



## Board of Directors

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**MEETING DATE: WEDNESDAY, AUGUST 20, 2025 • 10:00AM**



**Increasing and accelerating investment  
into Connecticut's green economy.**



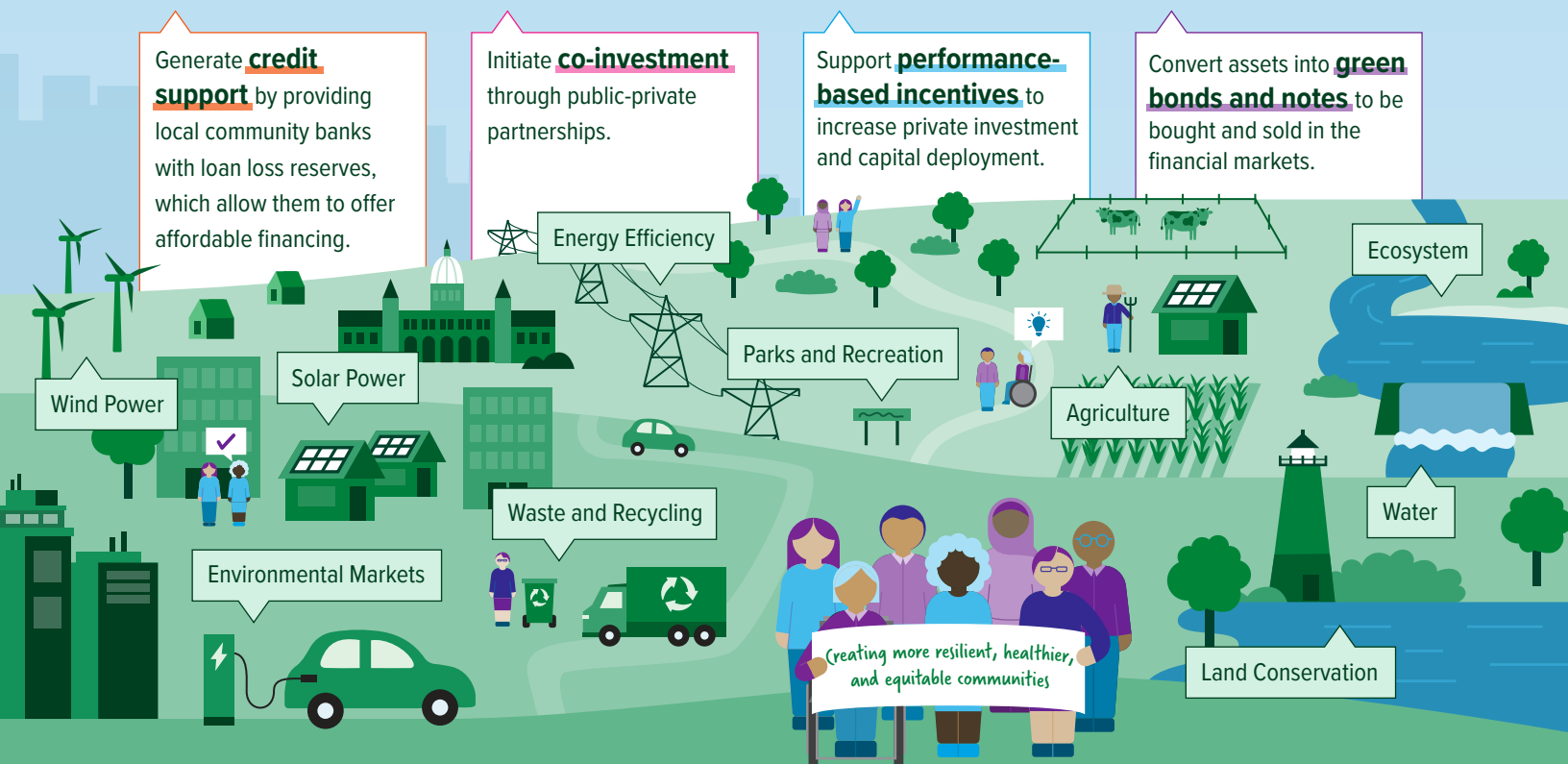
# The Green Bank Model

*A Planet Protected by the Love of Humanity*

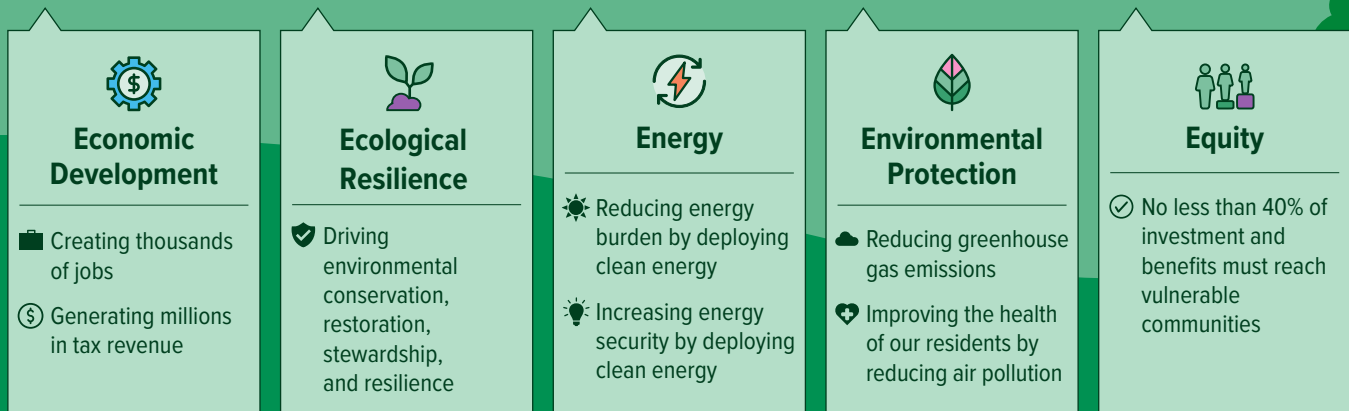
## 1 Attract Private Investment by Leveraging Public Funding



## 2 Apply Innovative Financial Tools to Deploy Investment Towards Our Mission



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



# Societal Impact Report

FY12  
FY24

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

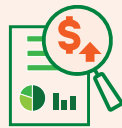
## ECONOMIC DEVELOPMENT

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



### TAX REVENUES

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



**\$56.4 million**  
individual income tax

**\$58.0 million**  
corporate taxes

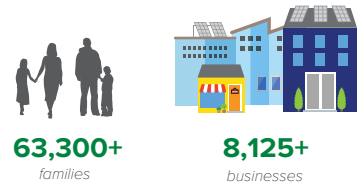
**\$32.0 million**  
sales taxes

**\$1.5 million**  
property taxes

## ENERGY

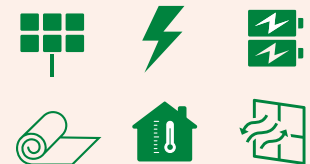
### ENERGY BURDEN

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



### DEPLOYMENT

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



## ENVIRONMENTAL PROTECTION

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



**11.4 MILLION**  
tons of CO<sub>2</sub> :  
**EQUALS**

**172 MILLION**  
tree seedlings  
grown for 10 years

OR

**2.3 MILLION**  
passenger vehicles  
driven for one year

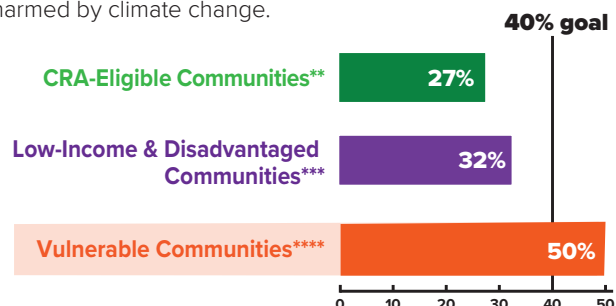
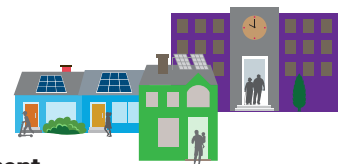
**PUBLIC HEALTH** The Green Bank has improved the lives of families, helping them avoid sick days, hospital visits, and even death.

**\$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/](https://ctgreenbank.com/strategy-impact/societal-impact/)

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

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Sources: Connecticut Green Bank Comprehensive Annual Financial Reports

# Board of Directors

## Lonnie Reed

Board Chair



**E: [Lonnie.Reed@ctgreenbank.com](mailto: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](mailto: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](mailto: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](mailto: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](mailto: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](mailto: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: [houvel@greenteambpt.com](mailto:houvel@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](mailto: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](mailto: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.

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## Erick Russell

Board Member



**E: [Kimberly.Mooers@ct.gov](mailto: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.

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## Brenda Watson

**E: [bwatson@northhartfordpartnership.org](mailto:bwatson@northhartfordpartnership.org)**

**P: 860-967-2751**

Chair of Joint Committee



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

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## Dr. Joanna Wozniak-Brown

Board Member



**E: [Joanna.Wozniak-Brown@ct.gov](mailto: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

August 13, 2025

Dear Connecticut Green Bank Board of Directors:

Thank you for allowing us to hold this special meeting during the summer vacation period!

We have a **special meeting** of the Board of Directors for FY26 scheduled for **Wednesday, August 20, 2025, from 10:00-11:00 a.m.**

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 July 25, 2025
  - **C-PACE Transactions** – there may be several transactions under \$500,000, that are in addition to the staff approval process more than the aggregate \$1,000,000

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
- **Investment Updates and Recommendations** – the reason for the special meeting is our 3<sup>rd</sup> issuance of the award-winning Green Liberty Bonds and extension of our award-winning Green Liberty Notes, both enabling everyday investors to invest in the Green Bank, including:
  - **SCRF Self-Sufficiency** – Special Capital Reserve Fund (“SCRF”) self-sufficiency determination, will allow the Green Bank to issue state-backed retail bonds
  - **SHREC Bonds** – Solar Home Renewable Energy Credit (“SHREC”) retail bond issuance for the final tranches of the Residential Solar Investment Program (“RSIP”)
  - **Green Liberty Notes Extension** – extension of our collaboration with Honeycomb Credit Capital to sell 1-year notes to everyday citizens in support of the Small Business Energy Advantage (“SBEA”) program of Eversource Energy
- **Incentive Programs Updates and Recommendations** – including:
  - **Smart-E Interest Rate Buydown** – Heat Pumps supported by Eversource and UI

- Executive Session – for trade secrets and commercial information given in confidence, we will go into executive session at the end of the meeting.

Please note, those items underlined, italicized, and highlighted above, are materials coming by the close of business on Monday, August 18, 2025.

Have a great weekend.

Appreciatively,

A handwritten signature in black ink, appearing to be 'Bryan Garcia', with a long horizontal stroke extending to the right.

Bryan Garcia  
President and CEO





## **REVISED AGENDA**

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

Wednesday, August 20, 2025  
10:00 – 11:00 a.m.

Dial in: +1 860-924-7736  
Phone Conference ID: 595 612 35#  
+1 860-924-7736,,59561235#

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. Investment Updates and Recommendations – 35 minutes
  - a. Green Liberty Bonds Issuance (Solar Home Renewable Energy Credits) –
    - i. Special Capital Reserve Fund – Self Sufficiency Determination
    - ii. Bond Documents Package
  - b. Green Liberty Notes – Extension
5. Incentive Programs Updates and Recommendations – 5 minutes
  - a. Smart-E Loan – Heat Pump IRB
6. Executive Session – Trade Secrets and Commercial Information Given in Confidence (PosiGen) – 10 minutes
7. Adjourn

[Click here to join the meeting](#)

Teams Meeting ID: 279 832 226 577 2  
Passcode: Bj26YX94  
+1 860-924-7736,,59561235#  
Phone Conference ID: 595 612 35#

***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

Wednesday, August 20, 2025  
10:00 – 11:00 a.m.

Dial in: +1 860-924-7736  
Phone Conference ID: 595 612 35#  
+1 860-924-7736,,59561235#

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 July 25, 2025.

4. Investment Updates and Recommendations – ~~45~~35 minutes
  - a. Green Liberty Bonds Issuance (Solar Home Renewable Energy Credits) –
    - i. Special Capital Reserve Fund – Self Sufficiency Determination
    - ii. Bond Documents Package

### **Resolution #2**

**WHEREAS**, Connecticut Green Bank (“Green Bank”) is a body politic and corporate, constituting a public instrumentality and political subdivision of the State of Connecticut (the “State”) and is authorized pursuant to Sections 16-245n and 16-245kk through 16-245mm of the Connecticut General Statutes (the “Act”), to finance and support financing or other expenditures that promote investment in sources of clean energy, as defined in the Act, by issuing its bonds, notes or other obligations in accordance with the Act; and

**WHEREAS**, the Act provides that, at the discretion of Green Bank, any bonds issued under the Act may be secured by a trust agreement by and between Green Bank and a corporate trustee or trustees, and such trust agreement or the resolution providing for the issuance of such bonds may

secure such bonds by a pledge or assignment of any revenues to be received, any contract or proceeds of any contract, or any other property, revenues, moneys or funds available to Green Bank for such purpose; and

**WHEREAS**, pursuant to the State's Residential Solar Incentive Program ("RSIP"), which sunset on December 31, 2022 per Connecticut General Statute 16-245ff, Green Bank provided up front incentives to homeowners and continues to provide performance-based incentives to third-party system owners ("TPOs") that acquired (in the case of homeowners) or deployed (in the case of TPOs) residential photovoltaic ("PV") systems (each, a "SHREC System"); and

**WHEREAS**, pursuant to Public Act No. 16-212 and Public Act No. 15-194, Green Bank acquired a specific type of State renewable energy credit called a "solar home renewable energy credit" and the related environmental and energy attributes (collectively, a "SHREC") from the homeowners and TPOs receiving RSIP incentives and producing PV energy, and then sells such SHRECs to each of The Connecticut Light and Power Company d/b/a Eversource Energy ("Eversource") and The United Illuminating Company ("United Illuminating" and together with Eversource, each a "Utility" and together, the "Utilities") pursuant to two 15-year contracts dated as of February 7, 2017, as amended (each, a "Master Purchase Agreement" and together, the "Master Purchase Agreements"); and

**WHEREAS**, the SHRECs have been divided into tranches based on the calendar year in which the related SHREC System was installed (each, a "SHREC Tranche"), and the revenue received from the Utilities under each Master Purchase Agreement from SHRECs actually produced at the price determined by Green Bank for each SHREC (the "SHREC Receivables") established for each SHREC Tranche; and

**WHEREAS**, the SHRECs related to SHREC Systems for which a tranche was created in 2017 are referred to as "SHREC Tranche 1," the SHRECs related to SHREC Systems for which a tranche was created in 2018 are referred to as "SHREC Tranche 2," the SHRECs related to SHREC Systems for which a tranche was created in 2019 are referred to as "SHREC Tranche 3," and the SHRECs related to SHREC Systems for which a tranche was created in 2020 are referred to as "SHREC Tranche 4"; and

**WHEREAS**, Green Bank acquired SHRECs from the homeowners and TPOs related to SHREC Systems for which a tranche was created in 2021 (the "SHREC Tranche 5") before selling such SHRECs to the Utilities; and

**WHEREAS**, Green Bank acquired SHRECs from the homeowners and TPOs related to SHREC Systems for which a tranche was created in 2022 (the "SHREC Tranche 6", and together with SHREC Tranche 5, "SHREC Tranche 5 and 6") before selling such SHRECs to the Utilities; and

**WHEREAS**, Green Bank desires to fund its cost recovery under the RSIP by selling bonds secured by the SHREC Receivables related to the SHREC Tranche 5 and 6 under the Master Purchase Agreements and other revenues of Green Bank as provided in the Indenture of Trust (as defined herein), such SHREC Receivables and other revenues defined collectively herein as "Pledged Revenues"; and

**WHEREAS**, Green Bank considers it necessary, appropriate and desirable to offer for sale, and to sell its State Supported Solar Home Renewable Energy Credit, Green Liberty Bonds, Series 2025, in an aggregate principal amount not to exceed \$20,000,000 (the "Bonds") in a public offering intended to be exempt from registration under the Securities Act of 1933, as amended (the "Securities Act") by virtue of the exemption from such registration under Section 3(a)(2) of the Securities Act; and

**WHEREAS**, it is in the best interests of Green Bank to sell the Bonds and enter into an indenture of trust with a trustee that will allow Green Bank to pledge the Pledged Revenues and to use the State's

Special Capital Reserve Fund (the “SCRF”) as security for the payment of the Bonds and interest thereon; and

**WHEREAS**, the Board of Directors of Green Bank (the “Board”) has determined that it is in the best interests of Green Bank to enter into and approve the issuance of the Bonds.

