of capital to make improvements.

Factory of the Future will provide program development, instructional and technical support to participants. Mitch Kennedy has more than 15 years experience providing 45 manufacturing companies in Connecticut with sustainability, resilience and lean manufacturing training.

Carbonhound will provide training, tools and low-cost actions for companies wanting to track their carbon footprint. Carbonhound has also offered to track the collective carbon emissions generated by participants of the program.

Eversource and Avangrid will provide training and resources for companies wanting to implement energy efficiency into operations.

Estimated Timeline

June - September - Program development, promotion and recruitment

October – Kick-Off Session
November - Creating a GREENGAIN Road Map for Your Company

December - Operational Efficiencies for Sustainable Manufacturing

January - How and Why to Track Your Carbon Footprint
February - ESG Risk Identification and Management
March - Leveraging Programs and Incentives
April - Understanding New Standards and Reporting Requirements
May - Creating Resilient Supply Chains
June - Addressing the Skills Gap
Late June - Completion Certificates and In-person Celebration

1. **KPIs**
   The number of manufacturers that apply.
2. The number of manufacturers that participate.
3. Average company size.
4. Geographic location (county).
5. Total hours of training delivered.
6. Total hours of mentorship delivered.
7. Total $funding provided.
8. Total $ invested by companies.
9. Anecdotal information such as company testimonials.

GREENGAIN PILOT PROGRAM BUDGET					
Category	**Cost**	**In Kind**	**$ Contribution**	**Total**	**% of Total**
Administrative					
Salaries	$85,000		$(7,500)		
Fringe	$3,000				
Outreach/Marketing	$8,500	$(4,500)			
Total Admin	**$96,500**	**$(4,500)**	**$(7,500)**	**$84,500**	**19.6%**
Technical Support					
Training	$20,000		$(5,000)		
Consultation	$17,000	$(6,000)			
Digital Learning Platform	$4,500				
Mentorship	$52,500	$(52,500)			
Total Technical Support	**$94,000**	**$(58,500)**	**$(5,000)**	**$30,500**	**7.1%**
Implementation: Voucher Program					
Grants for 12-15 companies with 15-20K per voucher with 1:1 match for consulting, tools and/or equipment.	$240,000				
Total Implementation	$240,000			$240,000	**67.6%**
Total Program Cost	$430,500			$355,000	
MIF Request				**$355,000**	**82%**

OBBBA Summary of Solar, Storage and Fuel Cells

Credit	Sunset Dates[1]	Adders	Safe Harboring[2]	FEOC Rules
48E (Solar)	Projects that begin construction on or before 7/4/26 are eligible for full credit (assuming 4-year continuity requirement met for placing project into service). Projects that begin construction after 7/4/26 must be placed in service by end of 2027 to qualify for full credit.	No changes to energy community, low-income community, or Prevailing Wage and Apprenticeship (PWA) adders. Domestic content percentages now pegged to 45Y: (1) 40% for begun construction before 6/16/25; (2) 45% for begun construction between 6/16/25 and 12/31/25; (3) 50% for begun construction in 2026; (4) 55% for begun construction after 2026.	Existing IRS safe harbor rules (i.e., paying 5% of total project cost under binding written contract for equipment OR beginning physical work of "significant nature" on or off site) still apply, but subject to change based on guidance issued from 7/7/25 Trump Executive Order (guidance expected by 8/18/25).[3]	For projects beginning construction 1/1/26 and after, taxpayer cannot be a "specified foreign entity" or "foreign-influenced entity" OR receive "material assistance" from a prohibited foreign entity. Material assistance determined by fraction that determines what % of manufactured products used in a project that are not made by prohibited foreign entities. Applicable % is based on year project begins construction: (1) 40% in 2026; (2) 45% in 2027; (3) 50% in 2028; (4) 55% in 2029; (5) 60% after 2029. Beginning 1/1/28, projects subject to 10-year ITC recapture if payments are made to a specified foreign entity that can exert control over project.

[1] TheOBBBA did not make any changes to direct pay eligibility requirements.

[2] The existing IRS safe harbor rules should apply the same for taxable and non-taxable entities (i.e., no special safe harbor rules for nonprofit entities).

[3] The current expectation in the market is that the 5% safe harbor rule will be phased out entirely, and the physical work safe harbor may be revised to require more work to have begun on the project by the applicable safe harbor date. It is also possible that the guidance could impose additional continuity requirements after a project begins construction and/or that the continuity period within which a project must be placed in service could be shortened. Finally, it is possible that changes to the safe harbor rules could be made retroactive as far back as 1/1/25.

48E (Storage)	Full credit available for projects that begin construction by end of 2033. 25% phasedown each year for projects that begin construction in 2034-2036. No credit for projects that begin construction after 2036.	Same as 48E (Solar).	Same as 48E (Solar), but potentially more lenient for stand-alone storage projects.	Same as 48E (Solar), except material assistance % differ: (1) 55% in 2026; (2) 60% in 2027; (3) 65% in 2028; (4) 70% in 2029; (5) 75% after 2029.
48E (Fuel Cells)	Newly eligible for 30% credit for property beginning construction after 12/31/25. No requirement to have GHG emissions rate less than zero or be subject to recapture for failing to meet zero GHG requirements.	Not eligible for adders - domestic content, energy community, or low-income community bonus credits.[4]	Same as 48E (Solar).	Same as 48E (Solar).

[4] TBD whether PWA requirements must still be met for 48E-eligible fuel cells.

2025 Legislative Summary

July 18, 2025

Executive Summary

The 2025 Legislative Session convened on January 8th and adjourned at midnight on June 4th.

This year's session, also termed the "Long Session" is where a two-year biennial budget bill is passed to cover expenditures for Fiscal Years 2026/2027. Though the budget, bonding and tax packages were the primary focus, also driving the discussion this session, was the high cost of electricity and the policy and political differences that went into crafting legislation to address it.

This session saw 4,064 proposed bills introduced by both members of the House and Senate. The Green Bank tracked a total of 321, submitted testimony and negotiated language on over 20 bills throughout the session. Ultimately, only 203 bills were passed, where Governor Lamont has signed 198 of these into law while line-item vetoing two budget bills and vetoing 3 bills of the 2025 regular session.

All legislation pertaining directly to the Green Bank, or its mission has been summarized within the 2025 Legislative Summary and all issues have been divided amongst five subject headings for ease of reference: Clean Energy, Environmental Infrastructure, Quasi Impact, General Impact and Gubernatorial Vetoes.

The 2025 Legislative Summary will highlight all the legislation that achieved final approval, including the final passage of HB 5004 "Green Monster Bill" and SB 9 "Governor Lamont's Resiliency Bill", as well as an Omnibus Energy Bill "SB 4", which seeks to lower electric rates and overall impact of the public benefit charge. It is important to note that two legislative issues were defeated which would have had a significant impact on the Green Bank. They were:

> ***SB 647:*** Republican Caucus Bill that would have shifted the Public Benefits Charge to the State Budget as individual line-items. Specifically, Section 4 would have eliminated funding to the Clean Energy Fund established under 16-245n, effective 7/1/2025. This legislation was given a public hearing, but failed to gain passage in the Energy & Technology Committee without being placed on an agenda.
>
> ***SB 1560:*** Was the surprise energy legislation of the 2025 legislative session as it originated from Finance Chairman, John Fonfara, and outside of the Energy & Technology Committee. The bill sought to use GO Bonds in the amount of $2.4 billion over a three-year period to supplant the Public Benefit charge on ratepayers' electric bills. Ultimately, this bill did not pass, but elements were incorporated into the final version of SB 4.

Per the Legislative & Policy Board Process memo which was enacted by the Green Bank Board of Directors in the Fall of 2023, outreach will begin immediately over the summer months and into the early Fall to identify legislative priorities from Green Bank staff and the Board of Directors. This will give the Green Bank legislative and legal teams adequate time to draft language and to clearly position the issues before the legislature's decision makers for action in 2026.

Please enjoy the Legislative Summary. Sine Die.

James Desantos & Brian Farnen

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Public Act No. 25-64 AN ACT CONCERNING PROTECTIONS FOR WORKERS AND ENHANCEMENTS TO WORKERS' RIGHTS.

Public Act No. 25-169 AN ACT AUTHORIZING MUNICIPAL REFERENDA TO CHALLENGE CERTAIN PERMIT APPROVALS.

Clean Energy - Legislation

Public Act No. 25-125: AN ACT CONCERNING THE PROTECTION OF THE ENVIRONMENT AND THE DEVELOPMENT OF RENEWABLE ENERGY SOURCES AND ASSOCIATED JOB SECTORS
Public Act: https://cga.ct.gov/2025/act/pa/pdf/2025PA-00125-R00HB-05004-PA.pdf
OLR Summary: https://cga.ct.gov/2025/BA/PDF/2025HB-05004-R010821-BA.PDF
Signed by Governor Lamont on July 1, 2025
Effective Date: Section 1,2,3,6,7,12,13,14,15,17 (Upon Passage), Section 8 (7/1/25), Section 9 (10/1/25)
Green Bank Submitted Testimony & Negotiated Final Language on Legislation
Link to Testimony:
https://cga.ct.gov/2025/envdata/TMY/2025HB-05004-R000303-Garcia,%20Bryan,%20President%20-%20CEO-CT%20Green%20Bank--TMY.PDF

Sections 1-3: GREENHOUSE GAS EMISSIONS REDUCTION AND ZEROCARBON GOALS
The bill requires the state to reach an economy-wide net zero greenhouse gas (GHG) emission level by January 1, 2050. It establishes this requirement as part of the state's Global Warming Solutions Act (GWSA). The bill also sets a new GHG reduction level requirement of 65% below the 2001 emission level by 2040.

The bill sets a separate goal for State Agencies to use only zero-carbon generating electricity by 2030.

The bill allows agencies to consider the social costs of GHG emissions (e.g., net agricultural productivity, harms to human health, property damage, and the value of ecosystem services) when evaluating the costs and benefits of their activities and facility improvements to meet these GHG reduction goals. By January 1, 2026, the DEEP commissioner must publish guidelines for state agencies on the social cost of GHG emissions on the department's website.

Sections 6 & 7: CONNECTICUT CLEAN ECONOMY COUNCIL
Establishes a Connecticut Clean Economy Council to advise on strategies and policies to further climate mitigation, clean energy, resilience, and sustainability efforts; requires the council to (1) develop a plan to transition workers away from fossil-fuel-based jobs to those in clean energy and (2) submit an annual report of its work to the governor, OPM, and four legislative committees.
Green Bank has an appointment to the Council (Green Bank CEO or their designee/TBD).

Section 8: SCHOOL BUILDING CONSTRUCTION GRANTS
Adds air source and ground source heat pump projects to the list of school construction project grant applications that the DAS commissioner can approve at any time

Section 9: RESIDENTIAL HEAT PUMP SYSTEMS PLAN & REBATE PROGRAM
Requires the DEEP commissioner to (1) develop a plan for installing affordable heat pumps and (2) report on the plan to the Environment and Energy and Technology committees by January 1, 2027.

Section 12: NATURE-BASED SOLUTIONS INITIATIVE
Requires DEEP to (1) evaluate how to integrate and advance nature-based solutions in specified programs to support climate change mitigation and adaptation, ecosystem resilience, and biodiversity;

(2) consider specified best practices as part of this evaluation; and (3) post the evaluation on its website, hold a listening session for public comment, and give it to specified state agencies for their review and input including the Agriculture, Housing, Insurance, Public Health, and Transportation departments; the **Connecticut Green Bank**; and OPM.

Section 13: SOLAR CANOPY STRATEGIC PLAN
Requires PURA to report to the Energy and Technology Committee on a solar canopy strategy and program design by January 15, 2027.

Section 14: ENERGY COSTS REPORT
Requires DEEP, in consultation with the Office of Consumer Counsel, to report to the Environment and Energy and Technology committees on lowering energy costs, increasing community extreme weather resilience, and contributing to GHG emission reductions by February 1, 2026.

Section 15: HOUSING ENVIRONMENTAL IMPROVEMENT REVOLVING LOAN AND GRANT FUND REVISIONS
Makes various changes to the existing Housing Environmental Improvement Revolving Loan and Grant Fund and related program to, among other things, allow (1) the program to finance qualifying projects located anywhere, rather than just in targeted areas, (2) allows the program to provide financing to single-family homes in addition to multifamily homes, and (3) expands the list of qualifying retrofit projects to include (a) adding resilience measures (e.g., flood protection) and (b) replacing heating, ventilation, and air conditioning systems of homes impacted by extreme weather events.

Financing is funded through the Housing Environmental Improvement Revolving Loan and Grant Fund, with $125 million in general obligation bonds authorized to capitalize the fund. DEEP may enter into contracts with EDC's, non-profits or quasi-public agencies to administer the fund. The section also limits the projects DEEP may approve to those benefitting current or prospective low-income residents.

Section 17: RENTER UTILIZATION STUDY
Requires DEEP to study renters' use of certain state energy efficiency and clean energy programs and report its findings and recommendations to the Environment and Energy and Technology committees by July 1, 2026

Public Act No. 25-127: AN ACT REQUIRING SOLAR DEVELOPERS TO PROVIDE FARMLAND RESTORATION BONDS FOR BOTH PETITION AND APPLICATION PROJECTS APPROVED BY THE SITING COUNCIL.
Public Act: https://cga.ct.gov/2025/ACT/PA/PDF/2025PA-00127-R00HB-05916-PA.PDF
OLR Summary: https://cga.ct.gov/2025/SUM/PDF/2025SUM00127-R01HB-05916-SUM.PDF
Signed by Governor Lamont on July 8, 2025
Effective Date: Upon Passage

This act prohibits the Connecticut Siting Council from approving by declaratory ruling a two-megawatt or more solar photovoltaic facility on prime farmland or forestland unless the project applicant provides a decommissioning bond (e.g., a bond to cover the costs of decommissioning the facility and restoring the land). Existing law already prohibits the council from issuing a certificate of environmental compatibility and public need approving a two-megawatt or more solar photovoltaic facility on prime farmland or forestland unless the project applicant provides a decommissioning bond.

Public Act No. 25-173 AN ACT CONCERNING ENERGY AFFORDABILITY, ACCESS AND ACCOUNTABILITY.
Public Act: https://cga.ct.gov/2025/act/pa/pdf/2025PA-00173-R00SB-00004-PA.pdf
OLR Summary: https://cga.ct.gov/2025/BA/PDF/2025SB-00004-R01-BA.PDF
Signed by Governor Lamont on July 1, 2025
Effective Date: Various.
Green Bank Negotiated Final Language on Legislation but did not submit testimony.

Section 1: BONDING FOR HARDSHIP PROTECTION MEASURES
The bill authorizes up to $250 million in new general obligation (GO) bonds ($125 million each in FYs 26 and 27) for the Office of Policy and Management (OPM). OPM must use bond proceeds to reduce, for the average annual cost for years 2016 through 2020 (pre-COVID-19 pandemic years), the cost of hardship protection measures charged to electric distribution company (EDC) customers under the systems benefits charge on their bills.

Sections 2-3: BONDING FOR ELECTRIC VEHICLE CHARGING PROGRAM
The bill authorizes up to $30 million for FY 26 and $20 million for FY 27 in new GO bonds for OPM to fund the electric vehicle (EV) charging program.

The bill requires PURA to limit expenses for EV charging stations and customer wiring upgrades by limiting eligibility for incentives under residential single-family customer programs to residents who (1) live in a concentrated poverty census tract (a U.S. census tract where at least 30% of households have incomes below the federal poverty level (FPL)) or (2) have incomes at or below 300% of FPL.

In 2025, for a household of three, the FPL is $26,650 and 300% of FPL is $79,950.

Section 6: PURA STUDY OF RENEWABLE TARIFFS - "Current PURA Docket 25-02-14"
Link to Docket 25-02-14:
https://www.dpuc.state.ct.us/dockcurr.nsf/(Web+Main+View/All+Dockets)?OpenView&StartKey=25-02-14

An existing law requires the PURA chairperson to study renewable energy tariff programs, including examining potential processes to avoid stranded projects and potential successor programs. As part of this study, the bill requires her to also examine:

> **1**. a framework to encourage the aggregation of distributed energy resources that can respond and provide grid and retail market services;
>
> 2. different compensation structures to encourage deployment in areas where the grid is underutilized;
>
> **3**. how nonparticipating electric customers may be impacted by renewable energy tariff programs;
>
> 4. strategies for minimizing unintentionally duplicative incentives or subsidies between participating and nonparticipating electric customers; and
>
> **5**. the costs and benefits of the renewable energy tariff programs and methods to maximize benefits to nonparticipating customers (e.g., reducing electric system distribution congestion).

The chairperson must submit the study's results, including any recommendations, to the Energy and Technology Committee. Under current law, it is due by January 15, 2026. The bill delays the reporting deadline to March 1, 2026.

Section 9: RENEWABLE ENERGY TARIFFS

Makes (1) Class I low-emissions projects (e.g., fuel cells) and anaerobic digestion facilities ineligible for the Non-Residential Renewable Energy Solutions (NRES) program and (2) eliminates the 10-megawatt (MW) cap for low-emissions NRES projects for procurements and tariff years starting after January 1, 2025.

It similarly requires eligible Residential Renewable Energy Solutions (RRES) projects and, starting after January 1, 2026, eligible Shared Clean Energy Facility (SCEF) projects, to emit no pollutants.

For rates offered on and after January 1, 2026, the bill also requires PURA to (1) establish a non-bypassable charge of at least 3.25 cents as part of the RRES netting tariff and (2) adjust the offered buy-all tariff rates so they are substantially similar. (Broadly, the netting incentive structure generally compensates customers through on-bill credits, at rates that may fluctuate, for energy they generate but do not use. Under the buy-all structure, the EDCs purchase all energy a project generates at a locked-in rate for 20 years.)

Sections 10-16: SECURITIZATION OF FINANCED UTILITY SERVICES

The bill authorizes the issuance of bonds backed by EDC revenues, using a process called securitization, to pay for certain costs ("financed utility services"). The bonding limit of these state issued Revenue Bonds is capped at $2.2 billion in the aggregate. Bonds will be repaid by and backed by a charge on ratepayer bills called the Competitive Transition Assessment or CTA.