**NOW, THEREFORE, BE IT RESOLVED**, that to accomplish the financing of the SHREC Receivables for SHREC Tranche 5 and 6 to (a) fund its cost recovery under the RSIP, including administrative costs, (b) fund any reserve funds as security for the timely payment of principal of and interest on the Bonds, and (c) pay financing costs related to the issuance of the Bonds, the issuance of the Bonds by Green Bank is hereby authorized and approved. The Bonds shall be in an aggregate principal amount not to exceed \$20,000,000 with the redemption provisions, if any, sinking fund installment payments, if any, interest rates, maturity dates (not to exceed fifteen years from the date of the Bonds) and other terms of the Bonds as shall be determined and/or approved by the President and any Officer of Green Bank (each, an “Authorized Representative”), acting individually and within such limitations permitted herein and by the Act, and the execution of the Purchase Contract (as defined herein) by an Authorized Representative reflecting such terms shall constitute conclusive evidence of such determination; and

**FURTHER RESOLVED**, that the Bonds shall be special obligations of Green Bank, payable solely by a pledge or assignment of any Pledged Revenues to be received, any contract or proceeds of any contract, or any other property, revenues, moneys or funds available to Green Bank for such purpose as described in the Indenture of Trust (as defined herein). Neither the State nor any political subdivision thereof shall be obligated to pay the principal of or the interest on the Bonds except from revenues of SHREC Receivables and other Pledged Revenues pledged therefor under the Indenture of Trust. Neither the full faith and credit nor the taxing power of the State or any political subdivision thereof, including the Green Bank, is pledged to the payment of the principal of or interest on the Bonds; and

**FURTHER RESOLVED**, that the Findings of Self Sufficiency Report (the “Report”) presented to the Board at this meeting, including each of the Findings and the Determination included therein, is hereby approved and adopted, and an Authorized Representative is (a) authorized to make revisions to the Report, provided such revisions do not materially change the Findings and Determination contained therein, and such Report as revised shall be and is hereby deemed approved by the Board, and (b) authorized to take appropriate actions to secure the SCRF for the Bonds as he or she determines to be in the best interests of Green Bank, and provided Green Bank complies with all statutory requirements for the SCRF, which will require among other things (1) the State’s Office of Policy and Management (“OPM”) approval, and (2) the approval by the Office of the State Treasurer (“OTT”) and other documentation required under the Act; and

**FURTHER RESOLVED**, that Green Bank shall enter into a Project Support Commitment and Undertaking or other agreement substantially in the form presented to this meeting, with any changes to the form, terms and provisions thereof, as determined by an Authorized Representative and acceptable to OPM and OTT to further support the issuance of the Bonds; and

**FURTHER RESOLVED**, that Green Bank shall enter into an indenture of trust with The Bank of New York Mellon Trust Company, N.A., as trustee (the “Indenture of Trust”) to finance the SHREC Tranche 5 and 6 SHREC Receivables, substantially in the form presented to this meeting, with any changes to the form, terms and provisions thereof, as determined by an Authorized Representative; and the pledge or assignment of Green Bank’s revenues as provided therein is hereby approved; and

**FURTHER RESOLVED**, that the interest on the Bonds shall be includable in the gross income of the holders thereof for federal income tax purposes under the Internal Revenue Code of 1986, as



amended, it being hereby found and determined by Green Bank that such issuance is necessary, is in the public interest, and is in furtherance of the purposes and powers of Green Bank; and

**FURTHER RESOLVED**, that the Bonds shall be sold to Ramirez & Co., Inc. as the initial purchaser (the “Initial Purchaser”), under the terms and conditions of a bond purchase contract (the “Purchase Contract”) and subject to certain continuing disclosure requirements as provided in a continuing disclosure agreement (the “Continuing Disclosure Agreement”) entered into by Green Bank in connection with the issuance of the Bonds; and

**FURTHER RESOLVED**, that the form, terms, provisions and distribution of the Preliminary Official Statement for the Bonds dated on or about September 15, 2025 as presented to the Board at this meeting be, and they hereby are approved, with any changes thereto as determined by an Authorized Representative; and

**FURTHER RESOLVED**, that in connection with the Bonds, the Authorized Representatives are, and each of them acting individually hereby is, authorized and directed in the name and on behalf of Green Bank, to prepare and deliver, or cause to be prepared and delivered, a final Official Statement relating to the Bonds, including any revisions thereof and amendments and supplements thereto, to execute and deliver the Bonds, the Project Support Commitment and Undertaking, the Indenture of Trust, the Purchase Contract, the Continuing Disclosure Agreement, and any other documents or instruments, with such changes, insertions and omissions as may be approved by an Authorized Representative, as he or she deems advisable for the purpose of issuing the Bonds (collectively, the “Financing Documents”), and to pay financing costs for the issuance of the Bonds, and the execution and delivery of said Financing Documents and payment of said financing costs shall be conclusive evidence of any approval required by this Resolution; and

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

**FURTHER RESOLVED**, that the proper Green Bank officers, employees and representatives are authorized and empowered to do all other acts to issue the Bonds as they shall deem necessary and desirable to carry out the intent of this Resolution.

b. Green Liberty Notes – Extension

**Resolution #3**

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

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

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

**WHEREAS**, at the June 2024 meeting of the Green Bank Board, the Board authorized staff to issue four additional bonds in quarterly issuances not to exceed \$350,000 and in a total program amount not to exceed \$4,105,000 under the SEC's Regulation Crowdfunding regulations.

**WHEREAS**, Raise Green, the crowdfunding platform used by the Green Bank to issue Green Liberty Notes, was acquired by another crowdfunding platform: Honeycomb Credit.

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

**WHEREAS**, at the December 2024 meeting of the Board, the Board authorized staff to enter into an agreement with Honeycomb Credit to issue quarterly issuances not to exceed \$350,000 and in a total program amount not to exceed \$4,105,000 under the SEC's Regulation Crowdfunding regulations.

**WHEREAS**, staff wishes to maintain the successes of the program, which include eleven consecutive oversubscribed issuances, and ensure that new investors have the opportunity to invest in the Green Bank's efforts to fight climate change and support small and medium businesses and municipalities in Connecticut.

**NOW**, therefore be it:

**RESOLVED**, that the Green Bank is authorized to modify its existing agreement (the "Issuer Agreement") with Honeycomb Credit an entity registered with and approved by the SEC as a crowdfunding funding portal, to issue bonds in an amount not to exceed \$5,155,000, in quarterly issuances not to exceed \$250,000 for the first six issuances and \$350,000 for the subsequent eleven issuances (the "Bonds") under the SEC's Regulation Crowdfunding regulations. The Bonds shall be issued by a subsidiary of CEFIA Holdings and shall be issued by and for the sole purposes of the subsidiary, and shall not be issued by or on behalf of the Green Bank. The proceeds of the Bonds shall be used by the subsidiary to acquire certain loans under the Small Business Energy Advantage program (the "Loans"), and to pay the costs of issuance on the Bonds; and

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

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

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

5. Incentive Programs Updates and Recommendations – 5 minutes

a. Smart-E Loan – Heat Pump IRB

**Resolution #4**

**WHEREAS**, both the Connecticut Green Bank (“Green Bank”) and the state’s electric utilities have their own respective goals to drive heat pump installations;

**WHEREAS**, the state’s electric utilities are interested in partnering with the Green Bank to increase the number of heat pumps installed in Connecticut homes;

**WHEREAS**, the utilities are interested in using funding from the Conservation and Load Management Fund to create a promotional interest rate buydown (“IRB”) program using the Green Bank’s existing homeowner lending program, Smart-E;

**WHEREAS**, the Green Bank will work closely with our lending partners and contractors to provide them with a time-limited, valuable marketing promotion that has been proven effective in increasing customer uptake of a product;

**NOW**, therefore be it:

**RESOLVED**, that the Green Bank Board of Directors approves a time-limited IRB promotion to be implemented through the Green Bank Smart-E Loan Program and funded exclusively by the state’s electric utilities;

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

**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.

**6. Executive Session – Trade Secrets and Commercial Information Given in Confidence – 10 minutes**

**6-7.** Adjourn

[Click here to join the meeting](#)

Teams Meeting ID: 279 832 226 577 2

Passcode: Bj26YX94

+1 860-924-7736,,59561235#

Phone Conference ID: 595 612 35#

***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***

- **In-Person Option** – if anyone wants to join future BOD or Committee meetings in person, we are inviting you to our offices in Hartford
- **Mute Microphone** – in order to prevent background noise that disturbs the meeting, if you aren't talking, please mute your microphone or phone.
- **Chat Box** – if you aren't being heard, please use the chat box to raise your hand and ask a question.
- **Recording Meeting** – we continue to record and post the board meetings.
- **State Your Name** – for those talking, please state your name for the record.

# Board of Directors Meeting

August 20, 2025

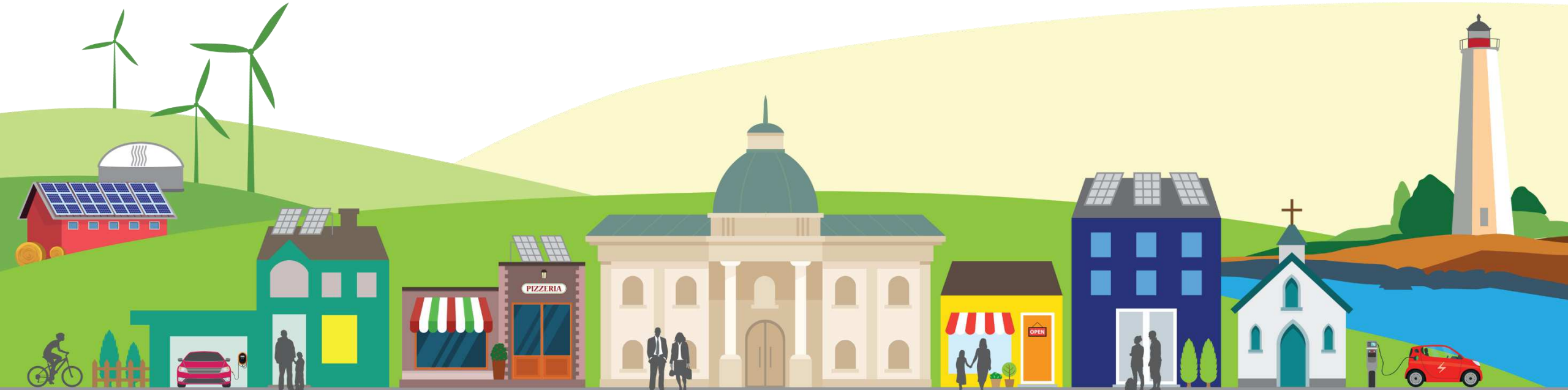




# Board of Directors



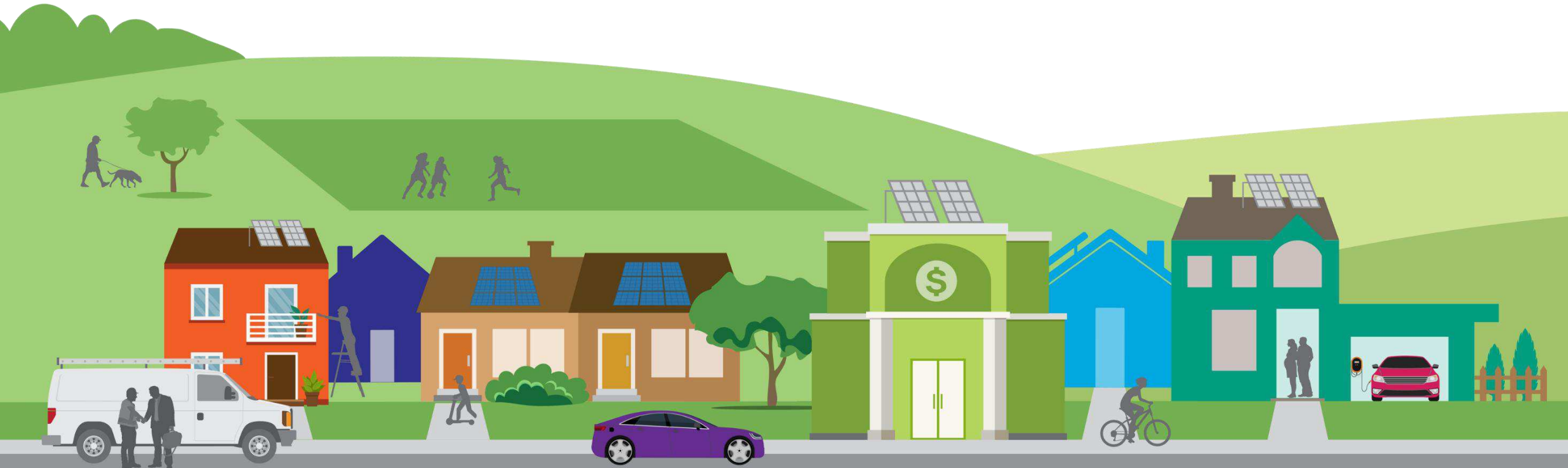
## Agenda Item #1 Call to Order



# Board of Directors



## Agenda Item #2 Public Comments



# Board of Directors



## Agenda Item #3 Consent Agenda



# Consent Agenda

## Resolution #1



1. **Meeting Minutes** – approve meeting minutes of July 25, 2025
- **Under \$500,000 and No More in Aggregate than \$1,000,000** – staff approved transactions of more than \$572,000 in four (4) C-PACE projects (i.e., Canterbury, New London, Salem, and Waterbury) and nearly \$838,000 in two (2) ESS projects (i.e., New Canaan, Stamford)

## Agenda Item #4ai

### **Investment Updates and Recommendations**

#### Green Liberty Bond Issuance

#### Special Capital Reserve Fund – Self-Sufficiency Determination





# Green Liberty Bonds

## Modelled After War Bonds of 1942



# Green Liberty Bonds

## Transaction Parties



Issuing Entity:	Connecticut Green Bank
Municipal Advisor:	NW Financial LLC
Bond Counsel	Shipman & Goodwin LLP
Senior Manager:	Ramirez & Co.
Underwriter’s Counsel:	Day Pitney LLP
Trustee:	Bank of New York Mellon
Independent Engineer:	DNV GL
Climate Bond Verifiers:	Kestrel

# Green Liberty Bonds

## Financing Schedule\*



July 29, 2025	Self-Sufficiency Findings Presented to OTT / OPM
August 20, 2025	Special Board of Directors Meeting
September 15, 2025	Posting of POS and Investor Presentation
September 29, 2025	Retail Order Period
September 30, 2025	Pricing
October 15, 2025	Closing and Delivery

*\*Preliminary, subject to change*

- The Green Bank is working with **Kestrel Verifiers** to ensure that this bond meets the Climate Bonds Initiative (CBI)'s standard for Solar
- The Green Bank has implemented a programmatic certification for its bonding
- The previous SHREC issuances were labeled as **CBI certified** and verified by Kestrel
- The Green Bank and **Kestrel will report annually** on the impact of the projects that are associated with this bond