Specifically, "financed utility services" include:

1. costs an EDC prudently and efficiently incurred between January 1, 2018, through January 1, 2025, to prepare for and restore power to customers after storms;

2. costs an EDC prudently and efficiently incurs, or reasonably expects to incur, after January 1, 2025, for any accelerated initial procurement, installation, and operational deployment of advanced metering infrastructure (AMI) to replace existing traditional non-interval metering infrastructure used by its customers (including any reasonable fees, expenses, and transaction costs related to issuing, servicing, retiring, or refinancing rate reduction bonds);

3. the unrecovered balance, including stranded costs, of legacy infrastructure being replaced as part of AMI deployment; and

4. any reasonable fees, expenses, and transaction costs incurred in connection with issuing, servicing, retiring, or refinancing rate reduction bonds issued to finance these costs.

Under the bill, AMI is an integrated system of metering equipment, two-way communications networks, and information management systems, including billing and customer information systems, used by an EDC to collect and transmit interval or real-time data on a customer's energy consumption.

Section 17: PROGRAM ADMINISTRATION
The bill supersedes current law and allows PURA to select **the Green Bank,** the Department of Energy and Environmental Protection (DEEP), an EDC, a third party that PURA deems appropriate, or any combination of these entities, to administer any ratepayer-funded clean energy or renewable energy program PURA establishes in a proceeding. Existing law similarly allows PURA to do this for NRES, RRES, SCEF, and EV charging programs (CGS § 16-244dd).

Section 18: PUBLIC BENEFITS CHARGE STUDY
The bill requires the Office of Consumer Counsel (OCC) to study line items under the combined public benefits charge on EDC customer bills. The office must conduct this study in consultation with PURA and DEEP, and the study must examine the enabling authority to impose each line item and its purpose, costs, and benefits. OCC must report its findings to the Energy and Technology Committee by October 1, 2026.

Sections 19, 20, 21: TIME-VARYING RATES
By October 1, 2027, the bill requires (1) EDCs to apply to PURA to implement time-varying rates for residential, commercial, and industrial customers and (2) PURA to open a docket to evaluate EDC applications to implement time-varying rates for residential and commercial customers.

The bill also requires an EDC, as part of any rate case started on or after July 1, 2025, to submit a detailed proposal (or an update to a previously submitted proposal) to develop the customer education and engagement program. The bill requires EDCs to administer the program once PURA approves it.

Sections 25-26: GRID ENHANCING TECHNOLOGIES or "GETS"
Requires EDCs and transmission owners to include project alternatives in Siting Council proceedings for certain transmission projects; expands forecasted loads and resources reporting; allows DEEP and OCC to evaluate proposed projects; requires EDCs to report to PURA on deployment of GETs and other technologies in certain PURA proceedings.

" Grid-enhancing technology" is any hardware or software that increases the electric distribution or transmission system's capacity, performance, or efficiency. GETs include at least the following technologies:

1. "dynamic line rating," which is any hardware or software used to update the calculated thermal limits of existing distribution or transmission lines based on real-time and forecasted weather conditions;

2. "advanced power flow control," which is any hardware or software used to push or pull electric power in a way that balances electric lines that are either exceeding capacity or are underutilized;

3. "topology optimization," which is any hardware or software that identifies reconfigurations of the state's distribution or transmission grid to enable routing power flows around congested or overloaded electric grid elements; and

4. **energy storage (e.g., a battery).**

Section 30: ZERO-CARBON PROCUREMENTS AND STANDARD SERVICE

The bill allows EDCs to use energy or related products (or a combination of them) purchased from a nuclear power generation facility under the previous zero-carbon procurement to provide standard service. To do so, the EDC must consult with PURA's procurement manager and OCC and determine that it is in the best interest of standard service customers.

Existing law required DEEP and PURA to issue a solicitation for zero carbon electricity-generating resources and to direct the EDCs to enter agreements with selected entities to purchase energy, capacity, and other environmental attributes (see Background — Zero-Carbon Procurement). Under the existing law, any agreements with hydropower or nuclear power generation facilities must be for at least three, but not more than 10, years. The bill additionally allows EDCs to enter these contracts for a term that at least one other state has entered into, if it is in the best interest of ratepayers.

Section 31: STANDARD SERVICE PROCUREMENT PLAN

Existing law requires PURA's procurement manager to develop a plan annually to procure electric generation services and related wholesale market products. Current law requires the plan to enable EDCs to manage a portfolio of contracts to reduce costs while maintaining volatility within reasonable levels. The bill instead requires the procurement manager to develop the plan with the goal of reducing the average cost of standard service for standard service customers while minimizing cost volatility.

The bill requires, rather than allows, the procurement manager to consult with DEEP and OCC when developing the procurement plan.

Section 32: THERMAL ENERGY NETWORK GRANTS AND LOANS

Requires the DEEP commissioner to establish a thermal energy network grant and loan program, within available appropriations, to support the development of thermal energy network projects on the customer's side of an electric meter. The bill also allows the commissioner to establish any financing mechanism to provide or leverage additional funding to support thermal energy network project development.

The bill requires eligible recipients to demonstrate to the commissioner that they have adopted prevailing wage standards.

Section 34: ADVANCED NUCLEAR REACTOR ENERGY SITE READINESS FUNDING PROGRAM

The bill requires the DEEP commissioner to establish a competitive advanced nuclear reactor site readiness funding program. It allows the commissioner to give "eligible recipients" grants or loans to support advanced nuclear reactor facilities. Authorizes up to $5 million in state bonds to fund the program.

Section 36: CLASS I RENEWABLE ENERGY SOURCES

Under the bill, landfill methane gas and certain biomass facilities are no longer Class I renewable energy sources. This means that renewable energy credits produced by these facilities may not be used to meet an EDC's or electric supplier's Class I renewable portfolio standard (RPS) requirements.

Sections 37-42 & 47: CLASS I RENEWABLE PORTFOLIO STANDARD

Reduces Class I RPS requirements by seven percentage points in years 2026 to 2030; requires PURA to establish procedures to dispose of RECs purchased under renewable energy tariffs and various energy procurement solicitations:

Class I RPS Change

Year	*Current Law*	*Bill*
2026	32%	25%
2027	34	26
2028	36	27
2029	38	28
2030	40	29

The bill requires PURA, in consultation with the DEEP commissioner and OCC, to start a proceeding to establish procedures to dispose of RECs purchased under these procurements, as well as those purchased under the renewable energy tariffs (i.e. RRES, NRES, and SCEF). These may include procedures to sell RECs or retiring them on behalf of all ratepayers and reduce an EDC's or electric supplier's Class I RPS requirements. The bill requires any reduction to be based on PURA's forecast of procured energy production. PURA must determine any reduction to the annual RPS at least one year before the annual RPS requirement takes effect.

Section 43: INTEGRATED RESOURCES PLAN AND RENEWABLE PROCUREMENTS

The bill requires the DEEP commissioner to set (1) targets for energy procured under existing power procurement authorizations and (2) a proposed schedule for solicitations under these laws for new zero carbon Class I renewable energy resources needed to achieve an additional 7% of total load served by EDCs in the aggregate by 2030, in addition to RPS requirements. The DEEP commissioner must do this in the next Integrated Resources Plan (IRP) approved after January 1, 2025. The target and schedule apply to solicitations under the following procurement authorizations:

1. Class I renewable energy resources to meet up to 4% of the state's load (CGS § 16a-3f);

2. **Class I renewable energy resources or large-scale hydropower to meet up to 5% of the state's load (CGS § 16a-3g);**

3. **certain Class I renewable energy resources and energy storage for up to 6% of the state's load (CGS § 16a-3h);**

4. Class I renewable energy resources procured in the event of a material shortage of Class I RECs (CGS § 16a-3i);

5. **demand response resources, Class I and Class III resources, largescale hydropower, and natural gas resources (CGS § 16a-3j);**

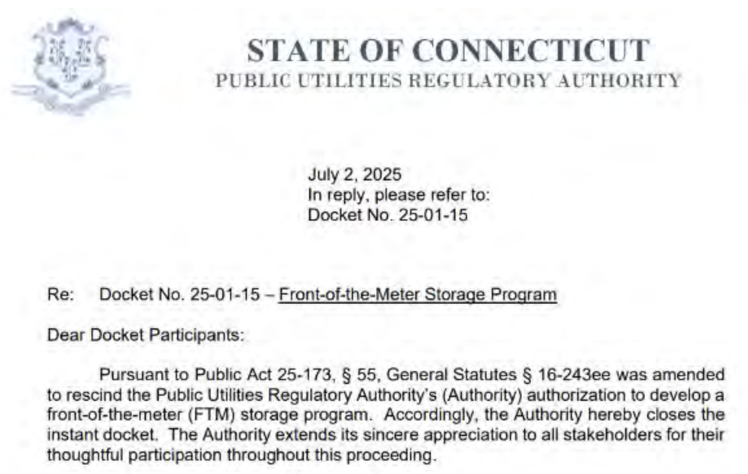
6. zero-carbon electricity generating resources (CGS § 16a-3m);

7. offshore wind (CGS § 16a-3n); and

8. **anaerobic digestion (CGS § 16a-3p).**

Section 44: BIOMASS POWER PURCHASE AGREEMENTS
The bill requires the DEEP commissioner, in consultation with OCC and PURA's procurement manager, to start a proceeding by September 1, 2025, to solicit proposals for energy, capacity, and environmental attributes from eligible biomass facilities.

Section 55: ELIMINATES PROGRAM FOR CERTAIN ENERGY STORAGE SYSTEMS
The bill eliminates from current law a requirement that PURA initiate a proceeding to develop and implement a program (including funding mechanisms) for **front-of-the-meter energy storage systems** not located at a customers' premises. The bill retains the law's requirement that PURA do so, by January 1, 2022, for electric energy storage resources connected to the electric distribution system for programs for (1) the residential customers and (2) industrial and commercial customers.


STATE OF CONNECTICUT
PUBLIC UTILITIES REGULATORY AUTHORITY

July 2, 2025
In reply, please refer to:
Docket No. 25-01-15

Re: Docket No. 25-01-15 – Front-of-the-Meter Storage Program

Dear Docket Participants:

Pursuant to Public Act 25-173, § 55, General Statutes § 16-243ee was amended to rescind the Public Utilities Regulatory Authority's (Authority) authorization to develop a front-of-the-meter (FTM) storage program. Accordingly, the Authority hereby closes the instant docket. The Authority extends its sincere appreciation to all stakeholders for their thoughtful participation throughout this proceeding.

Section 56: ELECTRIC SYSTEM EFFICIENCY GOAL
Establishes electric system efficiency as a state goal and allows DEEP and PURA to set metrics and implement programs towards the goal; requires DEEP to allocate staff for analyses related to the goal and report annually to the Energy and Technology Committee.

To achieve this goal, the bill requires the state to seek to:

1. improve electric system utilization by improving the system load factor, which is the average load divided by the peak load on the EDCs system, measured in megawatts;

2. analyze customer usage patterns and the efficacy of investments in electrification projects and **grid-scale electricity storage projects;**

3. develop and implement policies and incentives to encourage the dispatch of energy generated by behind-the-meter distributed solar facilities;

4. study and report on ways to promote business growth in the state through electric load growing energy policies; and

5. implement these goals in way that is consistent with the state's greenhouse gas reduction goals.

Section 57: UNIFORM SOLAR CAPACITY TAX
The bill establishes a municipal uniform solar capacity tax of $10,000 per MW of nameplate capacity on certain solar photovoltaic systems that are over 1 MW in size and receive permission to operate on or after July 1, 2026. Generally, the tax applies for 20 years, but municipalities may enter agreements to stabilize or freeze it.

Section 58: PROPERTY TAX EXEMPTION FOR CLASS I RENEWABLE ENERGY SOURCES
Starting with the 2025 assessment year, the bill creates a property tax exemption for Class I renewable energy sources that consist of equipment and devices that primarily collect solar energy and generate energy by photovoltaic effect. The bill limits this exemption by applying it only to equipment and devices with the primary purpose of generating electricity and not to any real property where the equipment or devices are located or installed.

Relatedly, the bill applies this same limitation to an existing property tax exemption for Class I renewable energy sources (other than nuclear power generating facilities) (1) installed on or after January 1, 2014; (2) for commercial or industrial purposes; and (3) with a nameplate capacity that does not exceed the location's load or, if the facility is participating in virtual net metering, the aggregated load of its beneficial accounts. (Current law does not explicitly exclude the real property where these sources' equipment and devices are located or installed under the existing exemption.)

Section 59: SOLAR CONSUMER PROTECTION TASK FORCE
Existing law establishes a 17-member task force to examine and make recommendations on policy, regulations, and legislation to improve disclosure requirements and consumer protections for consumers who purchase, lease, or enter into PPAs for solar facilities. It requires the task force to examine whether special protections are needed for low-income or elderly customers.

Current law requires the task force to report its findings and recommendations to the Energy and Technology and General Law committees by January 1, 2025. The task force terminates on this date, or when it submits its report, whichever is later. The bill extends this deadline by one year, to January 1, 2026.

The Green Bank has a designee on this Task Force (Stephanie Attruia has been appointed)

Public Act No. 25-34: AN ACT ESTABLISHING EXTENDED PRODUCER RESPONSIBILITY FOR CONSUMER BATTERIES
Public Act: https://cga.ct.gov/2025/act/pa/pdf/2025PA-00034-R00HB-05019-PA.pdf
OLR Summary: https://cga.ct.gov/2025/BA/PDF/2025HB-05019-R010944-BA.PDF
Signed by Governor Lamont on June 10, 2025
Effective Date: Various

This bill establishes a framework for statewide stewardship programs to manage the collection and recycling of certain batteries. Beginning January 1, 2027, it prohibits battery and battery-containing product producers who fail to participate in a battery stewardship organization from selling the batteries or products in Connecticut.

The Department of Energy and Environmental Protection (DEEP) is responsible for reviewing and deciding to approve a plan. These plans must be submitted by July 1, 2026, and producers of certain covered batteries must inform DEEP whether they will join a program jointly or individually by January 1, 2027. Starting July 1, 2028, the bill prohibits retailers from selling, offering for sale, distributing, or otherwise making available for sale the covered batteries or battery-containing products of non-participating producers.

The bill applies to the management of “covered batteries” and “battery-containing products.”

> “Portable batteries” include (1) non rechargeable batteries (e.g., alkaline, silver oxide, zinc air, carbon-zinc, and lithium metal) of up to four pounds, six ounces and (2) rechargeable batteries (e.g., with at least one voltaic or galvanic cell, electrically connected to produce electric energy) of up to 11 pounds and a maximum rating of 300-watt hours.

> “Medium format batteries” are (1) non rechargeable batteries weighing more than four pounds, six ounces, but no more than 25 pounds and (2) rechargeable batteries weighing more than 11 pounds, but no more than 25 pounds, or with a rating over 300-watt hours, but no more than 2,000-watt hours.

Covered batteries include portable batteries and medium format batteries, but not:

1. batteries used in medical devices;
2. batteries that contain an electrolyte as a free liquid;
3. lead acid batteries weighing more than 11 pounds;
4. **motor vehicle batteries subject to the existing battery deposit law or any battery that is a component of a motor vehicle or intended for use exclusively in motor vehicles;**
5. batteries recalled for safety reasons;
6. batteries in a battery-containing-device that are not easily, or not designed to be, removed; or
7. batteries subject to the state’s electronic waste recycling law.

Environmental Infrastructure - Legislation

Public Act No. 25-6: AN ACT CONCERNING CONFORMING ADJUSTMENTS TO SUPPORT THE TRANSITION TO A RELEASED-BASED CLEANUP PROGRAM.
Public Act: https://cga.ct.gov/2025/act/pa/pdf/2025PA-00006-R00SB-01404-PA.pdf
OLR Summary: https://cga.ct.gov/2025/BA/PDF/2025SB-01404-R01-BA.PDF
Signed by Governor Lamont on May 13, 2025
Effective Date: Upon Passage. (Environmental hazard notification takes effect 10/1/25)

This bill makes changes related to the state's transition from its transfer-based approach to property remediation (the Transfer Act) to a release-based approach. The bill makes the release-based approach effective when the RBCRs take effect, rather than on their adoption date. It also exempts releases that are subject to the release-based cleanup law from having to meet the environmental hazards notification law's requirements once the RBCRs take effect.

Among other things, it allows eligible properties to qualify for (1) additional time to complete certain investigation activities, (2) reduced fees under the RBCRs, and (3) increased liability protections.

Public Act No. 25-54: AN ACT CONCERNING A REVIEW OF AND A TRANSITION TO THE RELEASE-BASED CLEANUP PROGRAM AND RELATED REGULATIONS.
Public Act: https://cga.ct.gov/2025/act/pa/pdf/2025PA-00054-R00HB-07085-PA.pdf
OLR Summary: https://cga.ct.gov/2025/BA/PDF/2025HB-07085-R010984-BA.PDF
Signed by Governor Lamont on June 10, 2025
Effective Date: Various

Requires the working group established to advise DEEP on developing RBCRs to continue meeting after the regulations are adopted to evaluate the release-based cleanup program's implementation and review and make recommendations on related laws and regulations, including lower bounds provisions; requires the DEEP and DECD commissioners to (1) convene the group quarterly until February 1, 2030, and (2) report on the working group's findings and recommendations twice to the Commerce and Environment committees.

The RBCRs establish remediation standards specific to the type of property on which a release occurs (e.g., residential vs. commercial or industrial property). The bill, if certain criteria are met, restricts residential activity on a residential property where a release is discovered until the release is remediated and, in doing so, allows the RBCRs' criteria for industrial or commercial property to be used to calculate RBCRs exemptions or determine if remediation obligations, including those regarding characterization, are met.