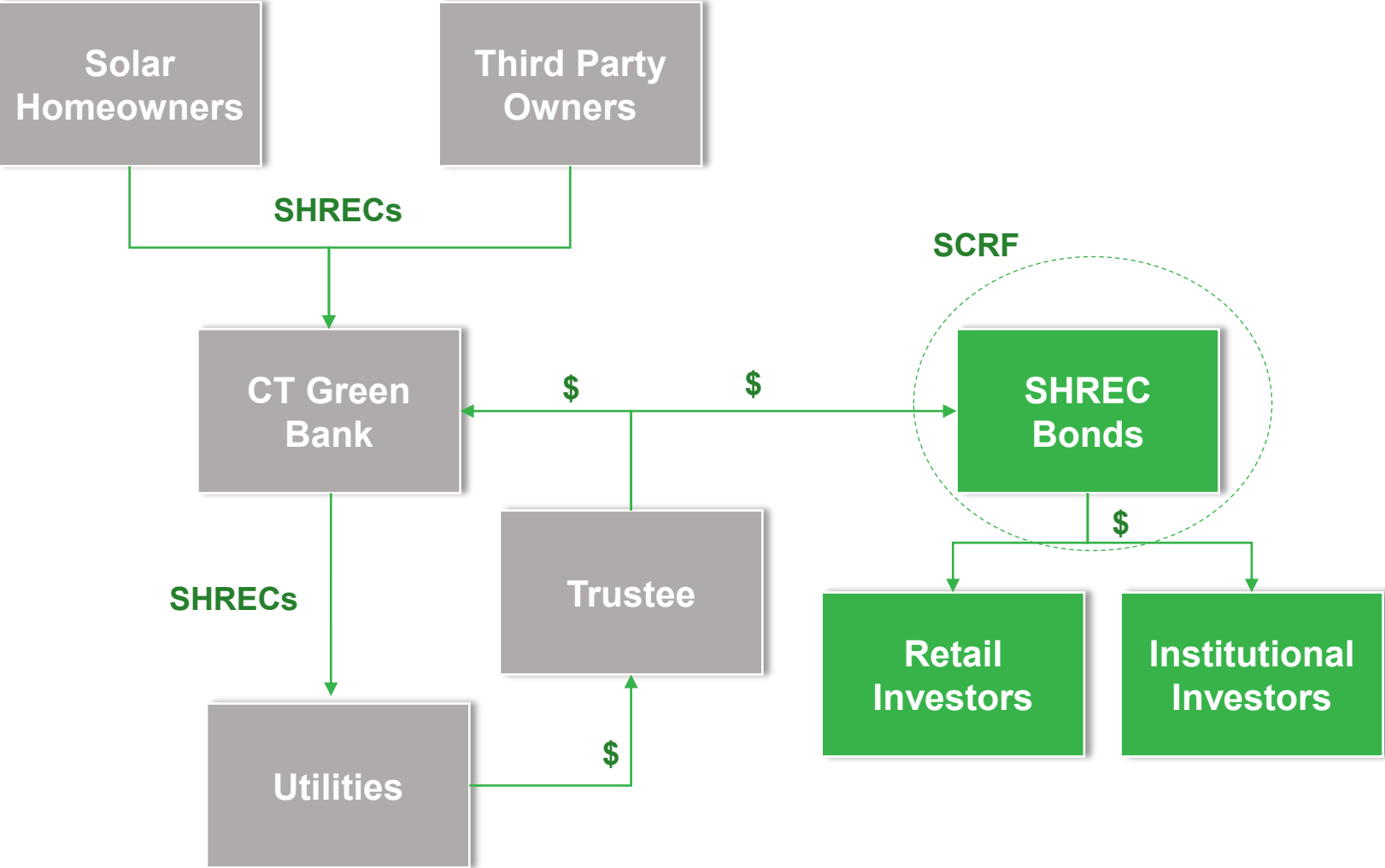
# Green Liberty Bonds

## Transaction Overview



- The Green Bank offered incentives to homeowners and third-party owners to install solar PV systems.
  - In exchange for its incentives, the Green Bank receives all rights and title to the Class I RECs generated from the systems (**Solar Home Renewable Energy Credits = SHRECs**).
  - A REC is equal to 1 MWH
- Under a **Master Purchase Agreement (“MPA”)** between the Green Bank and Connecticut’s two Investor-Owned Utilities (Eversource and United Illuminating, collectively the “Utilities”), the Green Bank aggregates SHRECs generated from solar PV systems participating in its Residential Solar Incentive Program (“RSIP”) into tranches, and sells those SHREC tranches to the Utilities at a predetermined price over a **15-year tranche lifetime**.
  - Eversource (CL&P) is rated A-/A3 (S&P/Moody’s)
  - United Illuminating is rated A-/Baa1 (S&P/Moody’s)
- The SHRECs supporting this bond issuance (Tranche 5 & 6) will be generated from 10,765 PV Systems with a **SHREC Purchase Price of \$35/\$34 per SHREC**
- Collection of Tranche 5’s SHREC Revenues started in 1/1/2021 and terminates on **12/31/2035**
- Collection of Tranche 6’s SHREC Revenues started in 1/1/2022 and terminates on **12/31/2036**
- Green Bank will establish a **Special Capital Reserve Fund** funded at MADS to support the bonds

# SHREC 2025 Transaction Diagram



# Green Liberty Bonds

## Financing Detail



- Approximate par amount of \$17.85 million
  - Fixed rate structure
- Dates
  - Principal due: November 15
  - Interest payable: May 15 and November 15
- Denominations: \$1,000
- Tax Status: Federally Taxable
  - Exempt from personal income taxes of Connecticut
- Certified Climate Bonds

*\*Preliminary, subject to change*

Bond Component	Maturity Date	Amount
Serial Bonds:		
	11/15/2026	1,098,000
	11/15/2027	1,283,000
	11/15/2028	1,324,000
	11/15/2029	1,366,000
	11/15/2030	1,410,000
	11/15/2031	1,458,000
	11/15/2032	1,514,000
	11/15/2033	1,575,000
	11/15/2034	1,641,000
	11/15/2035	1,711,000
	11/15/2036	1,536,000
	11/15/2037	1,931,000
		17,847,000



# Green Liberty Bonds

## Use of Funds



- Enable recovery of previous expenses, including RSIP incentives paid, financing costs, and administrative costs
- Enable recovery of future expenses, including RSIP incentives expected payments and administrative costs
- Fund required reserve account
  - SCRF Reserve Account

Use of Funds / Cost Recovery	
<u>RSIP Incentives (Tranche 5 &amp; 6)</u>	
Paid	\$15,836,791
To Be Paid	\$7,641,950
Total RSIP Incentives	\$23,478,741
<u>SHREC Payments Received (Tranche 5 &amp; 6)</u>	
Received and Applied to RSIP Incentives	\$11,878,583
Bond Proceeds to be applied to RSIP Incentives (A)	\$11,600,158
<u>Fund Deposits</u>	
SCRF Reserve Account (B)	\$2,170,503
<u>Financing Costs</u>	
Warehouse Fees and Expenses	\$425,000
Cost of Issuance - to CGB	\$375,000
Underwriters' Discount	\$232,011
Total Financing Costs (C)	\$1,032,011
Administrative (D)	\$3,044,328
Total Use of Funds (A + B + C + D)	\$17,847,000

# Green Liberty Bonds

## Financing Schedule\*



July 29, 2025	Self-Sufficiency Findings Presented to OTT / OPM
August 20, 2025	Special Board of Directors Meeting
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September 29, 2025	Retail Order Period
September 30, 2025	Pricing
October 15, 2025	Closing and Delivery

*\*Preliminary, subject to change*

# Self-Sufficiency – Statutory Requirement

## Revenues sufficient to...



- ☑ “pay the principal of and interest on the bonds issued to finance the project,
- ☑ establish, increase and maintain any reserves deemed by the Green Bank to be advisable to secure the payment of the principal of and interest on such bonds,
- ☑ pay the cost of maintaining the project in good repair and keeping it properly insured, and
- ☑ pay such other costs of the project as may be required.”

# Self-Sufficiency Findings



Finding #1	The Project's revenues, as confirmed by the report of the independent engineer (IE), together with the any initial starting cash reserves, will be sufficient to pay all associated costs, expenses and debt service for the Bonds.
Finding #2	The utilities, on whose statutory and contractual compliance the financial results of the Bonds depend, are both regulated electricity distribution companies under the supervision of PURA. Eversource (A-/A3/A-) & United Illuminating (A-/Baa1/A-) are statutorily mandated to enter into 15-year contracts with the Green Bank under Master Purchase Agreements (MPAs) to purchase SHRECs. The MPAs, include full cost recovery of the SHREC program.
Finding #3	Production risk from system degradation or failure is mitigated through a system of operation and maintenance agreements as well as insurance coverage.
Finding #4	The IE conducted technical due diligence on Tranche 5 and Tranche 6 that support the Bonds, examining historical performance, conducting equipment reviews, and creating a production forecast. Based on the IE's findings and structuring by the Underwriters -- the Bonds demonstrate a minimum debt service of 1.15x, using a P90 production scenario and an average of 1.08x under the P99 production scenario, sufficient in both scenarios to cover debt service, trustee fees, and Green Bank administrative expenses.
Finding #5	The Bonds contemplated under this transaction will be supported by the Green Bank through a Project Support Commitment and Undertaking, which will enable sources external to the economics and cash flows of the Project to provide adequate assurances that funds will be made available by Green Bank so that the likelihood of a draw upon the Special Capital Reserve Fund is remote.

# O&M and Insurance

## Energy Production Protection



- **System owner primarily responsible for maintenance and repairs**
  - Economic incentive for higher production
  - TPOs often have production guarantees built into lease/PPA, would have to compensate for lower than expected performance
  - Green Bank PBIs tied to production
- **Green Bank monitors through Locus Energy platform, ability to notify the system owner to resolve the reason for the lower production.**
- **All contractors responsible for 5-year workmanship warranties under RSIP rules.**
  - Inverters 10-20 year warranties
  - Panels 20-25 year warranties
- **Covered by property & casualty insurance (homeowner) or liability, property, casualty insurance (TPO)**
- **Green Bank expects to obtain parametric insurance coverage**
  - Protects against storms, triggered by windspeeds
- **Out of 46,265 RSIP projects completed since 2012, as far as the Green Bank has been notified, all but 233 are presumed to still be in operation as of June 2025, a lost rate of 0.5% over 13 years.**

- **Internationally recognized firm, DNV GL, conducted technical due diligence on the tranche**
  - Provided 25-year P50, P90, and P99 generation forecasts
  - Utilized actual production figures

Table 6-12 Energy forecast for T5 in GWh

Year	P50	P75	P90	P95	P99
1	53.8805	52.1832	50.6554	49.7410	48.0257
2	53.4242	51.7240	50.1931	49.2766	47.5571
3	52.9471	51.2423	49.7063	48.7863	47.0601
4	52.4603	50.7486	49.2054	48.2805	46.5446
5	51.9900	50.2687	48.7153	47.7836	46.0343

Table 6-15 Energy forecast for T6 in GWh

Year	P50	P75	P90	P95	P99
1	28.4993	27.5638	26.7218	26.2178	25.2724
2	28.2604	27.3233	26.4796	25.9745	25.0269
3	28.0021	27.0627	26.2166	25.7097	24.7590
4	27.7219	26.7798	25.9306	25.4216	24.4668
5	27.4288	26.4832	25.6301	25.1183	24.1584

# Previous Tranches Performance to Date



- ABS (Tranche 1 + 2) performing at 98.6% of P90 expectations\*, GLB 2020 (Tranche 3) at 101.8%, GLB 2021 (Tranche 4) at 102.4%, and **GLB 2025 (Tranche 5 & 6) at 117.3%**

Tranche 5-6 SHREC Generation (P90)								
Quarter Ended	Tranche 5	Tranche 6	Total Estimated	Tranche 5	Tranche 6	Total Actual	% to P90	Cumulative
3/31/2021	10,119		10,119	11,348		11,348	112.2%	112.2%
6/30/2021	17,924		17,924	19,860		19,860	110.8%	111.3%
9/30/2021	17,309		17,309	16,422		16,422	94.9%	105.0%
12/31/2021	7,681		7,681	8,943		8,943	116.4%	106.7%
3/31/2022	10,026	5,288	15,314	11,327	5,286	16,613	108.5%	107.1%
6/30/2022	17,760	9,366	27,126	22,524	10,871	33,395	123.1%	111.6%
9/30/2022	17,151	9,045	26,196	21,216	10,897	32,113	122.6%	114.0%
12/31/2022	7,611	4,014	11,624	10,482	5,462	15,944	137.2%	116.0%
3/31/2023	9,935	5,240	15,174	11,669	5,967	17,636	116.2%	116.0%
6/30/2023	17,598	9,282	26,879	21,824	11,159	32,983	122.7%	117.1%
9/30/2023	16,994	8,963	25,957	19,051	9,649	28,700	110.6%	116.2%
12/31/2023	7,541	3,977	11,519	9,700	4,916	14,616	126.9%	116.8%
3/31/2024	9,844	5,192	15,036	10,993	5,661	16,654	110.8%	116.4%
6/30/2024	17,437	9,197	26,635	20,590	10,783	31,373	117.8%	116.5%
9/30/2024	16,839	8,882	25,721	18,887	9,914	28,801	112.0%	116.1%
12/31/2024	7,472	3,941	11,414	11,021	5,717	16,738	146.6%	117.3%

\*103.4% in the past two years



# SHREC Bond Structure



- **\$17.847 million issuance** – sized based on self-sufficiency based on P90\* projections
  - Buildup of cash reserves every year to cover any underperforming years
  - P99 DSCR is > 1.0x under this structure (average 1.08)

Year	Annual Net Revenue			Projected Annual Debt Service	Annual Coverage		
	Expected Net SHREC Receivables (P50)	Expected Net SHREC Receivables (P90)	Expected Net SHREC Receivables (P99)		Expected P50 Debt Service	Expected P90 Debt Service	Expected P99 Debt Service
11/15/2026	2,653,878	2,492,004	2,360,010	2,166,602	1.22x	1.15x	1.09x
11/15/2027	2,654,585	2,492,652	2,360,600	2,166,880	1.23x	1.15x	1.09x
11/15/2028	2,631,834	2,469,569	2,337,173	2,146,976	1.23x	1.15x	1.09x
11/15/2029	2,607,841	2,445,075	2,312,155	2,125,914	1.23x	1.15x	1.09x
11/15/2030	2,583,053	2,419,598	2,285,959	2,103,335	1.23x	1.15x	1.09x
11/15/2031	2,559,036	2,394,609	2,259,981	2,081,907	1.23x	1.15x	1.09x
11/15/2032	2,538,160	2,372,327	2,236,317	2,062,426	1.23x	1.15x	1.08x
11/15/2033	2,518,531	2,350,978	2,213,290	2,044,289	1.23x	1.15x	1.08x
11/15/2034	2,497,969	2,328,527	2,188,994	2,024,373	1.23x	1.15x	1.08x
11/15/2035	2,476,295	2,304,826	2,163,302	2,004,036	1.24x	1.15x	1.08x
11/15/2036	2,146,476	1,994,634	1,869,056	1,733,990	1.24x	1.15x	1.08x
11/15/2037	664,743	615,251	574,277	2,042,129	N/A**	N/A**	N/A**
	28,532,403	26,680,052	25,161,112	24,702,857			

***\*Expected SHREC receivables based on P90 production. P-measures are a statistical estimate of how often, given variances in weather and system performance, solar projects will exceed that value. P99 means that for each year, 99% of the time generation is expected to be above the generation forecast and 1% of the time generation is expected to be below the generation forecast for such year***

## Agenda Item #4a **Investment Updates and Recommendations** Green Liberty Bond Issuance Bond Documents Package



# Resolution #2



**NOW, THEREFORE, BE IT RESOLVED**, that to accomplish the financing of the SHREC Receivables for SHREC Tranche 5 and 6 to (a) fund its cost recovery under the RSIP, including administrative costs, (b) fund any reserve funds as security for the timely payment of principal of and interest on the Bonds, and (c) pay financing costs related to the issuance of the Bonds, **the issuance of the Bonds by Green Bank is hereby authorized and approved**. The Bonds shall be in an aggregate principal amount not to exceed \$20,000,000 with the redemption provisions, if any, sinking fund installment payments, if any, interest rates, maturity dates (not to exceed fifteen years from the date of the Bonds) and other terms of the Bonds as shall be determined and/or approved by the President and any Officer of Green Bank (each, an "Authorized Representative"), acting individually and within such limitations permitted herein and by the Act, and the execution of the Purchase Contract (as defined herein) by an Authorized Representative reflecting such terms shall constitute conclusive evidence of such determination; and