Public Act No. 25-33: AN ACT CONCERNING THE ENVIRONMENT, CLIMATE AND SUSTAINABLE MUNICIPAL AND STATE PLANNING, AND THE USE OF NEONICOTINOIDS AND SECOND-GENERATION ANTICOAGULANT RODENTICIDES
Public Act: https://cga.ct.gov/2025/ACT/PA/PDF/2025PA-00033-R00SB-00009-PA.PDF
OLR Summary: https://cga.ct.gov/2025/BA/PDF/2025SB-00009-R01-BA.PDF
Signed by Governor Lamont on
Effective Date: Section 1 (7/1/26), Section 7,11,21-30 (7/1/25), Section 16 (10/1/27)
Green Bank Testified Live & Negotiated Final Language on Legislation
Link to Testimony:
https://cga.ct.gov/2025/envdata/TMY/2025SB-01245-R000303-Garcia,%20Bryan,%20President%20-%20CEO-CT%20Green%20Bank-Supports-TMY.PDF

Section 1: FLOOD DISCLOSURES
Requires insurers who issue homeowners or renters insurance policies to provide insureds notice about flood insurance availability and requires financial institutions to notify mortgage applicants of flood damage risk and who to contact for flood insurance information. Revises the residential property condition report to include questions and statements about flood risk and flood insurance.

Section 7: LOCAL EVACUATION AND HAZARD MITIGATION PLANS
Beginning October 1, 2027, requires municipal evacuation or hazard mitigation plans to identify and address certain threats due to sea level change (e.g., to critical infrastructure) and ways to avoid or reduce climate change's effects. Requires the use of geospatial data in identifying those threats.

Section 11: PLANS OF CONSERVATION AND DEVELOPMENT
Expands the information that must be included in local, regional, and the state's plans of conservation and development to include strategies for responding to, and information related to, climate change effects (e.g., increased precipitation or extreme heat).

Section 16: ZONING REGULATIONS
Requires that municipal zoning regulations provide for proper ways to mitigate and avoid the negative effects of sea level change by allowing the regulations to (1) require or promote resilience and (2) give incentives for using flood-risk reduction building methods.

Sections 21-30: RESILIENCY IMPROVEMENT DISTRICTS
Creates a framework authorizing municipalities to establish Resiliency Improvement Districts (RID's) to finance capital projects addressing climate change mitigation, adaptation, or resilience. Allows municipalities to finance projects in these districts by designating incremental property tax revenue and specified savings generated in the district, imposing benefit assessments on real property in the district, and issuing bonds backed by these revenue streams and other sources. Allows municipalities to fix property tax assessments in the district for up to 30 years.

Permits RID's to accept grants, advances, loans or other financial assistance from the federal government, the state, private entities or any other source, including, but not limited to, such funds as allowable from sections 7-159d, **16-245n**, 22a-498 and 25-85 of the general statutes, and undertake any additional actions necessary or desirable to secure such financial aid.

Public Act No. 25-84 AN ACT ENHANCING ENVIRONMENTAL PERMITTING PREDICTABILITY.
Public Act: **https://cga.ct.gov/2025/act/pa/pdf/2025PA-00084-R00HB-06868-PA.pdf**
OLR Summary: **https://cga.ct.gov/2025/BA/PDF/2025HB-06868-R010946-BA.PDF**
Signed by Governor Lamont on June 23, 2025
Effective Date:

This bill changes procedural requirements for petitioned hearings on Department of Energy and Environmental Protection (DEEP) licenses (permits and other approvals). For most DEEP-issued licenses, existing law allows people to request a public hearing by submitting a petition according to the law's requirements. Under the bill, these petitioned hearings are public informational hearings not subject to the Uniform Administrative Procedures Act (UAPA) except for certain petitions that meet specific requirements.

Additionally, the bill authorizes DEEP to: 1. require "watershed-level compensatory mitigation" (i.e. compensation to offset impacts to water resources) for certain regulated activities and 2. to extend a general permit's expiration date until a new permit is issued, or until DEEP declines to issue a new permit, rather than extend them for one year past the expiration date as current law allows.

Finally, the bill requires DEEP to (1) prepare a report evaluating potential improvements to its Endangered Species Act environmental reviews and (2) submit it to the Environment Committee and post it on the department's website by February 1, 2026.

Public Act No. 25-141 AN ACT ESTABLISHING A GRANT PROGRAM FOR AGRICULTURAL PRESERVATION AND FARMLAND ACCESS PURPOSES.
Public Act: **https://cga.ct.gov/2025/ACT/PA/PDF/2025PA-00141-R00HB-05064-PA.PDF**
OLR Summary: **https://cga.ct.gov/2025/BA/PDF/2025HB-05064-R01-BA.PDF**
Signed by Governor Lamont on July 1, 2025
Effective Date: July 1, 2027

This bill allows the Department of Agriculture, within available appropriations, to establish and administer a grant program to fund agricultural land preservation by agricultural nonprofits, municipalities, groups of municipalities, municipalities in a regional interlocal agreement, or regional councils of governments.

Under the bill, grantees may use the funds to develop new farmland access and affordability programs. Grants cannot be used for any purpose that conflicts with farmland preservation.

Public Act No. 25-152 AN ACT CONCERNING PROGRAMMING AT THE DEPARTMENT OF AGRICULTURE AND OTHER FARMING AND AGRICULTURE RELATED PROVISIONS. "CT FARM BILL"
Public Act: https://cga.ct.gov/2025/ACT/PA/PDF/2025PA-00152-R00SB-01497-PA.PDF
OLR Summary: https://cga.ct.gov/2025/BA/PDF/2025SB-01497-R01-BA.PDF
Signed by Governor Lamont on July 1, 2025
Effective Date: Section 9, 18 (July 1, 2025)

Section 9: FARMERS' CROP LOSS REIMBURSEMENT GRANT PROGRAM
Creates a grant program to reimburse farmers for crop loss from major weather events. The Farmers' Crop Loss Reimbursement Grant Program within the Department of Agriculture (DoAg), must use program funds to reimburse Connecticut farmers who incur crop loss from "significant acute" weather events. The bill requires DoAg to set the program's parameters and post them on the agency's website. The parameters must include, at a minimum, eligibility criteria, funding prioritization rules, maximum reimbursement amounts, the weather events that trigger reimbursement eligibility, and the reimbursement application process.

Section 18: MANURE MANAGEMENT GRANT PROGRAM
The bill establishes the Manure Management Grant Program within DoAg. The department must use program funds to support farmers in adopting best practices for maintaining manure management systems. The bill requires DoAg to set the program's parameters and post them on the agency's website. The parameters must include, at a minimum, eligibility criteria, funding prioritization rules, maximum reimbursement amounts, and the reimbursement application process.

Sections 21-22: FERTILIZERS AND SOIL AMENDMENTS WITH PFAS
Current law bans using, selling, or offering for sale as a soil amendment any biosolids (i.e. residue from treating domestic sewage) or wastewater sludge containing per- and polyfluoroalkyl substances (PFAS). The bill instead bans using, selling, or offering for sale any fertilizer intended to be applied to land or soil amendment that contains biosolids or wastewater sludge containing PFAS. Under current law, the DEEP commissioner may enforce this provision. The bill instead requires the DoAg commissioner to enforce it.

<u>Quasi Impact- Legislation</u>

Public Act No. 25-27: AN ACT CONCERNING RACIAL AND ETHNIC IMPACT STATEMENTS.
Public Act: https://cga.ct.gov/2025/act/pa/pdf/2025PA-00027-R00SB-01506-PA.pdf
OLR Summary: https://cga.ct.gov/2025/BA/PDF/2025SB-01506-R01-BA.PDF
Signed by Governor Lamont on June 9, 2025
Effective Date: October 1, 2025

This bill prescribes a new procedure to set the process for legislators to request a racial and ethnic impact statement (REIS) on certain bills and amendments.

The bill requires the legislative Commission on Racial Equity in Public Health to develop the procedures for (1) legislators to make the request and (2) the commission to prepare the REIS. The commission must send a letter with the procedures to the House speaker, Senate president pro tempore, and the House and Senate majority and minority leaders asking for their inclusion in the Joint Rules. The bill's new processes and requirements apply beginning with the 2027 legislative session.

Under the bill, an agency that receives this request must submit the records or information within the next five days and in the manner the commission asks.

> <u>(c) (1) Any public agency, as defined in section 1-200, or quasi-public agency, as defined in section 1-120, receiving a request for records or information by the commission for purposes of preparing a racial and ethnic impact statement pursuant to this section, shall submit, not later than five days after the date of such request and in the manner requested by the commission, such records or information.</u>

Public Act No. 25-66: AN ACT CONCERNING VARIOUS REVISIONS TO THE MONEY TRANSMISSION STATUTES, STATE PAYMENTS AND INVESTMENTS IN VIRTUAL CURRENCY AND MINORS' MONEY SHARING APPLICATION ACCOUNTS
Public Act: https://cga.ct.gov/2025/act/pa/pdf/2025PA-00066-R00HB-07082-PA.pdf
OLR Summary: https://cga.ct.gov/2025/BA/PDF/2025HB-07082-R02-BA.PDF
Signed by Governor Lamont on June 30, 2025
Effective Date: Section 5 (October 1, 2025)

Separate from money transmission, the bill also prohibits Connecticut and its political subdivisions from accepting or requiring payment in the form of virtual currency, or purchasing, holding, investing in, or establishing a virtual currency reserve.

Sec. 5. (NEW) (*Effective October 1, 2025*) Neither the state nor any political subdivision of the state shall (1) accept or require payment in the form of virtual currency for an amount due to the state or the political subdivision, or (2) purchase, hold, invest in or establish a reserve of virtual currency. For purposes of this section, "virtual currency" has the same meaning as provided in section 36a-596 of the general statutes, as amended by this act.