**FURTHER RESOLVED**, that **the Bonds shall be special obligations of Green Bank, payable solely by a pledge or assignment of any Pledged Revenues to be received, any contract or proceeds of any contract, or any other property, revenues, moneys or funds available to Green Bank for such purpose as described in the Indenture of Trust (as defined herein)**. Neither the State nor any political subdivision thereof shall be obligated to pay the principal of or the interest on the Bonds except from revenues of SHREC Receivables and other Pledged Revenues pledged therefor under the Indenture of Trust. Neither the full faith and credit nor the taxing power of the State or any political subdivision thereof, including the Green Bank, is pledged to the payment of the principal of or interest on the Bonds; and

# Resolution #2 (cont'd)



**FURTHER RESOLVED**, that the Findings of Self Sufficiency Report (the "Report") presented to the Board at this meeting, including each of the Findings and the Determination included therein, is hereby approved and adopted, and an Authorized Representative is (a) authorized to make revisions to the Report, provided such revisions do not materially change the Findings and Determination contained therein, and such Report as revised shall be and is hereby deemed approved by the Board, and (b) authorized to take appropriate actions to secure the SCRF for the Bonds as he or she determines to be in the best interests of Green Bank, and provided Green Bank complies with all statutory requirements for the SCRF, which will require among other things (1) the State's Office of Policy and Management ("OPM") approval, and (2) the approval by the Office of the State Treasurer ("OTT") and other documentation required under the Act; and

**FURTHER RESOLVED**, that Green Bank shall enter into a Project Support Commitment and Undertaking or other agreement substantially in the form presented to this meeting, with any changes to the form, terms and provisions thereof, as determined by an Authorized Representative and acceptable to OPM and OTT to further support the issuance of the Bonds; and

# Resolution #2 (cont'd)



**FURTHER RESOLVED**, that Green Bank shall enter into an indenture of trust with The Bank of New York Mellon Trust Company, N.A., as trustee (the "Indenture of Trust") to finance the SHREC Tranche 5 and 6 SHREC Receivables, substantially in the form presented to this meeting, with any changes to the form, terms and provisions thereof, as determined by an Authorized Representative; and the pledge or assignment of Green Bank's revenues as provided therein is hereby approved; and

**FURTHER RESOLVED**, that the interest on the Bonds shall be includable in the gross income of the holders thereof for federal income tax purposes under the Internal Revenue Code of 1986, as amended, it being hereby found and determined by Green Bank that such issuance is necessary, is in the public interest, and is in furtherance of the purposes and powers of Green Bank; and

**FURTHER RESOLVED**, that the Bonds shall be sold to Ramirez & Co., Inc. as the initial purchaser (the "Initial Purchaser"), under the terms and conditions of a bond purchase contract (the "Purchase Contract") and subject to certain continuing disclosure requirements as provided in a continuing disclosure agreement (the "Continuing Disclosure Agreement") entered into by Green Bank in connection with the issuance of the Bonds; and

**FURTHER RESOLVED**, that the form, terms, provisions and distribution of the Preliminary Official Statement for the Bonds dated on or about September 15, 2025 as presented to the Board at this meeting be, and they hereby are approved, with any changes thereto as determined by an Authorized Representative; and

# Resolution #2 (cont'd)



**FURTHER RESOLVED**, that in connection with the Bonds, the Authorized Representatives are, and each of them acting individually hereby is, authorized and directed in the name and on behalf of Green Bank, to prepare and deliver, or cause to be prepared and delivered, a final Official Statement relating to the Bonds, including any revisions thereof and amendments and supplements thereto, to execute and deliver the Bonds, the Project Support Commitment and Undertaking, the Indenture of Trust, the Purchase Contract, the Continuing Disclosure Agreement, and any other documents or instruments, with such changes, insertions and omissions as may be approved by an Authorized Representative, as he or she deems advisable for the purpose of issuing the Bonds (collectively, the "Financing Documents"), and to pay financing costs for the issuance of the Bonds, and the execution and delivery of said Financing Documents and payment of said financing costs shall be conclusive evidence of any approval required by this Resolution; and

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

**FURTHER RESOLVED**, that the proper Green Bank officers, employees and representatives are authorized and empowered to do all other acts to issue the Bonds as they shall deem necessary and desirable to carry out the intent of this Resolution.



## Agenda Item #4b

# Investment Updates and Recommendations

### Green Liberty Notes – Extension





# Green Liberty Notes Expansion

## Original Approval and Expansion



- Originally Approved at the July 2021 meeting
- Up to **\$2 million** of “mini-bond” instrument with bond offering prices below \$1,000 (min \$100), up to \$250,000 quarterly for up to 2 years
- Expanded to \$350,000 quarterly issuances twice
  - Program transitioned from Raise Green to Honeycomb Credit (December 2024)
  - Seeking an additional 1-yr expansion and 4 additional issuances of \$350,000

# Green Liberty Notes

## Thirteen Successful Issuances



Issuance	Date of Launch	Amount Raised	GLNs Interest Rate	SBEA Tranche Interest Rate
1	December 14 <sup>th</sup> , 2021	\$190,400	1.00%	3.26% (average 12/20/18 – 11/17/21)
2	April 13 <sup>th</sup> , 2022	\$114,335	1.50%	2.36% (3/17/22)
3	July 7 <sup>th</sup> , 2022	\$250,000	2.50%	4.88% (6/14/22)
4	September 29 <sup>th</sup> , 2022	\$250,000	3.50%	4.88% (6/14/22)
5	January 9 <sup>th</sup> , 2023	\$250,000	4.75%	6.39% (10/29/22 and 12/22/22)
6	April 17 <sup>th</sup> , 2023	\$250,000	4.50%	5.83% (3/20/23)
7	June 26, 2023	\$350,000	5.00%	6.39% (6/30/23)
8	September 27, 2023	\$350,000	5.25%	6.91% (10/6/23)
9	January 8, 2024	\$350,000	5.25%	6.19% (12/21/23)
10	April 15, 2024	\$350,000	5.25%	6.46% (3/28/24)
11	July 9, 2024	\$350,000	5.25%	6.44% (6/20/24)
12	February 26, 2025	\$350,000	4.50%	6.42% (12/23/24)
13	May 20, 2025	\$350,000	4.50%	6.21% (3/14/25)

# Green Liberty Notes

## Total Investments



### Total Investment \$3.75M

Total Investors	526
CT Investors	>250
Investments ≤\$1,000	>315

### Eleven consecutive SOLD OUT issuances

- Continue to sell out issuances after transitioning to Honeycomb Credit
- Received highest # of investors and investments below \$1,000

### Repayment/Reinvestment

- Repayment process has improved for investors & CGB via the Honeycomb "wallet"
- 1099s were issued again this spring
- Reinvestment continues to provide compounded interest to investors.

# Resolution #3



**NOW**, therefore be it:

**RESOLVED**, that the Green Bank is authorized to modify its existing agreement (the "Issuer Agreement") with Honeycomb Credit an entity registered with and approved by the SEC as a crowdfunding funding portal, to issue bonds in an amount not to exceed \$5,155,000, in quarterly issuances not to exceed \$250,000 for the first six issuances and \$350,000 for the subsequent eleven issuances (the "Bonds") under the SEC's Regulation Crowdfunding regulations. The Bonds shall be issued by a subsidiary of CEFIA Holdings and shall be issued by and for the sole purposes of the subsidiary, and shall not be issued by or on behalf of the Green Bank. The proceeds of the Bonds shall be used by the subsidiary to acquire certain loans under the Small Business Energy Advantage program (the "Loans"), and to pay the costs of issuance on the Bonds; and

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

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

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

# Board of Directors

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Agenda Item #5a

## **Incentive Programs Updates and Recommendations**

Smart-E Loan – Heat Pump IRB



# Smart-E Loan Program

## Heat Pump IRB



- **A Green Bank/Utility Partnership**

- Eversource and Avangrid expressed interest in using some CEEF funding to support a Heat Pump IRB promotion
- Heat pump installation numbers are behind goals set by the state (seen in Smart-E, too)
- This promotion could provide a bump in deployment (we have had success in the past with IRBs for Heat Pumps)
- Maximum support expected: \$1 million (could be lower if they decide to use some of these funds to increase their incentives instead (currently \$750/ton, with the average project being 3 tons).
- No Green Bank money would be included in this promotion
- Mid-September launch to coincide with the Battery Storage IRB

# Smart-E Loan Program

## Heat Pump IRB



### Promotional Details

- Current Smart-E Rate for 5-10 year loans is 6.99%
- Proposal:
  - Either a 2.99% or a 1.99% rate for general market loans, or;
  - A 1.99% rate or a 0.99% rate for LMI applicants
  - Utilities LMI is 60% of SMI (same definition as ESS)

<b>\$20,000 average project cost, 10-year loan</b>	<b>IRB: 6.99% to 3.99%</b>	<b>LMI option: 6.99% to 1.99%</b>	<b>IRB: 6.99% to 2.99%</b>	<b>LMI option: 6.99% to 0.99%</b>
<b>Cost of IRB</b>	\$2,509.92	\$4,197.97	\$3,406.28	\$4,965.33
<b>Number of Loans</b>	386	238	293	201



# Resolution #4



**NOW**, therefore be it:

**RESOLVED**, that the Green Bank Board of Directors approves a time-limited IRB promotion to be implemented through the Green Bank Smart-E Loan Program and funded exclusively by the state's electric utilities;

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

**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.

## Agenda Item #6 **Executive Session**

Trade Secrets and Commercial Information  
Given in Confidence



# **REDACTED**

# **REDACTED**

# **REDACTED**

## Agenda Item #6 **Executive Session**

Trade Secrets and Commercial Information  
Given in Confidence



# Board of Directors



## Agenda Item #6 Adjourn







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

Friday, July 25, 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 July 25, 2025.

Board Members Present: Jamie Cosgrove, Joseph DeNicola, Dominick Grant, John Harrity, Kimberly Mooers, Allison Pincus, Lonnie Reed, Joanna Wozniak-Brown

Board Members Absent: Adrienne Farrar Houël, Thomas Flynn, Matthew Ranelli, Brenda Watson

Staff Attending: Stephanie Attruia, David Beech, Joseph Bentley, Priyank Bhakta, Joe Boccuzzi, Joe Buonannata, Larry Campana, Sergio Carrillo, Sara Cody, James Desantos, Catherine Duncan, Mackey Dykes, Emma Ellis, Brian Farnen, Bryan Garcia, Sara Harari, Matt Healy, Bert Hunter, Brett Hyska, Stefanie Keohane, Alex Kovtunencko, Stephanie Layman, Corey Lesniak, Cheryl Lumpkin, Kevin Moss, Tyler Rubega, Ariel Schneider, Robert Schmitt, Janak Sekaran, Eric Shrago, Dan Smith, Heather Stokes, Nicholas Tan, Marianna Trief, Christina Tsitso, Barbara Waters, Leigh Whelpton

Others present: CT-N, Regina Miller, Amanda Nocera

**1. Call to Order**

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

**2. Public Comments**

- No public comments.

**3. Consent Agenda**

**a. Meeting Minutes of the June 20, 2025 meeting**

**Resolution #1**

Motion to approve the meeting minutes of the Board of Directors for June 20, 2025.

**b. Progress to Targets for FY25**

**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.

**c. Board and Committee Report for FY25**

**Resolutions #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.

**Upon a motion made by John Harrity and seconded by Kimberly Mooers, the Board of Directors voted to approve Resolutions 1-3. None opposed or abstained. Motion approved unanimously.**

**4. Committee Updates and Recommendations**  
**a. Budget, Operations, and Compensation Committee**  
**i. Addition to FY26 Budget**

- Eric Shrago reviewed the updated presentation of the FY26 budget with and without the NCIF grant in response to Thomas Flynn's questions at the last meeting.

**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.

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

**5. Comprehensive Plan Recommendations and Updates**

- Bryan Garcia summarized the updates to the Comprehensive Plan including basic edits, edits to the Introduction, and Program updates.

**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:

## Subject to Changes and Deletions

**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.

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

**6. Greenhouse Gas Reduction Fund – Updates and Recommendations**  
**a. National Clean Investment Fund**  
**i. Green School Buses – Autumn, Hartford Public Schools**

- Kevin Moss summarized a project for supporting the Hartford Public School through their transportation provider Autumn, to deploy 25 Class C Buses and 25 chargers for those buses. The financing request is for \$1,883,888, including a bridge loan for DEEP grant of \$837,000. He summarized the public health and community impacts expected from the project and the investment structure.

### **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

## Subject to Changes and Deletions

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 affect the above-mentioned financing for the Project.

**Upon a motion made by Joseph DeNicola and seconded by Joanna Wozniak-Brown, the Board of Directors voted to approve Resolution 6. None opposed or abstained. Motion approved unanimously.**

### **ii. Green School Buses – Dattco, East Hartford Public Schools**

- Kevin Moss summarized a project for supporting East Hartford Public School, through their transportation provider Dattco, to deploy 2 Class C Buses, 1 Class A Bus, and 1 electric van, as well as 4 chargers for those vehicles. The financing request is for \$1,058,000 including a bridge loan for the DEEP grant of \$80,000. He summarized the public health and community impacts expected from the project and the investment structure.

### **Resolution #7**

**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

## Subject to Changes and Deletions

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 affect the above-mentioned financing for the Project.

**Upon a motion made by Jamie Cosgrove and seconded by Joanna Wozniak-Brown, the Board of Directors voted to approve Resolution 7. None opposed or abstained. Motion approved unanimously.**

### **7. Financing Programs Updates and Recommendations** **a. C-PACE Transaction – Beacon Falls**

- Stephanie Attruia presented a 297.54 kW DC rooftop solar project requesting a \$581,687 loan at 5.25% with a loan-to-value of 75.2%, a lien-to-value of 23.4%, and a DSCR of 1.48x. She reviewed the cash flows, which is standard and positive throughout.

### **Resolution #8**

## Subject to Changes and Deletions

**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 affect the above-mentioned legal instruments.

**Upon a motion made by Dominick Grant and seconded by Joseph DeNicola, the Board of Directors voted to approve Resolution 8. None opposed or abstained. Motion approved unanimously.**

### **b. C-PACE Transaction – Branford**

- Stephanie Attruia presented a 301.3 kW DC rooftop solar PV project requesting a \$743,698 loan at 5.25% with a loan-to-value of 70.7%, a lien-to-value of 34.9%, and a DSCR of 5.86x. She reviewed the cash flows, both standard and sculpted, and the customer has selected a sculpted repayment schedule.

### **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,



## Subject to Changes and Deletions

**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 affect the above-mentioned legal instruments.

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

### **c. C-PACE Transaction – Branford**

- Stephanie Attruia presented a 135.3 kW DC rooftop solar project requesting a \$458,817 loan at 5.25% with a loan-to-value of [REDACTED], a lien-to-value of [REDACTED], and a DSCR of [REDACTED]x. She reviewed the cash flows, both standard and sculpted, and the customer has selected a sculpted repayment schedule.

### **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

## Subject to Changes and Deletions

“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 Jamie Cosgrove and seconded by Kimberly Mooers, the Board of Directors voted to approve Resolution 10. None opposed or abstained. Motion approved unanimously.**

### **d. C-PACE Transaction – Bridgeport**

- Stephanie Attruia presented a 243 kW DC rooftop solar project requesting a \$866,079 loan at 5.25% with a loan-to-value of ■■■%, a lien-to-value of ■■■%, and a DSCR of ■■■x. She noted the lien-to-value is above guidelines due to using the municipal appraised value and the approval is contingent upon the borrower ordering an appraisal to validate. She reviewed the cash flows, both standard and sculpted, and the customer has selected a standard repayment schedule.
  - John Harry asked about the state of the roof based on the photo in the presentation. Catherine Duncan responded it is partly the photo and partly that the white coating on the roof is being replaced before the solar panels are installed.
  - Catherine Duncan added that once the appraisal comes in, she believes the customer may reconsider his repayment schedule selection.

### **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 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

## Subject to Changes and Deletions

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 affect the above-mentioned legal instrument.