Public Act No. 25-147 AN ACT CONCERNING THE TIMING AND SCOPE OF AUDITS BY THE AUDITORS OF PUBLIC ACCOUNTS.
Public Act: https://cga.ct.gov/2025/ACT/PA/PDF/2025PA-00147-R00HB-07090-PA.PDF
OLR Summary: https://cga.ct.gov/2025/BA/PDF/2025HB-07090-R000513-BA.PDF
Signed by Governor Lamont on July 8, 2025
Effective Date: October 1, 2025

Under the bill, if an APA report on a state agency or quasi-public agency includes violations of state laws or regulations, other than minor or technical recommendations, the agency must report on the status of any corrective actions it has taken. It must make this report to APA, the governor, and the legislature within six months after the report was issued.

The bill also expands APA's current reporting requirements to include the Government Oversight Committee. Current law requires APA to report its audits' findings and recommendations to the governor, comptroller, and Appropriations Committee, and the bill requires that the committee also receive them.

General Impact- Legislation

Public Act No. 25-13: AN ACT ESTABLISHING THE CONNECTICUT-PUERTO RICO TRADE COMMISSION.
Public Act: https://cga.ct.gov/2025/ACT/PA/PDF/2025PA-00013-R00HB-05008-PA.PDF
OLR Summary: https://cga.ct.gov/2025/BA/PDF/2025HB-05008-R000500-BA.PDF
Signed by Governor Lamont on June 3, 2025
Effective Date: Upon Passage
Greenbank submitted testimony on this legislation.
Testimony Link:
https://cga.ct.gov/2025/cedata/TMY/2025HB-05008-R000211-Garcia,%20Bryan,%20President%20-%20CEO-CT%20Green%20Bank-Supports-TMY.PDF

This bill establishes a 23-member Connecticut-Puerto Rico Trade Commission within the Legislative Department to do the following between Connecticut and Puerto Rico:

1. advance bilateral trade and investment,
2. initiate joint action on policy issues of mutual interest,
3. promote business and academic exchanges,
4. encourage mutual economic support and infrastructure investment, and
5. address other issues the commission determines.

The bill requires the commission, starting by February 1, 2027, to annually report to the governor, Department of Economic and Community Development, and Commerce Committee on its activities during the prior year. At a minimum, the report must include recommendations for policy and legislative changes needed to carry out its duties.

Public Act No. 25-168 AN ACT CONCERNING THE STATE BUDGET FOR THE BIENNIUM ENDING JUNE 30, 2027, AND MAKING APPROPRIATIONS THEREFOR, AND PROVISIONS RELATED TO REVENUE AND OTHER ITEMS IMPLEMENTING THE STATE BUDGET.
Public Act: https://cga.ct.gov/2025/act/pa/pdf/2025PA-00168-R00HB-07287-PA.pdf
OLR Summary: https://cga.ct.gov/2025/BA/PDF/2025HB-07287-R01-BA.PDF
Signed by Governor Lamont on June 30, 2025
Effective Date: July 1, 2025

Sections 152-153: HIGHER EDUCATION CONSTITUENT UNITS AND ENERGY-SAVINGS PERFORMANCE CONTRACTS
The bill allows a constituent unit of higher education to establish its own energy-savings performance contract process, rather than using the Department of Energy and Environmental Protection's (DEEP) standardized process, but subject to many of the same provisions required by law for DEEP's process. Currently, municipalities and state agencies (including constituent units of higher education) may participate in DEEP's process, but only municipalities are currently authorized to opt out and establish their own process.

Sections 158-159: PFAS IN JUVENILE PRODUCTS
The bill renames a "children's product" as a "juvenile product" under the state's law regulating the sale and use of certain products containing per- and polyfluoroalkyl substances (PFAS). The law generally defines these products as those designed or marketed for use by an infant or child under age 12, but excludes adult mattresses and electronic devices and related equipment (e.g., a computer, wireless phone, game console, mouse, keyboard, or power cord).

Beginning July 1, 2026, the law allows the manufacture, sale, or offer or distribution for sale of certain categories of new products (including the renamed children's products) with intentionally added PFAS only if the manufacturer labels them and gives prior written notice to DEEP. Without the label and notice, their manufacture, sale, or offer or distribution for sale is banned. Beginning January 1, 2028, the law bans manufacturing, selling, or offering or distributing for sale most of the same products if they contain intentionally added PFAS.

Section 161: ANNUAL ADJUSTMENTS TO PREVAILING WAGE RATES
Existing law requires contractors awarded contracts for state and municipal prevailing wage projects to adjust wage and benefit contributions each July 1 during the contract to reflect changes in the prevailing wage. The bill extends this requirement to contractors awarded contracts for (1) DECD prevailing wage projects (described above) and (2) renewable energy projects subject to prevailing wage requirements (CGS § 31-53d).

As for the projects covered under existing law, these contractors must contact the labor commissioner by every July 1st during the contract to find out the current prevailing wage and contribution rates.

> (1) "Covered project" means a renewable energy project with a total nameplate capacity of two megawatts or more that is situated on land in the state, or, on and after January 1, 2025 , a hydrogen project. "Covered project" does not include (A) any renewable energy project (i) selected in a competitive solicitation conducted by (I) the Department of Energy and Environmental Protection, or (II) an electric distribution company, as defined in section 16-1, and (ii) approved by the Public Utilities Regulatory Authority prior to January 1, 2022, (B) any renewable energy project under contract with another entity and approved by the relevant regulatory authority, as applicable, prior to January 1, 2022, or (C) any renewable energy project that commenced construction before July 1, 2021;

Sections 212-241: STATE CONTRACTING DISPARITY STUDY AND SMALL BUSINESS AND MBE SPENDING ALLOCATION PROGRAM

"Public Works Contract" - Definition

The state's current laws on anti-discrimination contract compliance, the Small and Minority Owned Business Set-Aside program, and affirmative action plans for state contractors generally set various diversity-related requirements for the contractors on public works contracts, municipal public works contracts, and quasi-public agency projects.

Under these current laws, a "public works contract" is an agreement between any individual, firm, or corporation and the state or any of its political subdivisions (other than a municipality) for construction, rehabilitation, conversion, extension, demolition, or repair of a public building or highway or other changes or improvements in real property, or which is financed in whole or in part by the state, including, but not limited to, matching expenditures, grants, loans, insurance, or guarantees.

A "municipal public works contract" and "quasi-public agency project" are substantially similar to a public works contract, except that either a municipality or quasi-public agency is a party to the contract, and the project is anticipated to cost more than $50,000.

The bill broadens the definition of a "public works contract" under these three laws to cover contracts with the state, municipalities, and quasi-public agencies. Under the bill, a "public works contract" is an agreement for construction, rehabilitation, conversion, extension, demolition, or repair of improvements in real property that is financed in whole or in part with at least $150,000 from the state, such as through matching expenditures, grants, loans, insurance, or guarantees, but excluding contracts for paving roads or related services.

In broadening the definition in this way, the bill sets a new value threshold of $150,000 in state funding for determining when a project becomes a "public works project" covered by the laws above.

Sections 245-246: MUNICIPAL LIEN ASSIGNMENT
Starting July 1, 2026, the bill reduces, from 18% to 12%, the annual interest rate on delinquent property taxes when a municipal tax collector files a lien on the property and assigns the lien (i.e. sells it to an outside party). Under existing law, unchanged by the bill, delinquent property taxes generally accrue interest at a rate of 18% per year (CGS § 12-146).

By law, an assignee of a municipal tax lien (i.e. person who bought the lien) generally has the same powers and rights as the municipality and its tax collector would have if the lien had not been assigned. Under current law, this includes charging the 18% annual interest rate. However, for assignments executed on or after July 1, 2026, and beginning on the date a lien is assigned, the bill reduces this amount to 12% on the delinquent portion of the principal of the assigned taxes.

Sections 297-298: SOLAR PHOTOVOLTAIC FACILITY EMERGENCY PREPAREDNESS PROGRAM

General Fund Account: The bill requires the Connecticut Siting Council to establish a solar photovoltaic facility emergency preparedness account, as a separate, non-lapsing account within the General Fund. Any federal reimbursements and grants received in support of DESPP's solar photovoltaic facility emergency preparedness program (see below) must be credited to the account. The treasurer must invest the funds and return any interest earned to the account.

Emergency Preparedness Program: The bill requires the DESPP commissioner to establish and administer a solar photovoltaic facility emergency preparedness program to (1) develop solar photovoltaic facility emergency response plans and (2) provide training and equipment to emergency response personnel in connection with these plans. Within available funds, the program must include:

1. development of a detailed solar photovoltaic facility emergency response plan for areas surrounding each facility,

2. annual training of state and local emergency response personnel concerning emergency responses to fires or other hazards located at or near these facilities,

3. development of accident scenarios and exercises for solar photovoltaic facility emergency response plans, and

4. provision of specialized response equipment necessary to respond to such emergencies.

The bill requires the DESPP commissioner, in conjunction with the energy and environmental protection (DEEP) commissioner, to use the money in the account for the program. They must do so in accordance with an Office of Policy and Management (OPM) approved plan.