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

### **e. C-PACE Transaction – Manchester**

- Stephanie Attruia presented a 291.6 kW DC rooftop solar project requesting a \$748,188 loan at 5.25% with a loan-to-value of █%, a lien-to-value of █%, and a DSCR of █x. She noted the loan-to-value and lien-to-value are above guidelines, but the underwriting team is comfortable with it anyway, mainly because both of the operating businesses at the property will be co-borrowers on the loan. As well, the buy-all, sell-all tariff revenue is expected to over 105% of the annual CPA's assessment. She reviewed the cash flows, both standard and sculpted, and the customer has selected the standard repayment schedule.
  - John Harrity asked about the building owner portfolio and Stephanie Attruia responded with their current business. John Harrity asked if they are looking to install solar on any of their other properties and Stephanie Attruia responded that she believes they are discussing more projects in the future.

### **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

## Subject to Changes and Deletions

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 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 12. None opposed or abstained. Motion approved unanimously.**

### **f. C-PACE Transaction – Simsbury**

- Stephanie Attruia presented a 142.56 kW DC carport solar project requesting a \$514,073 loan at 5.25% with a loan-to-value of ■■■%, a lien-to-value of ■■■%, and a DSCR of ■■■x. She reviewed the cash flows, both standard and sculpted, with the recommendation to go with a sculpted repayment schedule as they are a non-profit.
  - John Harrity asked how large the carport is due to the high cost. Stephanie Attruia responded that in talking to the property owners, due to the orientation of the building and parking lot they thought they would have more sun exposure with a carport.

### **Resolution #13**

**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

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“Memo”).

**NOW**, therefore be it:

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

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

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

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

### **g. C-PACE Transaction – Waterbury**

- Stephanie Attruia presented a 281.6 kW DC rooftop solar project requesting a \$674,901 loan at 5.45% with a loan-to-value of ■■■%, a lien-to-value of ■■■%, and a DSCR of ■■■x. She reviewed the cash flows, both standard and sculpted, and the customer is still deciding on which repayment schedule to select.
  - Joseph DeNicola asked if the chart showed the loan balance in year 20 since it is a 25-year loan. Stephanie Attruia responded that she doesn't have the exact numbers in the presentation but could share a PNI with everyone. Joseph DeNicola asked what factors are considered to extend a loan beyond the standard 20-year term. Catherine Duncan added that the owner requested the 25-year term at the last minute and therefore the team gave them almost no cash inflow for those years, but the overall SIR is strong for 25 years. She also noted that he is considering going back to 20 years and is currently unavailable to make a decision but should soon. Priyank Bhakta added that another factor taken into consideration is the property owner's stake in the property since the individual has owned it since 2002 and has made significant investments in it previously. He added that the expected useful life of the system is 25 years, which is another reason the team is comfortable extending by 5 years.

### **Resolution #14**

**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,

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**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 affect the above-mentioned legal instruments.

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

### **h. C-PACE Restructuring – East Hartford**

- Stephanie Attruia presented a 223 kW DC solar project refinancing due to equipment failure with one of the inverters that impacted solar production and is requesting to skip their July 2025 CPA's payment while extending their loan by one payment at the end. She noted that the Green Bank has approved similar payment modifications in the past related to COVID-19, and so the team followed the same guidelines for this request. She presented the revised payment restructure, which overall remains similar to the key metrics from before, and the cash flows.

### **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)

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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 affect the above-mentioned legal instruments.

**Upon a motion made by John Harrity and seconded by Kimberly Mooers, the Board of Directors voted to approve Resolution 15. None opposed or abstained. Motion approved unanimously.**

### **8. Investment Programs Updates and Recommendations** **a. Commercial Solar PPA Program – Update and Expansion**

- Mariana Trief summarized the request for expansion of the Commercial Solar & Storage Program, which has been very successful. The request is to increase from \$50 million to \$88 million to allow the team to meet pipeline demand and incorporate some contingency capacity.

### **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 3<sup>rd</sup> 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 3<sup>rd</sup>-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-



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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 affect the above-mentioned legal instrument.

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

### **b. SHREC Warehouse**

- Bert Hunter summarized the history of the SHREC Warehouse and request to renew the Revolving Credit Facility. He clarified that the Green Bank has not yet needed to borrow under the facility in a number of years but it is renewed and kept available just in case. The interest rate and unused fee are the same as before.

### **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

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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

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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 affect the above-mentioned legal instrument or instruments.

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

Bert Hunter added that the team is in the process of going through the necessary steps to issue the SHREC bonds, the Board approval is needed on the determination of self-sufficiency for the Special Capital Reserve Fund. He requested a special meeting be held to present the relevant materials but doesn't expect the meeting to be longer than 1 hour. Bryan Garcia suggested the Board members submit their availability through the chat and a meeting date can be decided on from that.

### c. PosiGen – ESS Facility Renewal

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- Larry Campana summarized the ESS PosiGen Funding Facility history and presented the request for a 1-year extension to the working capital line. He reviewed a forecast for several metrics if the Resolution is approved in relation to the \$3 million cap.

### **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 affect the above-mentioned legal instruments.

**Upon a motion made by John Harrity and seconded by Jamie Cosgrove, the Board of Directors voted to approve Resolution 18. None opposed or abstained. Motion approved unanimously.**

#### **d. PosiGen – Modification**

- Bryan Garcia introduced some of the recipients of the Solar For All and Energy Storage

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Solutions program. He summarized PosiGen's portfolio and the impact in Connecticut. Bert Hunter summarized the proposal for the refinanced PosiGen facility and its goals and benefits. He reviewed the facility and cash flow structures, which is a typical partnership flip structure with back leverage.

### **e. Executive Session – Trade Secrets and Commercial Information Given in Confidence and Personnel Related Matters**

**Upon a motion made by John Harrity and seconded by Joanna Wozniak-Brown, the Board of Directors voted to enter Executive Session at 10:15 am. None opposed or abstained. Motion approved unanimously.**

**Upon a motion made by Joseph DeNicola and seconded by John Harrity, the Board of Directors voted to return from Executive Session at 10:45 am. None opposed or abstained. Motion approved unanimously.**

### **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

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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 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 19. None opposed or abstained. Motion approved unanimously.**

A new Resolution was added to the Agenda during the meeting for content discussed during the Executive Session. This was added as Resolution #20 due to the originally planned Resolution #20 in relation to item 9a being cancelled.

### **Resolution #20**

**RESOLVED**, that the Board approves the severance as discussed in Executive Session and consistent with the Connecticut Green Bank's severance policy for other terminations.

**Upon a motion made by Joseph DeNicola and seconded by Jamie Cosgrove, the Board of Directors voted to approve Resolution 20. None opposed or abstained. Motion approved unanimously.**

## **9. Incentive Programs Updates**

### **a. ESS Transaction – ESS-02322 and ESS-02326 – ACME Markets (New Canaan and Stamford)**

This item was cancelled from the presentation.

### **b. Smart-E Interest Rate Buydown – Battery Storage**

- Barbara Waters summarized the ARRA funds and Smart-E program history, which has a remaining balance of just over \$241,000 and is proposed to use those funds for an interest rate buy-down for battery storage. She summarized the promotional details, financial metrics, and goals.

### **Resolution #21**

**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;

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**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 affect the IRB promotion with terms and conditions consistent with the Program.

**Upon a motion made by Joanna Wozniak-Brown and seconded by John Harrity, the Board of Directors voted to approve Resolution 21. None opposed or abstained. Motion approved unanimously.**

### **10. Other Business** **a. SustainableCT**

- Robert Schmitt summarized an update to the Sustainable CT partnership, including several of the initiatives that the Green Bank supported through them, and request to continue to support the partnership through a strategic selection.

Joanna Wozniak-Brown left the meeting at 10:56 am.

### **Resolution #22**

**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;



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**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 affect the above-mentioned legal instrument or instruments.

**Upon a motion made by Jamie Cosgrove and seconded by John Harrity, the Board of Directors voted to approve Resolution 22. None opposed or abstained. Motion approved unanimously.**

### **b. Manufacturing Innovation Fund of DECD – Green Gain**

- Robert Schmitt summarized a progress update of the Green Gain program, which began in October 2024, and the request to extend the program by entering an MOU with DECD and a PSA with CT Sustainable Business Council should the Manufacturing Innovation Fund approve the request to extend the program as well.

### **Resolution #23**

**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

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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 Operating 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 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 affect the above-mentioned legal instrument or instruments.

**Upon a motion made by John Harrity and seconded by Dominick Grant, the Board of Directors voted to approve Resolution 23. None opposed and Allison Pincus abstained. Motion approved.**

### **c. FY 2025 Report Out – Financing Programs, Incentive Programs, and Environmental Infrastructure Programs**

- Mackey Dykes summarized the preliminary FY25 Progress to Targets for Financing Programs, which overall was successful.
- Sergio Carrillo summarized the preliminary FY25 Progress to Targets for Incentive Programs, which overall was challenging with fewer but larger projects. Overall, the Smart-E program had the least uptake and Eric Shrago added that there has been a slowdown since January and losing Capital For Change as a lender from the program caused significant impacts

## Subject to Changes and Deletions

in terms of making sure that there were enough other lenders working with contractors to get projects completed. He noted the target was also set 20% higher than in previous years. Barbara Waters added that HVAC previously comprised about 69% of projects and this year it was about 50%, with contractors noting the increasing cost of equipment and the switch to heat pumps being factors. Sergio Carrillo continued that there was unfortunately little impact in vulnerable communities for capital deployed and discussed some of the challenges. Bryan Garcia clarified there will be a follow up regarding the data for Vulnerable Communities as some of the data did not seem to pull into the presentation.

- Dominick Grant asked regarding the number of project and capital deployed targets compared to the MW targets, how is that perceived and evaluated. Sergio Carrillo responded that for the presented Residential projects, approximately 250 only participated in active dispatch meaning that they did not receive an upfront incentive and therefore the total cost of the project isn't captured for the targets. He added that the team is thinking of changing that metric to include an average cost of the systems in that criteria because they are solar paired.
- Lonnie Reed asked if there is any movement within the region to get together and push back against the ISO New England slowdown in the interconnection queue. Sergio Carrillo responded there is movement at the public utilities level to improve the interconnection queue.
- Leigh Whelpton summarized the preliminary FY25 Progress to Targets for Environmental Infrastructure Programs, which overall was successful. The capital deployed target appears short but there are \$1.3 million of transactions which were approved in May and are expected to close Q1 for FY26.

### **d. Federal and State – Public Policy Updates**

#### **i. Overview of the “One Big Beautiful Bill Act” – Federal Update**

- Brian Farnen summarized some of the high-level takeaways from the “Big Beautiful Bill” being passed at the Federal level. Alex Kovtunenکو summarized the impacts to the tax credits for the measures that the Green Bank is focused on, such as solar, storage, and fuel cells by the “Big Beautiful Bill” which generally has negative impacts with tax credits overall coming to an end, except for fuel cells which came out ahead. He also summarized changes to the adders to certain programs, reviewed the new Foreign Entity of Concern (FEOC) rules, and changes to guidance for project construction timelines, all of which are expected to cause difficulty and uncertainty in the market.
- Mackey Dykes explained the team's perspective for Solar Financing programs and working with borrowers to make them aware and develop plans to deal with the changes, should they affect a given project. The team is working to safe harbor projects in relation to FEOC compliance, though the situation has a lot of uncertainty. For upcoming projects that may be affected by the changes, the team is working hard to learn to navigate the changes effectively.
  - Dominick Grant asked in relation to the C-PACE transactions approved earlier, if the option to have a sculpted repayment schedule and capture the ITC is the burden of the project owner to figure out how to do that before the end of the year, or how that will play out going forward. Mackey Dykes responded that the projects for the next few months are assuming the ITC will be captured regardless of the amortization being sculpted or not, so long as construction has begun prior to the end of the year, and the team is working with borrowers to ensure that they understand the changes and encourage them to take action now so the ITC is still available when the amortization schedule begins. Dominick Grant asked if the team expects those changes to negatively impact the C-PACE pipeline. Mackey Dykes responded that he expects there to be intense pressure for the next few months so borrowers can capture incentives, but

## Subject to Changes and Deletions

beyond that he is unsure due to the new various policies that will begin.

- John Harrity commented in regard to the Federal landscape, he is very upset about the changes that were voted in as climate change continues to change for the worse, and yet these new policies do not help mitigate it. Bryan Garcia added that in recognition of John Harrity's point, there have been strong efforts made at the state level by the Governor who led on Public Act 25-33 Resilience Improvement Districts and there may be a role for the Green Bank in terms of helping municipalities on those points. John Harrity agreed and pushed for more effort at the State level.

### **ii. Overview of the 2025 Legislative Session – State Update**

- James Desantos gave a high-level summary of the most recent Legislative Session which adjourned on June 4, 2025, noting that most of the details were emailed directly and cover the legislation that passed. He also offered to meet individually to answer questions and go into more detail.

### **11. Adjourn**

**Upon a motion made by John Harrity and seconded by Joseph DeNicola, the Board of Directors voted to adjourn at 11:53 am. None opposed or abstained. Motion approved unanimously.**



# 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 (EVP of Financing 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:** August 20, 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, 24 projects were evaluated and approved for funding in an aggregate amount of approximately \$197,537,572,147 for Financing Programs. And, during this period, 2 projects were evaluated and approved for funding in an aggregate amount of approximately \$837,928 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.

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## Summary

Property Information		
Property Address	351 Brooklyn Road, Canterbury, CT 06331	
Municipality	Town of Canterbury	
Property Owner	351 Brooklyn Rd Holdings LLC	
Type of Building	Specialty – Horticultural Nursery	
Building Size (sf)	Property comprises a two-family dwelling and 11 outbuildings, totaling 37,051 sq. ft.; 79.2 acres	
Year of Build / Most Recent Renovation	N/a – ground mount solar (two-family home built 1930)	
Environmental Screening Report		
Project Information		
Proposed Project Description	43.1 kW ground mount solar	
Energy Contractor		
Objective Function	42.24 kBTU / ratepayer dollar at risk	
Projected Energy Savings (mmBTU)	Year One	188
	Over EUL	4,417
Estimated Cost Savings (incl. ZRECs/Tariff and tax benefits)	Year One	\$68,449
	Over EUL	\$359,658
Financial Metrics		
Proposed C-PACE Assessment	\$104,576	
Term Duration (years)	10	
Term Rate	4.75% annually	
Construction Rate	5.00% annually	
Annual C-PACE Assessment	\$13,259	
Average DSCR		
Savings-to-Investment Ratio		
Lien-to-Value (LiTV)		
Loan-to-Value (LTV)		
Appraisal Value <sup>1</sup>		
Mortgage Lender Consent		
Co-Borrower	N/A	

## Summary

Property Information		
Property Address	380 New London Road, Salem CT 06420	
Municipality	Town of Salem	
Property Owner	380 New London Holdings LLC	
Type of Building	Specialty – Nursery (horticulture)	
Building Size (sf)	25,760	
Year of Build / Most Recent Renovation	1987	
Environmental Screening Report		
Project Information		
Proposed Project Description	54.3 kW DC solar rooftop installation	
Energy Contractor		
Objective Function	49.4 kBTU / ratepayer dollar at risk	
		Total
Projected Energy Savings (mmBTU)	Year One	243
	Over EUL	4,644
Estimated Cost Savings (incl. ZRECs/Tariff and tax benefits)	Year One	\$65,694
	Over EUL	\$422,813
Financial Metrics		
Proposed C-PACE Assessment	\$93,961	
Term Duration (years)	10	
Term Rate	4.75% annually	
Construction Rate	5.00% annually	
Annual C-PACE Assessment	\$11,913	
Average DSCR		
Savings-to-Investment Ratio		
Lien-to-Value (LiTV)		
Loan-to-Value (LTV)		
Appraisal Value <sup>1</sup>		
Mortgage Lender Consent		
Co-Borrower	N/A	

## Summary

Property Information		
Property Address	2 Mattoon Road	
Municipality	Waterbury	
Property Owner	Corvigno Properties LLC	
Type of Building	Industrial	
Building Size (sf)	8,954 sf	
Year of Build / Most Recent Renovation	1922	
Environmental Screening Report	[REDACTED]	
Project Information		
Proposed Project Description	85.32 kW DC solar rooftop installation	
Energy Contractor	[REDACTED]	
Objective Function	28.79 kBTU / ratepayer dollar at risk	
		Total
Projected Energy Savings (mmBTU)	Per Year	340
	Over EUL	6,478
Estimated Cost Savings (incl. ZRECs/Tariff and tax benefits)	Year 1	\$95,413
	Over EUL	\$486,933
Financial Metrics		
Proposed C-PACE Assessment	\$234,750	
2Term Duration (years)	10	
Term Rate	4.75%	
Construction Rate	4.75%	
Annual C-PACE Assessment	\$29,763	
Average DSCR	[REDACTED]	
Savings-to-Investment Ratio	[REDACTED]	
Lien-to-Value (LiTV)	[REDACTED]	
Loan-to-Value (LTV)	[REDACTED]	
Appraisal Value <sup>1</sup>	[REDACTED]	
Mortgage Lender Consent	[REDACTED]	



Summary

Property Information		
Property Address	185 Pequot Avenue, New London, CT 06320	
Municipality	New London	
Property Owner	Pequot Place LLC	
Type of Building	Multifamily	
Building Size	4,290 sf / 12 units	
Year of Build / Most Recent Renovation	1960 / 2024	
Environmental Screening Report	[REDACTED]	
Project Information		
Proposed Project Description	35.2 kW DC rooftop solar installation	
Contractor	[REDACTED]	
Objective Function	TBD¹	
Tariff	Buy All/Sell All (secured)	
		Total
Projected Energy Savings (mmBTU)	Year One	TBD
	Over EUL	TBD
Estimated Cost Savings (incl. RECs/Tariff and tax benefits)	Year One	TBD
	Over EUL	TBD
Financial Metrics		
C-PACE Assessment (Ratepayer funds at risk)	\$138,860	
Term Duration (years)	20	
Term Rate	5.25% annually	
Construction Rate	5.25% annually	
Annual C-PACE Assessment	\$11,297	
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	

**Energy Storage Solution Program  
Upfront Incentive Application**

<b>Project Description</b>	Installation of a Tesla Megapack 2XL for ACME Market in New Canaan.
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**Customer / Site information**

<b>Customer Name</b>	Albertsons Safeway, LLC (ACME Market)
<b>Address</b>	288 Elm St., New Canaan
<b>Business Purpose</b>	Grocery store
<b>Incentive Application No.</b>	ESS-02322
<b>Customer Peak Demand (kW)</b>	318 kW
<b>Customer Class (S / M / L)</b>	Medium
<b>Project Developer / Installer</b>	Scale Microgrid Solutions
<b>System Owner</b>	Scale Microgrid Solutions

**Program Eligibility**

<b>Critical Facility</b>	No
<b>Small Business</b>	No
<b>Onsite Fossil Fuel Generator</b>	No
<b>Grid Edge Customer</b>	No

**Battery Energy Storage System (BESS) Characteristics**

<b>System Configuration</b>	Standalone
<b>Expected Program Participation</b>	Passive and Active Dispatch
<b>BESS Make / Model</b>	Tesla Megapack 2XL
<b>BESS Power Rating (kW)</b>	1,927 kW
<b>BESS Energy Capacity (kWh)</b>	3,854 kWh
<b>BESS Technology Approval Status</b>	Pre-Approved
<b>Interconnection Application Filed</b>	Yes
<b>Interconnection Study Required</b>	Yes
<b>Estimated Project Cost</b>	\$3,079,140.00

**Benefit / Cost Ratios (8/1/2025 Calculator)**

<b>RIM – Ratepayer Impact Measure</b>	2.58
<b>RIM CT – Ratepayer Impact Measure (CT)</b>	1.60
<b>PCT – Participant Cost Test</b>	0.80
<b>PACT – Program Administrator Cost Test</b>	3.09
<b>SCT – Societal Cost Test</b>	1.28
<b>TRC – Total Resource Cost Test</b>	1.28
<b>CTET – CT Efficiency Test</b>	3.08

**Upfront Incentive Information**

<b>Incentive Application Status</b>	Application Submitted
<b>Estimated Upfront Incentive</b>	<b>\$418,964</b>
<b>Incentive Calculation Method</b>	Tiered Rate using Peak Demand – Tranche 3 Step 1

**Energy Storage Solution Program  
Upfront Incentive Application**

<b>Project Description</b>	Installation of a Tesla Megapack 2XL for ACME Market in Stamford.
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**Customer / Site information**

<b>Customer Name</b>	Albertsons Safeway, LLC (ACME Market)
<b>Address</b>	1201 High Ridge Rd., Stamford, CT
<b>Business Purpose</b>	Grocery store
<b>Incentive Application No.</b>	ESS-02326
<b>Customer Peak Demand (kW)</b>	204 kW
<b>Customer Class (S / M / L)</b>	Medium
<b>Project Developer / Installer</b>	Scale Microgrid Solutions
<b>System Owner</b>	Scale Microgrid Solutions

**Program Eligibility**

<b>Critical Facility</b>	No
<b>Small Business</b>	No
<b>Onsite Fossil Fuel Generator</b>	No
<b>Grid Edge Customer</b>	No

**Battery Energy Storage System (BESS) Characteristics**

<b>System Configuration</b>	Standalone
<b>Expected Program Participation</b>	Passive and Active Dispatch
<b>BESS Make / Model</b>	Tesla Megapack 2XL
<b>BESS Power Rating (kW)</b>	1,927 kW
<b>BESS Energy Capacity (kWh)</b>	3,854 kWh
<b>BESS Technology Approval Status</b>	Pre-Approved
<b>Interconnection Application Filed</b>	Yes
<b>Interconnection Study Required</b>	Yes
<b>Estimated Project Cost</b>	\$3,058,297.00

**Benefit / Cost Ratios (8/1/2025 Calculator)**

<b>RIM – Ratepayer Impact Measure</b>	2.58
<b>RIM CT – Ratepayer Impact Measure (CT)</b>	1.60
<b>PCT – Participant Cost Test</b>	0.81
<b>PACT – Program Administrator Cost Test</b>	3.09
<b>SCT – Societal Cost Test</b>	1.28
<b>TRC – Total Resource Cost Test</b>	1.29
<b>CTET – CT Efficiency Test</b>	3.08

**Upfront Incentive Information**

<b>Incentive Application Status</b>	Application Submitted
<b>Estimated Upfront Incentive</b>	<b>\$418,964</b>
<b>Incentive Calculation Method</b>	Tiered Rate using Peak Demand – Tranche 3 Step 1



## **FINDINGS OF SELF SUFFICIENCY FOR SOLAR HOME RENEWABLE ENERGY CREDIT (SHREC) TAXABLE MUNICIPAL BOND ISSUANCE BY THE CONNECTICUT GREEN BANK**

August 13, 2025

### **Introduction and Background**

Section 16-245mm of the Connecticut General Statutes (“CGS”) requires, as a condition of the issuance of any bonds by the Connecticut Green Bank (“Green Bank”) for a project backed by a Special Capital Reserve Fund (“SCRf”), that the Green Bank determine that the revenues from a project will be sufficient to pay all the costs of the project, including debt service.

Specifically, Section 16-245mm(e) of the CGS provides that no “bonds secured by a SCRf shall be issued to pay project costs unless the Green Bank is of the opinion and determines that the revenues from the project shall be sufficient to:

- (1) pay the principal of and interest on the bonds issued to finance the project,*
- (2) establish, increase and maintain any reserves deemed by the Green Bank to be advisable to secure the payment of the principal of and interest on such bonds,*
- (3) pay the cost of maintaining the project in good repair and keeping it properly insured, and*
- (4) pay such other costs of the project as may be required.”*

Green Bank proposes to issue SCRf-backed taxable municipal bonds in a principal amount projected to be between \$15,000,000 to \$20,000,000 (the “Bonds”) on or around September 5, 2025, based on a minimum debt service coverage ratio (“DSCR”) of 1.15x<sup>1</sup>, secured by the sale of solar home renewable energy credits (“SHREC Receivables”), created under Connecticut Green Bank’s Solar Home Renewable Energy Credit (“SHREC”) program. The Connecticut Green Bank’s Residential Solar Investment Program (or “RSIP”) under which the SHREC program was administered ended on December 31, 2022. This issuance would mark the third use of a SCRf to support a Green Bank bond issuance related to SHREC Receivables. In July 2020, the Green Bank successfully issued SCRf-backed taxable municipal bonds in a principal amount of \$16,795,000 (the “Tranche 3 Bonds”). These bonds were the first “Green Liberty Bonds” – a major effort by the Green Bank to democratize access to retail investors who want to support capital investments in support of the fight against climate change. Unlike prior financings of the Green Bank which have been backed by a SCRf where a project involved the Green Bank financing the construction of a clean energy facility, such as a hydroelectric facility or solar photovoltaic (“PV”) systems for Connecticut state colleges and universities, in the proposed issuance, as is the case with the Tranche 3 Bonds, the “project” is the SHREC program which supports the RSIP noted above. In

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<sup>1</sup> Based on P90 revenue generation estimates provided by an Independent Engineer.

April 22, 2021, the Green Bank successfully issued SCRF-backed taxable municipal bonds in a principal amount of \$24,834,000 (the “Tranche 4 Bonds”).

Under the RSIP, the Green Bank would confer incentives to Connecticut homeowners who purchased solar PV systems for their home and for so-called third-party owners (“TPOs”) who provided these systems under lease agreements or the energy from these systems under power purchase agreements (“PPAs”). In return for these incentives, the Green Bank took title to all environmental attributes (such as energy credits, like SHRECs) and energy attributes (such as forward capacity benefits). Under the SHREC program, once created, SHRECs are sold by the Green Bank to Connecticut’s two investor-owned utility companies, The Connecticut Light and Power Company, d/b/a Eversource Energy (“Eversource”) and United Illuminating Company (“United Illuminating”, and collectively, the “Utilities”) under two Master Purchase Agreements (each, a “Master Purchase Agreement” or “MPA”) for a period of fifteen years, as statutorily required by CGS Section 16-245gg (the “SHREC Statute”). Importantly, pursuant to CGS Section 16-245a, the electric suppliers are required to obtain a specific percentage or amount of energy they generate or sell from renewable sources under Connecticut’s Renewable Portfolio Standard.

### **Initial Issuances of Bonds Secured by SHRECs**

As noted, the SHRECs are generated from solar photovoltaic systems participating in the RSIP. The SHRECs have been aggregated into annual tranches (each a “Tranche”) and are sold to the Utilities at a fixed, predetermined price (the “SHREC Tranche Purchase Price”) over a 15-year period. In April 2019, the Green Bank (through a special purpose entity) issued approximately \$38.6 million in two classes of notes under an asset backed securities (“ABS”) structure (the “SHREC Series 2019-1 Notes”). The SHREC Series 2019-1 Notes were supported by Tranche 1 and Tranche 2 of the SHREC program and were rated by Kroll. Kroll assigned an A- rating to the senior notes and BBB+ rating to the junior notes which were issued without the support of the Green Bank or a SCRF (and these ratings were affirmed on September 24, 2024).<sup>2</sup>

Although the ABS structure resulted in the successful placement of bonds by the Green Bank, in reviewing the results of the placement with our financial advisor at that time, Green Bank concluded that the municipal bond structure supported by the SCRF could be beneficial to the Green Bank in the following ways:

1. Using the SCRF, Green Bank could enhance the rating on bonds issued and achieve a higher advance rate per dollar of SHREC receivables.
2. The enhanced rating would lower the cost of funds the Green Bank could achieve in a similarly collateralized ABS issuance.
3. The higher advance rate would result in higher net proceeds than a similarly collateralized ABS issuance.
4. As demonstrated with similar issuances by NYSEDA (which issued bonds backed by a pool of solar loans), a municipal structure could be more competitively priced by attracting investors that would appreciate the SHREC bonds “green attributes” (Green Bank staff were told by several prospective ABS investors that green attributes were not a material factor in deciding whether to invest in a bond or not and that the over-riding considerations were the credit rating and yield).

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<sup>2</sup> <https://www.kbra.com/publications/ZrhqmvGM/shrec-abs-1-llc-series-2019-1-surveillance-report?format=file>

5. A municipal structure could be issued by the Green Bank with an all in cost of approximately one-third to 40% the cost of an ABS issuance.
6. Finally, to be eligible for an ABS structure (i.e., to appeal to the investor base in these securities) an offering had to be sized at approximately \$40 to \$50 million vs. the municipal structure which has a much lower threshold for offering amounts (as has been demonstrated by NYSERDA and Green Bank).

### **Introducing Green Liberty Bonds**

Consequently, the Green Bank worked with its financial advisor and selected underwriters to pursue a municipal bond structure for its next SHREC-backed bond issuance. On July 29<sup>th</sup>, 2020, the Green Bank issued \$16,795,000 of SHREC Green Liberty Bonds (“2020 GLBs”), supported by Tranche 3. The 2020 GLBs were rated A by S&P, based on the credit support offered by the SCRF (see Exhibit H-1), and widely distributed to both retail and institutional investors. The issuance was a success for the Green Bank due to its (a) efficient structure and low transaction cost with (b) high advance rates and low cost of capital that (c) appeal to a broad array of environmental, social, and governance-focused investors, both retail and institutional. In particular, a key feature of this inaugural issuance of Green Liberty Bonds was their ability to reach retail investors, who could purchase bonds in \$1,000 denominations, furthering the Green Bank’s mission to democratize clean energy investment opportunities as well as deepen our internal expertise in both municipal and smaller denomination bonds, so-called “mini-bonds”. On April 22, 2021, the Green Bank issued \$24,834,000 of SHREC Green Liberty Bonds (“2021 GLBs”), supported by Tranche 4. The 2021 GLBs were rated A by S&P, based on the credit support offered by the SCRF (see Exhibit H-2).

Building off of the success of the Tranche 3 and Tranche 4 bonds, this bond issuance (Connecticut Green Bank SHREC series 2025 Green Liberty Bonds) will be similarly supported by revenues from (a) Tranche 5, comprised of 7,264 solar PV systems with a SHREC Tranche Purchase Price of \$35.00 per SHREC and (b) Tranche 6, comprised of 3501 solar PV systems with a SHREC Tranche Purchase Price of \$34.00 per SHREC. The Green Bank intends to issue bonds in the maximum principal amount consistent with the debt service coverage ratio (DSCR) of 1.15x, with the proceeds (net of cost of issuance) used to (i) reimburse the Green Bank for the cost of the incentives associated with the systems comprising Tranche 5 and Tranche 6, plus the carrying costs of those incentives, (ii) fund the future incentives the Green Bank is obligated to pay with respect to such systems, (iii) recover the administrative expenses of the Green Bank incurred in originating the Tranche 5 and Tranche 6 SHRECs allocable to Tranche 5 and Tranche 6 and (iv) other costs associated with the RSIP, to the extent proceeds are available for such other costs.

### **Revenue Generation - SHREC Creation and Sale Process**

On a quarterly basis, the Green Bank downloads the electricity generation data from SHREC eligible, tranchised residential solar PV systems. The Green Bank accesses the data via a webhosted platform called Locus that receives generation data every 15 minutes from meters located on the platform. Certain residential rooftop solar systems affected by the shutdown of 3G networks which were used by these systems to report data to the Green Bank were no longer capable of reporting to the Green Bank due to the 3G network shutdown. To gather generation from these affected systems, the Green Bank used a predictive model, using actual performance data of nearby reporting systems, to estimate the generation of these affected systems. This allows the Green Bank

to create certificates in the NEPOOL GIS. This estimation methodology was approved for use on a permanent basis by the NEPOOL GIS effective May 6, 2025, and allows the Green Bank to create certificates for systems that stop communicating for a variety of reasons. To convert the downloaded and estimated electricity generation data to SHRECs, the Green Bank submits the data to the NEPOOL GIS. There is a time lag of one calendar quarter between when the electricity was generated and when the data is submitted to NEPOOL GIS and the SHRECs created:

<b>Electricity generated (Calendar Quarter)</b>	<b>Green Bank submits electricity generation data to NEPOOL GIS (date)</b>	<b>SHRECs created by NEPOOL GIS (date)</b>	<b>SHRECs Payment by Utilities (date)</b>
1. (Jan 1—Mar 31)	July 10	July 15	August 31
2. (Apr 1—Jun 30)	October 10	October 15	November 30
3. (Jul 1—Sep 30)	January 10	January 15	February 28
4. (Oct 1—Dec 31)	April 10	April 15	May 31

NEPOOL GIS creates SHRECs on a one for one basis, i.e., one SHREC created for one megawatt hour of electricity generated.