Section 312: TRANSFER STATION PERMITS AND LICENSES

Establishes conditions under which a specified transfer station may continue to operate and accept municipal solid waste, including recyclables, while its commercial transfer station permit application is pending before DEEP; requires MIRA Dissolution Authority's transfer station permits and licenses to transfer to Essex and remain in effect when the transfer station's ownership or operation transfers from the MIRA Dissolution Authority to the town; requires the Torrington Transfer Station's permits or licenses to transfer to the Northwest Resource Recovery Authority, or its designee; requires the DEEP commissioner to grant the Wallingford Transfer Station a temporary operating permit.

Section 398: FARM INVESTMENT TAX CREDIT

The bill creates a refundable business tax credit for farmers' investments in eligible machinery, equipment, and buildings. Under the bill, a farmer is eligible for the credit if he or she is a Connecticut taxpayer whose federal gross income from farming for the income or tax year is at least two-thirds of their federal gross income from all sources over $30,000 (i.e. "excess federal gross income").

The farm investment property must (1) be located in the state; (2) have a class life of more than four years, as determined under specified IRS rules; and (3) be held and used in the state by an eligible farmer in the course of "agricultural production" for at least five years after being acquired or placed in service. Property is not eligible if it is (1) acquired from a related person (e.g., other business entities controlled by the farmer) or (2) leased or acquired to be leased to another person during the first 12 months after being acquired or placed into service.

Under the bill, "agricultural production" is engaging in any of the following as a trade or business: (1) raising or harvesting any agricultural or horticultural commodity; (2) dairy farming; (3) forestry; (4) raising, feeding, caring for, shearing, training, or managing livestock; or (5) raising and harvesting fish, oysters, clams, mussels, or other molluscan shellfish.

Sections 436-439: CHANGES TO THE COMMUNITY INVESTMENT ACCOUNT

The bill increases the land-record recording fee that funds the General Fund's community investment account (CIA) and increases the amounts the designated recipients receive from the account. It also renames the account the "Donald E. Williams, Jr. community investment account."

The bill increases the annual amount distributed to its subrecipients by 25%, but does not change the overall distribution between the four departments (see below):

Table: Distribution of CIA Under Current Law and the Bill

Recipient	*Current Law Distribution*	*The Bill's Distribution*
Agriculture Sustainability Account	First $10 per fee credited to the CIA	First $12 per fee credited to the CIA
DECD	25%	25%
Technical assistance and preservation activities of the CT Trust for Historic Preservation	$380,000	$475,000
Supplement activities of the Historic Preservation Council and related DECD activities (e.g., grants in aid for historic structures and placing plaques and markers)	Remainder	Remainder
DOH to supplement new or existing affordable housing programs	25%	25%
DEEP for municipal open space grants	25%	25%
DoAg	25%	25%
Agricultural Viability Grant Program	$500,000	$625,000
Farm Transition Program	$500,000	$625,000
Encourage the sale of CT-grown food to schools, restaurants, retailers, and other institutions and businesses in the state	$100,000	$125,000
CT Farm Link Program	$75,000	$93,750
Seafood Advisory Council	$47,500	$59,375
CT Farm Wine Development Council	$47,500	$59,375
CT Food Policy Council	$25,000	$31,250
Farmland preservation programs	Remainder	Remainder

Sections 460-467 & 511: MIRA, CRDA, AND SOUTH MEADOWS SITE

Makes various changes related to the South Meadows site, which contains closed resource recovery and jet turbine facilities, to, among other things, (1) transfer MIRA-related property and powers to CRDA rather than DAS, (2) terminate MDA a year earlier than scheduled, and (3) specify the boundaries of a new South Meadows development district.

Primarily, the bill:

1. transfers the ownership, functions, powers, duties, permits, and licenses related to the South Meadows site, along with associated personal property, money, and a non-lapsing account, from the Materials Innovation and Recycling Authority (MIRA) and the MIRA Dissolution Authority (MDA) to the Capital Region Development Authority (CRDA) instead of the Department of Administrative Services (DAS);

2. subjects the work CRDA performs on the site (e.g., development, redevelopment, and remediation) to licensing, permitting, and other regulatory processes that differ from those in existing law;

3. requires any state tax revenue generated by completed projects within the site to be retained and reinvested by CRDA there;

4. exempts the site and any personal property located there from property tax until a development or redevelopment project is started there; and

5. terminates MDA on July 1 of this year, instead of 2026.

The bill also creates a South Meadows development district and delineates the district's geographic boundaries. (The bill does not provide a purpose for or authority over this district.) The bill also specifies that none of these provisions apply to the Hartford Brainard Airport.

Public Act No. 25-174 AN ACT AUTHORIZING AND ADJUSTING BONDS OF THE STATE AND CONCERNING GRANT PROGRAMS, STATE GRANT COMMITMENTS FOR SCHOOL BUILDING PROJECTS, REVISIONS TO THE SCHOOL BUILDING PROJECTS STATUTES AND VARIOUS PROVISIONS REVISING AND IMPLEMENTING THE BUDGET FOR THE BIENNIUM ENDING JUNE 30, 2027.
Public Act: https://cga.ct.gov/2025/act/pa/pdf/2025PA-00174-R00HB-07288-PA.pdf
OLR Summary: https://cga.ct.gov/2025/BA/PDF/2025HB-07288-R00-BA.PDF
Signed by Governor Lamont on June 30, 2025
Effective Date:

Section 2: (Effective July 1, 2025)
(2) Installation of solar photovoltaic systems on state property, excluding state forests, parks, open spaces, farmland and natural area preserves, not exceeding $40,000,000.

Section 2: (Effective July 1, 2025)
(4) For the purpose of funding projects in state buildings and assets that result in decreased environmental impacts, including projects: That improve energy efficiency pursuant to section 16a-38l of the general statutes; that reduce greenhouse gas emissions from building heating and cooling, including installation of renewable thermal heating systems; that expand electric vehicle charging infrastructure to support charging on state property; that reduce water use; that reduce waste generation and disposal; or for any renewable energy, or combined heat and power project in state buildings, not exceeding $5,000,000;

Section 21: (Effective July 1, 2026)
(3) Installation of solar photovoltaic systems on state property, excluding state forests, parks, open spaces, farmland and natural area preserves, not exceeding $20,000,000.

Section 21: (Effective July 1, 2026)
(4) For the purpose of funding projects in state buildings and assets that result in decreased environmental impacts, including projects: That improve energy efficiency pursuant to section 16a-38l of the general statutes; that reduce greenhouse gas emissions from building heating and cooling, including installation of renewable thermal heating systems; that expand electric vehicle charging infrastructure to support charging on state property; that reduce water use; that reduce waste generation and disposal; or for any renewable energy, or combined heat and power project in state buildings, not exceeding $5,000,000;

Section 108: (Effective July 1, 2025)
Subsection (b) of section 57 of public act 24-151 is amended to read as follows:

> (b) The proceeds of the sale of such bonds, to the extent of the amount stated in subsection (a) of this section, shall be used by the Department of Energy and Environmental Protection for the purpose of [a program to provide rebates, at the point of sale, for the purchase of heat pumps intended for heating systems in the state, pursuant to section 16 of substitute house bill 5004 of

the current session, as amended by House Amendment Schedule "A"] **<u>supporting the cost-effective deployment of heat pumps for thermal needs throughout the state.</u>**

Section 118: ELECTRIC GRID BENEFITS AND ENERGY EFFICIENCY FUNDING (SB 4)
The bill authorizes up to $500 million in GO bonds over two years, in amounts of up to $250 million per year in FY 26 and FY 27, for OPM to make energy-related investments. Specifically, OPM must use the proceeds to (1) benefit the operation of the electric grid in the state; (2) promote energy efficiency; (3) benefit ratepayers; (4) reduce the annual costs of hardship protection measures and other hardship protections within the systems benefits charge, to their average annual cost in the five years from 2016 to 2020, inclusive, before the COVID-19 pandemic; and (5) fund EV charging programs.

Sec. 136. (Effective July 1, 2025) – Linked to funding in Section 21 for FY 26/27
Not later than January 1, 2026, the Department of Administrative Services shall develop a plan to implement the installation of solar photovoltaic systems on developed state properties and submit such plan, in accordance with the provisions of section 11-4a of the general statutes, to the joint standing committees of the General Assembly having cognizance of matters relating to finance, revenue and bonding and government administration and elections.

Section 5 – Gubernatorial Vetoes

1: Public Act No. 25-49 AN ACT CONCERNING HOUSING AND THE NEEDS OF HOMELESS PERSONS.
Public Act: https://cga.ct.gov/2025/ACT/PA/PDF/2025PA-00049-R00HB-05002-PA.PDF
OLR Summary: https://cga.ct.gov/2025/BA/PDF/2025HB-05002-R010973-BA.PDF
Vetoed by Governor Lamont on June 23, 2025

2: Public Act No. 25-64 AN ACT CONCERNING PROTECTIONS FOR WORKERS AND ENHANCEMENTS TO WORKERS' RIGHTS.
Public Act: https://cga.ct.gov/2025/ACT/PA/PDF/2025PA-00064-R00SB-00008-PA.PDF
OLR Summary: https://cga.ct.gov/2025/BA/PDF/2025SB-00008-R01-BA.PDF
Vetoed by Governor Lamont on Juen 23, 2025

3: Public Act No. 25-169 AN ACT AUTHORIZING MUNICIPAL REFERENDA TO CHALLENGE CERTAIN PERMIT APPROVALS.
Public Act: https://cga.ct.gov/2025/ACT/PA/PDF/2025PA-00169-R00HB-07004-PA.PDF
OLR Summary: https://cga.ct.gov/2025/BA/PDF/2025HB-07004-R01-BA.PDF
Vetoed by Governor Lamont on July 8, 2025

Ned Lamont

GOVERNOR

STATE OF CONNECTICUT

June 23, 2025

The Honorable Stephanie Thomas
Secretary of the State
State Capitol
Hartford, CT 06106

Dear Madam Secretary:

Pursuant to Article Fourth, Section 15 of the Constitution of the State of Connecticut, I am returning House Bill No. 5002, *An Act Concerning Housing and the Needs of Homeless Persons*, without my approval.