On the day they are created, the SHRECs are sold to the Utilities and automatically transferred from the Green Bank’s NEPOOL GIS account to the NEPOOL GIS accounts of the Utilities. Under the terms of the Master Purchase Agreements, there is an 80%/20% split in this automatic transfer, with 80% of the SHRECs being transferred to Eversource’s account and 20% to United Illuminating’s account. Title to the SHRECs passes from the Green Bank to each respective Utility upon this transfer, and the Green Bank is able to invoice the Utilities for the sale over a 15 year period in accordance with the provisions of the MPAs noted above. Payment from the Utilities is due on the last business day of the month following the month during which such SHRECs were delivered (see table above for payment dates).

### **SHREC Eligibility**

Green Bank staff have certified that systems are SHREC eligible through the Green Bank process for reviewing all systems for which an incentive application and subsequent completion paperwork is submitted to the program. While the RSIP was active, Green Bank staff reviewed every solar PV system incentive application in detail, including the sales or lease/PPA contract, the customer’s electric bill, the solar PV system one-line electrical diagram, shade report, and site plan. After systems were installed, all eligible solar PV systems had to pass municipal inspection with local officials (e.g., building and/or electrical officials) and received utility approval to energize (which may have included a witness test/inspection in UI territory). Upon receiving approval to energize, contractors submitted completion paperwork to the Green Bank (via PowerClerk, the online incentive application and document management system) including a project completion form, equipment packing slip, the utility approval to energize document, and a self-inspection report and photos of the system.

As a result of this process, Green Bank staff was able to verify all key SHREC-eligibility information including the utility approval to energize and Green Bank ownership of the SHRECs associated with the system.

As set forth in Connecticut general statutes and as ordered by the Connecticut Public Utility Regulatory Authority (“PURA”), a utility’s obligation to purchase SHRECs are as follows:

- a. A SHREC system must receive regulatory approval and all necessary corporate approvals. A system must first become certified as a Class I renewable energy source in CT. This is done by the Green Bank submitting an application to PURA to receive Class 1 certification for that facility (done on a batch basis). Systems that have received this certification are eligible to be put in a SHREC tranche.
- b. There needs to be an executed Tranche Confirmation. Following receipt from PURA of Class 1 certification for the SHREC systems, the Green Bank can create a SHREC tranche by executing a Transaction Confirmation Agreement with the utilities that contains a list of facilities that are Class I certified but have not been included in a previous tranche. Once this agreement is executed, facility generation can be input into the NEPOOL GIS system, which then allows for RECs to be created on a quarterly basis over the 15-year life of the tranche. The NEPOOL GIS process to create a REC takes one quarter plus 15 days after generation has occurred (e.g., generation for Q1 2025 would result in Green Bank submitting data on July 10 and REC creation on July 15, 2025).
- c. Each quarter, the Green Bank certifies that quarter’s generation, the Tranche Purchase Price, and that the systems meet the other eligibility criteria (e.g., Class I renewable energy source that has received a Green Bank incentive).

These conditions to purchase are specified in the MPA and readily achievable in the ordinary course of business by the Green Bank completing the SHREC minting process. The Green Bank has completed and invoiced on a quarterly basis since the first Tranche in 2017 and the Utilities have paid each invoice for all tranches without issue.

### **Use of Bond Proceeds – SHREC Cost Recovery and Future Expenses**

In addition to recovering the cost of bond issuance, proceeds from bond issuance will enable the Green Bank to recover previous RSIP expenses (including substantial incentive payments) which will allow the Green Bank to invest in future deployment of clean energy throughout the state as well as provide for future incentive payments and administrative costs for legacy RSIP-SHREC activities and monitoring (see table below). Below is the expected use of funds from the issuance.

	<b>T5</b>	<b>T6</b>	<b>Total</b>
Total EPBBs paid	5,878,153.00	3,962,514.25	9,840,667.25
Total PBIs paid	4,665,840.20	1,330,283.07	5,996,123.27
<b>Total Paid</b>	<b>10,543,993.20</b>	<b>5,292,797.32</b>	<b>15,836,790.52</b>
Remaining EPBB	-	-	-
Remaining PBI	5,307,872.34	2,334,077.66	7,641,950.00
<b>Total Remaining</b>	<b>5,307,872.34</b>	<b>2,334,077.66</b>	<b>7,641,950.00</b>



<b>Use of Funds / Cost Recovery</b>	
<u>RSIP Incentives (Tranche 5 &amp; 6)</u>	
Paid	\$15,836,791
To Be Paid	\$7,641,950
Total RSIP Incentives	\$23,478,741
<u>SHREC Payments Received (Tranche 5 &amp; 6)</u>	
Received and Applied to RSIP Incentives	\$11,878,583
Bond Proceeds to be applied to RSIP Incentives (A)	\$11,600,158
<u>Fund Deposits</u>	
SCRF Reserve Account (B)	\$2,170,503
<u>Financing Costs</u>	
Warehouse Fees and Expenses	\$425,000
Cost of Issuance - to CGB	\$375,000
Underwriters' Discount	\$232,011
Total Financing Costs (C)	\$1,032,011
Administrative (D)	\$3,044,328
Total Use of Funds (A + B + C + D)	<b>\$17,847,000</b>

### **Bond Structure**

Green Bank has engaged the underwriting services of Ramirez & Co., Inc. (“Ramirez” or the “Underwriters”) to structure and price the Bonds. The principal amount issued is projected to be between \$15,000,000 and \$20,000,000, with the final sizing to be determined based on market conditions at pricing. To the extent interest cost is lower (or, conversely, higher) than projected, the issuance amount may be increased (or, conversely, decreased) so long as the DSCR is not less than 1.15x under an assumed probability of system generation of P90 (P90 means that for each year, 90% of the time generation is expected to be above the generation forecast and 10% of the time generation is expected to be below the generation forecast for such year of their expected production as confirmed by the Green Bank’s independent engineer: DNV GL).

In order to maximize advance rate and minimize cost of capital, secure ‘AA-’ category bond ratings from S&P (the present General Obligation rating for the State of Connecticut), and achieve the widest possible retail distribution in Connecticut through the use of lower (\$1,000) denomination

bonds, the Green Bank proposes using a SCRF as a credit enhancement in the municipal structure. Ramirez's preliminary structure based on backing by a SCRF follows below:<sup>3</sup>

Bond Component	Maturity Date	Amount
Serial Bonds:		
	11/15/2026	1,098,000
	11/15/2027	1,283,000
	11/15/2028	1,324,000
	11/15/2029	1,366,000
	11/15/2030	1,410,000
	11/15/2031	1,458,000
	11/15/2032	1,514,000
	11/15/2033	1,575,000
	11/15/2034	1,641,000
	11/15/2035	1,711,000
	11/15/2036	1,536,000
	11/15/2037	1,931,000
		<b>17,847,000</b>

In addition to the Bond's financial self-sufficiency as presented below (Finding #1), the Green Bank's Board of Directors supports the bond issuance because it aligns with the Green Bank's mandate of fostering the growth, development, and deployment of clean energy sources that serve end-use customers in the State of Connecticut. Moreover, the specific targeting of retail customers with lower denomination bonds enables citizens to participate in Connecticut's green economy. As explained in more detail in Finding #1, the Bonds are supported by 10,749 residential solar PV systems expected to generate approximately 818,000 megawatt hours of electricity (MWh) over a remaining 11-year period of the original 15 year SHREC tranches (Tranche 5 and Tranche 6).<sup>4</sup>

Green Bank statutorily required funding support for the Project's obligations will be documented in the Project Support Commitment and Undertaking (attached as Exhibit E) as was done for the two prior Green Liberty Bond issuances supported by a SCRF.

<sup>3</sup> While SHREC revenues are received over a 15-year period, revenues from Tranches 5 and 6 of the SHREC program which will support Series 2025 of the SHREC bonds commenced on July 15<sup>th</sup>, 2021, leaving approximately 11 years remaining once the Series 2025 SHREC bonds are issued.

<sup>4</sup> Based on DNV GL projections for the full SHREC period. Expected to generate approximately 818,000 MWh over the life of the bonds.

## Certain risk factors associated with the Bonds

The staff has considered various risks to be considered by the Board in approving this offering and entering into the Project Support Agreement. In Exhibit G, Green Bank staff address these risk factors.

### **Findings of Self-Sufficiency (“Findings”)**

**Finding 1.** The Project’s revenues, as confirmed by the report of the independent engineer (“IE”), DNV GL (who has performed the duties of IE for Green Bank for the SHREC Series 2019-1 Notes, the Tranche 3 Bonds, the Tranche 4 Bonds and for the bonds to be supported by Tranche 5 and Tranche 6), together with any initial starting cash reserves will be sufficient to pay all associated costs, expenses and debt service for the Bonds. An internationally recognized IE operating in more than 100 countries, DNV GL has provided technical due diligence services for residential solar PV portfolios since 2012, serving many of the top residential solar PV operators in the United States. DNV GL has served as the IE on over 11 securitizations for residential and commercial/industrial solar PV portfolios with a total nameplate capacity of approximately one gigawatt.

The following table shows the Project’s summary projections over the life of the financing. In addition, an annual projection is included in Exhibit B. Projections show that the Bonds will be self-sufficient from Project revenues with respect to the DSCR, which is being structured (by issuance size and interest rate pricing) to be 1.15x, and the other three factors set forth in CGS Section 16-245mm.

Year*	T5 P90	SHREC Receivables**	T6 P90	SHREC Receivables**	Total	Trustee Expense	Annual Revenue
2026	50,655	\$1,655,926	26,722	\$848,577	\$2,504,504	\$12,500	\$2,492,004
2027	50,567	\$1,653,042	26,676	\$847,110	\$2,500,152	\$7,500	\$2,492,652
2028	50,100	\$1,637,777	26,429	\$839,293	\$2,477,069	\$7,500	\$2,469,569
2029	49,611	\$1,621,774	26,162	\$830,801	\$2,452,575	\$7,500	\$2,445,075
2030	49,112	\$1,605,467	25,873	\$821,631	\$2,427,098	\$7,500	\$2,419,598
2031	48,634	\$1,589,843	25,578	\$812,266	\$2,402,109	\$7,500	\$2,394,609
2032	48,203	\$1,575,755	25,320	\$804,073	\$2,379,827	\$7,500	\$2,372,327
2033	47,746	\$1,560,813	25,119	\$797,666	\$2,358,478	\$7,500	\$2,350,978
2034	47,258	\$1,544,878	24,913	\$791,150	\$2,336,027	\$7,500	\$2,328,527
2035	46,756	\$1,528,469	24,684	\$783,856	\$2,312,326	\$7,500	\$2,304,826
2036	37,507	\$1,226,109	24,437	\$776,025	\$2,002,134	\$7,500	\$1,994,634
2037			19,611	\$622,751	\$622,751	\$7,500	\$615,251
Total	526,150	\$17,199,852	301,524	\$9,575,200	\$26,775,052	\$95,000	\$26,680,052

\*Year is from 11/15-11/14, i.e. 2026 is 11/15/25-11/14/26

\*\*P90 figures are multiplied by an availability factor of 93.4% before the purchase price is applied

## BOND SOLUTION

Connecticut Green Bank

SCENARIO1 Solar Home Renewable Energy Credit, Green Liberty Bonds, Series 2025 (P90) (Tranche 5 & 6)

Preliminary Cashflows, Rates as of 7/8/25 COB | PLUS 25 bps

'AA-' rated with 1.15x Coverage and SCRF sized at MADS

CGB P90 Projections

\*\*2037 Final Maturity\*\*

Period Ending	Proposed Principal	Proposed Debt Service	Total Adj Debt Service	Revenue Constraints	Unused Revenues	Debt Service Coverage
11/15/2025						
11/15/2026	1,098,000	2,166,602	2,166,602	2,492,004	325,401	115.02%
11/15/2027	1,283,000	2,166,880	2,166,880	2,492,652	325,772	115.03%
11/15/2028	1,324,000	2,146,976	2,146,976	2,469,569	322,593	115.03%
11/15/2029	1,366,000	2,125,914	2,125,914	2,445,075	319,161	115.01%
11/15/2030	1,410,000	2,103,335	2,103,335	2,419,598	316,263	115.04%
11/15/2031	1,458,000	2,081,907	2,081,907	2,394,609	312,702	115.02%
11/15/2032	1,514,000	2,062,426	2,062,426	2,372,327	309,901	115.03%
11/15/2033	1,575,000	2,044,289	2,044,289	2,350,978	306,689	115.00%
11/15/2034	1,641,000	2,024,373	2,024,373	2,328,527	304,155	115.02%
11/15/2035	1,711,000	2,004,036	2,004,036	2,304,826	300,790	115.01%
11/15/2036	1,536,000	1,733,990	1,733,990	1,994,634	260,644	115.03%
11/15/2037	1,931,000	2,042,129	2,042,129	2,349,241	307,112	115.04%
	<b>17,847,000</b>	<b>24,702,857</b>	<b>24,702,857</b>	<b>28,414,042</b>	<b>3,711,185</b>	

These projections assume:

- A total of \$17,847,000 financed through taxable municipal bonds;
- Special capital reserve account equal to maximum annual debt service (estimated \$2,166,880) funded at close from bond proceeds, and used to pay the final bond payments in 2037.
- A weighted average taxable coupon rate of 5.42% based on interest rates assumed by the Underwriter on July 8, 2025, plus 25 basis points.
- Reasonable energy production projections from an independent engineer retained by the Green Bank (see Finding #4);
  - Generation estimates are typically stated on a “P50” or “P90” basis. These P-measures are a statistical estimate of how often, given variances in weather and system performance, solar projects will exceed that value. P50 means that for each year, 50% of the time generation is expected to be above the generation forecast and 50% of the time generation is expected to be below the generation forecast for such year. P90 means that for each year, 90% of the time generation is expected to be above the generation forecast and 10% of the time generation is expected to be below the generation forecast for such year. Base case generation assumptions use P90 values and “degradation rates”<sup>5</sup> as provided by the independent engineer.

<sup>5</sup> The term “degradation rate” means the rate at which the output of electrical energy from the solar PV system declines over time. Standard solar panel warranties provide for a specified level of degradation over the life of the solar PV panels, typically 25 years.

Moreover, the bond structure is able to support generation under the more stringent P99 scenario while still retaining a DSCR of more than 100%.

- Tranche 1 and Tranche 2 SHRECs, which support the SHREC Series 2019-1 Notes (non-SCRF supported ABS issuance) have yielded generation and revenues for the first six years of that bond series equal to 98.6% of P90 projections confirmed by the independent engineer using a similar diligence process prior to issuance of that bond series. The past two years of production from these tranches was 103.4% of P90 estimates. Tranche 3, which supports the 2020 GLB Issuance, has yielded generation for the first five years equal to 101.8% of P90 projections confirmed by the Independent Engineer. Tranche 4, which supports the 2021 GLB Issuance, has yielded generation for the first four years equal to 102.1% of P90 projections confirmed by the Independent Engineer. The Green Bank also compared Tranche 5 and 6 generation to the P90 production figures estimated by the Independent Engineer. The Green Bank applied, in reverse, the degradation factor used by the Independent Engineer to generate P90 estimates for prior years. The two tranches have together produced 117.3% of P90 figures over their first 12 (T6) or 16 (T5) quarters.