This is not a decision I take lightly.

I have thought long and hard about this bill—about the undeniable urgency of the housing crisis it seeks to address, and the deep consequences of our past inaction. Connecticut's housing shortage is among the most severe in the country. It is deterring businesses from investing or growing in our state, driving up costs for working families, and worsening homelessness, which rose 13% in 2024 alone. Simply put, the status quo is unsustainable.

But no legislation is perfect. As well-intentioned as this bill may be, it requires revision before it can form the foundation of a durable and equitable statewide housing strategy. Most importantly, I believe there is a better path forward—one rooted in partnership, collaboration and action.

We have made significant steps forward in recent years and I thank the advocates, legislators and local leaders who have helped to make this happen. More housing has been permitted in the last few years than in the previous ten. The Connecticut Municipal Development Authority now has over 17 communities that are actively engaged in identifying neighborhoods to encourage more housing. And, through our Time to Own program, we have helped over 6,300 families buy their first home.

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To make change meaningful and long-lasting, our towns should be encouraged to take the lead in shaping how and where housing is built. That's why, several years ago, we asked local leaders to identify where and how they would support new or expanded housing opportunities. Some answered the call with ambition; others declined to act. That uneven response is part of what brought us to this point—but it also underscores why we must renew our focus on partnership and planning.

This bill establishes ambitious statewide housing goals—and I agree we need them. But I believe we can better achieve those goals through local engagement and providing towns the tools they need to do the job. I believe we should reward towns that take the lead: for example, by offering relief from 8-30g when municipalities adopt their own middle housing overlays or pre-zone near transit and downtown centers. That's why I appreciate the proposal in this bill to prioritize discretionary funding for communities that do the right thing.

In its current form, however, the bill imposes requirements that do not reflect the complexity or diversity of Connecticut's towns and cities. For example, it limits the ability of municipalities to manage parking requirements. While I agree that parking mandates have been used to discourage development, we cannot ignore that there are communities that need parking to support additional housing development. Parking requirements should be based on specific needs.

In addition, state-imposed housing goals for each municipality have clearly created a significant amount of anxiety. I believe that unit-based planning goals for communities is an important step forward. But those goals must reflect both ambition and flexibility, and they must be grounded in a renewed commitment to collaboration. The state should partner with municipalities to establish these targets, and then help the towns execute those plans, including through investment in infrastructure.

Therefore, I must respectfully veto House Bill 5002. However, doing nothing is not an option. Connecticut families, workers, and businesses are depending on us to act. But they are also counting on us to get it right. That is why I remain committed to working together with the General Assembly and all stakeholders to swiftly enact a stronger, more balanced, and more effective housing plan during a special session this summer.

In the months ahead, we have the opportunity to work together on a more collaborative approach—one that draws from the conversations around HB 5002 and makes clear that towns must lead in shaping how their communities grow. The state will support that leadership with strong incentives to opt in and the tools they need to succeed.

I am not simply vetoing this bill, nor will I abandon our path toward a solution. In consultation with legislative leadership, municipal officials, housing advocates, and nonprofit partners, I am proposing specific revisions to this legislation and will be calling for a special session as soon as possible devoted solely to housing.

I believe we can do better, and we must.

Sincerely,

Gov Ned Lamont

Ned Lamont
Governor

Ned Lamont
GOVERNOR
STATE OF CONNECTICUT

June 23, 2025

The Honorable Stephanie Thomas
Secretary of the State
165 Capitol Avenue
Hartford, CT 06106

Dear Madam Secretary:

Pursuant to Article Fourth, Section 15 of the Connecticut Constitution, I am returning without my approval Senate Bill No. 8, *An Act Concerning Protections for Workers and Enhancements to Workers' Rights.*

Connecticut's workers are the backbone of our economy. I strongly support their right to organize, advocate for better conditions, and be treated with dignity and respect in the workplace. Throughout my tenure, I have taken meaningful steps to support labor and working families—from raising the minimum wage to passing one of the nation's strongest paid family and medical leave programs and expanding collective bargaining rights for state and municipal employees.

I am proud that I have signed into law legislation that protects workers who leave captive audience meetings from being disciplined or fired, proud that I have required labor peace agreements in the cannabis industry, proud that our Department of Transportation and Department of Administrative Services require Project-Labor Agreements on major construction projects.

My administration has consistently stood with workers in the fight for fair treatment, safer workplaces, and economic dignity. I appreciate the purpose of *Substitute Senate Bill No. 8* and the voices of working people who seek economic security during periods of labor dispute. This bill reflects a genuine concern for the hardships workers face when exercising their right to strike.

In a moment when the federal administration is doing everything in its power to make it harder for workers to have a voice on the job, states must step up to protect workers rights. I have heard from hundreds of workers about the difficulty in getting to that first contract or the limited tools even long-established unions have to fight back against employers who try to intimidate workers.

However, after careful review, I must respectfully decline to sign this bill into law. The Unemployment Trust Fund exists to provide support to individuals who are out of work through no fault of their own, and its long-term sustainability is critical. Extending benefits to individuals actively participating in labor disputes—even after a period of time—alters the fundamental purpose of the program. Additionally, the bill's staggered timelines and reliance on subjective determinations would create implementation challenges for the Department of Labor, potentially resulting in inconsistent administration and legal uncertainty for all parties involved.

This is an important issue that deserves further attention. I am committed to working with labor leaders and legislators to explore targeted reforms to give workers another tool to ensure more dignity on the job.

For these reasons, I must veto Senate Bill No. 8, *An Act Concerning Protections for Workers and Enhancements to Workers' Rights.*

Sincerely,

Gov Ned Lamont

Ned Lamont
Governor

Ned Lamont
GOVERNOR
STATE OF CONNECTICUT

July 8, 2025

The Honorable Stephanie Thomas
Secretary of the State
State Capitol
Hartford, CT 06106

Dear Secretary Thomas:

Pursuant to Article Fourth, Section 15 of the Constitution of the State of Connecticut, I am returning without my signature House Bill 7004, *An Act Authorizing Municipal Referenda to Challenge Certain Permit Approvals.*

I appreciate the motivation behind this bill: to give residents in smaller municipalities a stronger role in environmental decisions that may affect their communities. Ensuring the public is heard in these processes is a priority I share. However, it's important to note that today's permitting process offers extensive opportunity for public engagement. I am concerned that the mechanism proposed in this bill—allowing a local referendum to reverse certain permit approvals or denials issued by the Department of Energy and Environmental Protection (DEEP)—could have unintended consequences that weaken critical protections for environmental justice communities and create harmful uncertainty for our business community that could hamper investment in Connecticut.

All of DEEP's permitting processes offer opportunities for the public to submit comments and request hearings. In addition to those standard opportunities, CGS section 22a-20a requires applicants seeking to construct and operate certain types of facilities in environmental justice areas to do additional, robust community engagement before submitting an application. Moreover, regulations adopted pursuant to subsection (g) of that law will require careful consideration of cumulative impacts on public health and the environment in our state's environment justice communities, including small municipalities. In 2023, the Connecticut General Assembly directed DEEP to craft these regulations to ensure that the most overburdened and vulnerable neighborhoods in our state are not left behind in decisions that shape their environmental and health future, while also ensuring that the regulated community has the tools it needs to take cumulative impacts into account at the beginning of its permitting process.

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The bill will create uncertainty in an otherwise structured, science-based permitting process that businesses, municipalities, and residents alike rely on for predictability and fairness. The Department's process, both in its current state and after the adoption of environmental justice regulations, balances the important goal of enabling overburdened and vulnerable neighborhoods to participate in the permitting process, with the need for clear standards and a predictable process to support economic development. Predictability is critical for those seeking to do business in our state. Allowing permitting decisions to be overturned by referenda undermines the principles of objectivity embedded in our state permitting processes, will discourage important investments in infrastructure, and ultimately will drive up cost of living for residents

I am committed to strengthening the already significant public engagement opportunities in environmental decision-making and ensuring all voices are heard early and meaningfully. I believe we can work together to explore other avenues—such as earlier public notice and improved access to hearings—that empower residents while maintaining the integrity and equity of our environmental laws.

For these reasons, I must respectfully veto House Bill 7004. I look forward to continuing to partner with the General Assembly and our municipal leaders to find balanced solutions that uphold community input, environmental justice, and economic development.

Sincerely,

Gov Ned Lamont

Ned Lamont
Governor

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