### Tranche 1-2 SHREC Generation (P90)

Quarter Ended	Tranche 1	Tranche 2	Total Estimated	Tranche 1	Tranche 2	Total Actual	% to P90	Cumulative
3/31/2019	8,925	11,493	20,418	9,120	11,421	20,541	100.6%	100.6%
6/30/2019	15,422	19,565	34,987	15,106	18,848	33,954	97.0%	98.4%
9/30/2019	14,897	18,928	33,825	16,004	20,079	36,083	106.7%	101.5%
12/31/2019	6,782	8,747	15,529	6,261	7,926	14,187	91.4%	100.0%
3/31/2020	8,806	11,341	20,147	9,039	11,102	20,141	100.0%	100.0%
6/30/2020	15,215	19,305	34,520	15,832	20,151	35,983	104.2%	100.9%
9/30/2020	14,696	18,677	33,373	13,889	17,897	31,786	95.2%	99.9%
12/31/2020	6,692	8,631	15,323	5,985	7,743	13,728	89.6%	99.2%
3/31/2021	8,689	11,191	19,880	7,891	10,120	18,011	90.6%	98.4%
6/30/2021	15,011	19,048	34,059	14,296	17,792	32,088	94.2%	97.9%
9/30/2021	14,498	18,429	32,927	11,453	14,320	25,773	78.3%	95.7%
12/31/2021	6,603	8,517	15,120	8,061	8,477	16,538	109.4%	96.4%
3/31/2022	8,573	11,043	19,616	6,962	9,003	15,965	81.4%	95.5%
6/30/2022	14,809	18,795	33,605	14,092	17,734	31,826	94.7%	95.4%
9/30/2022	14,302	18,185	32,487	14,295	18,464	32,759	100.8%	95.8%
12/31/2022	6,516	8,404	14,919	7,209	9,093	16,302	109.3%	96.3%
3/31/2023	8,458	10,897	19,355	8,546	10,446	18,992	98.1%	96.4%
6/30/2023	14,611	18,546	33,156	16,901	20,676	37,577	113.3%	97.6%
9/30/2023	14,109	17,944	32,053	14,081	17,235	31,316	97.7%	97.6%
12/31/2023	6,429	8,292	14,721	6,838	8,576	15,414	104.7%	97.8%
3/31/2024	8,346	10,753	19,098	7,698	9,616	17,314	90.7%	97.6%
6/30/2024	14,414	18,299	32,714	15,344	18,801	34,145	104.4%	98.0%

9/30/2024	13,919	17,706	31,625	14,000	17,182	31,182	98.6%	98.0%
12/31/2024	6,344	8,182	14,526	8,027	9,966	17,993	123.9%	98.6%

### Tranche 3 SHREC Generation (P90)

Quarter Ended	Estimated	Actual	% to P90	Cumulative
3/31/2020	7,214	7,525	104.3%	104.3%
6/30/2020	12,780	13,544	106.0%	105.4%
9/30/2020	12,342	12,246	99.2%	103.0%
12/31/2020	5,434	5,494	101.1%	102.8%
3/31/2021	7,160	7,310	102.1%	102.6%
6/30/2021	12,684	12,826	101.1%	102.3%
9/30/2021	12,249	10,183	83.1%	98.9%
12/31/2021	5,434	5,321	97.9%	98.9%
3/31/2022	7,105	6,896	97.1%	98.7%
6/30/2022	12,586	13,684	108.7%	100.0%
9/30/2022	12,154	12,935	106.4%	100.8%
12/31/2022	5,392	6,286	116.6%	101.5%
3/31/2023	7,047	7,032	99.8%	101.4%
6/30/2023	12,483	13,293	106.5%	101.9%
9/30/2023	12,055	11,477	95.2%	101.3%
12/31/2023	5,348	5,857	109.5%	101.6%
3/31/2024	6,987	6,727	96.3%	101.4%
6/30/2024	12,378	12,540	101.3%	101.4%
9/30/2024	11,953	11,467	95.9%	101.0%
12/31/2024	5,303	6,725	126.8%	101.8%

### Tranche 4 SHREC Generation (P90)

Quarter Ended	Estimated	Actual	% to P90	Cumulative
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3/31/2021	10,724	10,876	101.4%	101.4%
6/30/2021	18,998	19,185	101.0%	101.1%
9/30/2021	18,346	14,426	78.6%	92.6%
12/31/2021	8,076	8,356	103.5%	94.1%
3/31/2022	10,641	10,416	97.9%	94.7%
6/30/2022	18,851	20,763	110.1%	98.1%
9/30/2022	18,204	19,343	106.3%	99.5%
12/31/2022	8,076	9,554	118.3%	100.9%
3/31/2023	10,550	10,791	102.3%	101.0%
6/30/2023	18,689	20,416	109.2%	102.1%
9/30/2023	18,048	17,543	97.2%	101.5%
12/31/2023	8,007	8,892	111.1%	102.0%
3/31/2024	10,450	10,155	97.2%	101.7%
6/30/2024	18,512	19,075	103.0%	101.8%
9/30/2024	17,876	17,449	97.6%	101.5%
12/31/2024	7,930	10,156	128.1%	102.4%

## Tranche 5-6 SHREC Generation (P90)

Quarter Ended	Tranche 5	Tranche 6	Total Estimated	Tranche 5	Tranche 6	Total Actual	% to P90	Cumulative
3/31/2021	10,119		10,119	11,348		11,348	112.2%	112.2%
6/30/2021	17,924		17,924	19,860		19,860	110.8%	111.3%
9/30/2021	17,309		17,309	16,422		16,422	94.9%	105.0%
12/31/2021	7,681		7,681	8,943		8,943	116.4%	106.7%
3/31/2022	10,026	5,288	15,314	11,327	5,286	16,613	108.5%	107.1%
6/30/2022	17,760	9,366	27,126	22,524	10,871	33,395	123.1%	111.6%
9/30/2022	17,151	9,045	26,196	21,216	10,897	32,113	122.6%	114.0%
12/31/2022	7,611	4,014	11,624	10,482	5,462	15,944	137.2%	116.0%
3/31/2023	9,935	5,240	15,174	11,669	5,967	17,636	116.2%	116.0%
6/30/2023	17,598	9,282	26,879	21,824	11,159	32,983	122.7%	117.1%
9/30/2023	16,994	8,963	25,957	19,051	9,649	28,700	110.6%	116.2%
12/31/2023	7,541	3,977	11,519	9,700	4,916	14,616	126.9%	116.8%
3/31/2024	9,844	5,192	15,036	10,993	5,661	16,654	110.8%	116.4%
6/30/2024	17,437	9,197	26,635	20,590	10,783	31,373	117.8%	116.5%
9/30/2024	16,839	8,882	25,721	18,887	9,914	28,801	112.0%	116.1%
12/31/2024	7,472	3,941	11,414	11,021	5,717	16,738	146.6%	117.3%

- A fixed contract price of \$35.00 per SHREC for Tranche 5 and \$34.00 per SHREC for Tranche 6 over 15 years of generation, paid by the Utilities quarterly. This obligation is



required under statute, enables full cost recovery by the Utilities and has been approved by PURA.

- Projected administrative costs for the management of the SHREC program following the origination of the six Tranches issued.

*As noted above, these projections assume a bond issuance amount sized to a minimum DSCR ratio of 1.15x given the other assumptions. Market conditions at the time the bonds are priced and other factors (such as the ultimate credit rating from S&P) will dictate the actual issuance amount. There could therefore be some variation in the final bond par amount and structure. Regardless, the final bond issuance amount will be sized so as to result in all cases with a minimum DSCR ratio of 1.15x using projected generation assumptions under the P90 scenario.*

These assumptions are in keeping with established practice in the municipal bond industry for evaluating the economic viability of projects to be financed. The projections support the finding that SHREC revenues from Tranche 5 and Tranche 6 generation will allow for self-sufficient coverage of all Project expenses and annual Bond principal and interest payments.

**Finding 2.** The Utilities, on whose statutory and contractual compliance the financial results of the Bonds depend, are both regulated electricity distribution companies under the supervision of PURA. This oversight relationship is an important consideration in assessing the limited likelihood of counterparty failure. Under the SHREC program, the Utilities are statutorily mandated to enter into 15-year contracts with the Green Bank to purchase the SHREC Tranches generated by solar PV systems receiving the RSIP incentive and the purchase of these SHREC fulfills their statutory requirement under CGS Section 16-245a to obtain a specific percentage or amount of energy they generate or sell from renewable sources under Connecticut's Renewable Portfolio Standard. The agreement is governed by the MPAs, which were jointly filed with and approved by the Connecticut Public Utilities Regulatory Authority on February 7, 2017, whose approval included approval of the full cost recovery of the SHREC program.

- The Connecticut Light and Power Company d/b/a Eversource Energy is a publicly traded utility company. Headquartered in Hartford, CT, it is a regulated utility that serves residential, commercial, and industrial customers in 149 cities and towns throughout the State of Connecticut. Connecticut Light and Power is rated A- / A3 /A- by S&P, Moody's and Fitch, respectively (corporate credit rating).



### EVERSOURCE SYSTEM CREDIT RATINGS AS OF December 9, 2024

Company/Security	S&P current (outlook)	Moody's current (outlook)	Fitch current (outlook)
<b>EVERSOURCE Parent</b>			
Corporate Credit Rating	BBB+ (Stable)	Baa2 (Negative)	BBB (Stable)
Senior Unsecured Debt	BBB (Stable)	Baa2	BBB
Commercial Paper	A-2	P-2	F-3
<b>NSTAR Electric</b>			
Corporate Credit Rating	A- (Stable)	A2 (Negative)	A- (Stable)
Senior Unsecured Debt	A- (Stable)	A2	A
Commercial Paper	A-2	P-1	F-1
Preferred Stock	BBB (Stable)	Baa1	BBB+
<b>CL&amp;P</b>			
Corporate Credit Rating	A- (Stable)	A3 (Negative)	A- (Stable)
Senior Secured Debt	A (Stable)	A1	A+
Senior Unsecured Debt			A
Preferred Stock	BBB (Stable)	Baa2	BBB+

- United Illuminating is a subsidiary of Avangrid, Inc., a publicly traded energy services holding company doing business in the regulated energy distribution industry. Founded in 1899 and headquartered in New Haven, CT, United Illuminating is engaged in the purchase, transmission, distribution and sale of electricity in southwestern Connecticut. United Illuminating is rated A- / Baa1 / A- by S&P, Moody's and Fitch, respectively.

LT Issuer/Default Rating (Outlook)	S&P	Moody's	Fitch
<b>AVANGRID</b>	<b>BBB+ (Stable)</b> A-2 CP BBB Sr. Unsecured	<b>Baa2 (Stable)</b> P-2 CP Baa2 Sr. Unsecured	<b>BBB+ (Stable)</b> F-2 CP BBB+ Sr. Unsecured
<i>AVANGRID Downgrade Thresholds</i>	<i>FFO/Debt &lt; 17%<sup>(b)</sup></i>	<i>CFO pre-WC/Debt &lt; 13%</i>	<i>FFO Leverage &gt; 5.5x</i>
<b>NYSEG</b>	<b>A- (Stable)</b> A- Sr. Unsecured	<b>Baa1 (Stable)</b> Baa1 Sr. Unsecured	<b>BBB+ (Negative)</b> A- Sr. Unsecured
<b>RG&amp;E</b>	<b>A- (Stable)</b> A Secured A- Sr. Unsecured	<b>Baa1 (Stable)</b> A2 Secured	<b>BBB+ (Stable)</b> A Secured A- Sr. Unsecured
<b>CMP</b>	<b>A (Stable)</b> A Sr. Unsecured	<b>A2 (Stable)</b> A2 Sr. Unsecured	<b>BBB+ (Stable)</b> A Secured A- Sr. Unsecured
<b>UI</b>	<b>A- (Negative)</b> A- Sr. Unsecured	<b>Baa1 (Stable)</b>	<b>A- (Negative)</b> A Sr. Unsecured
<b>CNG</b>	<b>A (Negative)</b> A Sr. Unsecured	<b>A2 (Stable)</b> A2 Sr. Unsecured	<b>A- (Stable)</b> A Sr. Unsecured
<b>SCG</b>	<b>A- (Developing)</b> A Secured	<b>A3 (Stable)</b> A1 Secured	<b>A- (Stable)</b> A+ Secured
<b>BGC</b>	<b>BBB+ (Stable)</b>	<b>A3 (Stable)</b>	<b>A- (Stable)</b> A Sr. Unsecured

**Finding 3.** Production risk from system degradation (as defined in footnote 3) or failure is mitigated through a system of operation and maintenance agreements as well as insurance coverage. The homeowner or TPO is responsible for maintenance and repairs, however the Green Bank has a platform on the Locus Energy system, a solar monitoring and data analytics platform provider for the solar PV market, through which Green Bank staff access production data for the fleet of systems incentivized through RSIP. Locus Energy and the Green Bank also have a contract by which Locus provides a robust active monitoring program for the RSIP fleet which includes

daily review of alerts that flag monitoring issues, weekly review of estimated production losses, and quarterly review of fleet production.

If production is lower than expected (for reasons other than variation in weather or solar insolation), the Green Bank has the ability to notify the system owner to resolve the reason for the lower production. It is in the interest of system owners, whether homeowners or TPOs to resolve causes of lower than expected production. Homeowners gain more value with higher production from their solar PV system through higher displacement of their use of grid electricity. TPOs are motivated to sustain production in order to earn the PBI incentive paid quarterly for six years based on system production. Even after the 6<sup>th</sup> year, TPOs are motivated to maintain their brand reputation in the marketplace. TPOs usually have production guarantees built into lease/PPA contracts that require them to compensate homeowners if production is lower than expected.

In addition, as a contractor qualified under the RSIP program rules, all contractors agree to provide at minimum a five-year workmanship warranty that covers all components of the system against breakdown or degradation in electrical output of more than 10% from the original rated output. The warranty must also cover full costs of labor for repair or replacement of any defective solar PV system components. Many contractors provide customers with workmanship warranties longer than five years. If there is an issue related to workmanship after the 5-year (or longer) warranty period and if the customer is also the owner of the solar PV system, the customer may be required to pay the labor costs depending upon the warranty provisions for the particular equipment or their agreement with the installing contractor. Additionally, solar PV panels usually have 20- to 25-year warranties and inverters have 10- to 20-year warranties.

Systems owned by the homeowner are typically insured under the homeowner's property and casualty insurance policy. TPOs (approximately 72.41% of the systems in Tranches 5 and 6) can be expected to be required by their financing counterparties to have adequate liability and property and casualty insurance. In order to receive approval to energize, Eversource and UI require that every homeowner having a solar PV system installed has homeowner's liability insurance coverage. The Green Bank, while not required, also typically obtains a parametric risk policy for the Tranches to cover losses as a result of windstorms or hurricanes (e.g., direct or indirect damage, business interruption). If such an event were to occur, proceeds from this policy would be available under the Project Support Commitment and Undertaking noted earlier, less any amounts pledged to the holders of the SHREC Series 2019-1 Notes. The insurance covers "actual losses" from reduced production in the event of such storms. Payout is determined based a sliding scale of exceedance of pre-agreed wind speeds and the incurrence of actual losses. While it is theoretically possible for solar PV systems to *not* be repaired or replaced whether due to malfunction or casualty loss, in the Green Bank's experience, the decommission rate for residential solar systems is very low. Out of 46,265 RSIP projects completed since 2012, as far as the Green Bank has been notified, all but 233 are presumed to still be in operation as of June 2025, a lost rate of .5% over 13 years.

**Finding 4.** The IE conducted technical due diligence on the tranches (Tranche 5 and Tranche 6) that will support the Bonds. The IE examined historical performance, conducted an equipment review, and created a production forecast. The IE findings were incorporated into the Bond cash flow model. The Green Bank applied seasonal variation to the IEs annual production forecasts to create quarterly forecasted electricity production. Quarterly MWH production was then multiplied by the applicable SHREC price to create forecasted quarterly cashflows. The cashflow model also

accounts for the time lag between when a quarter ends and when the associated invoice is paid by the utilities.

As a mitigating factor against underproduction in the cash flow analysis, the Underwriters will structure the Bonds based on a minimum debt service of 1.15x, using a P90 production scenario. And under the P99 production scenario, there is adequate coverage with a minimum projected DSCR of 1.08x. In both scenarios, there is sufficient cash flow to cover debt service, trustee fees, and Green Bank Tranche 5 and Tranche 6 administrative expenses.

Year	Annual Net Revenue			Projected Annual Debt Service	Annual Coverage		
	Expected Net SHREC Receivables (P50)	Expected Net SHREC Receivables (P90)	Expected Net SHREC Receivables (P99)		Expected P50 Debt Service	Expected P90 Debt Service	Expected P99 Debt Service
11/15/2026	2,653,878	2,492,004	2,360,010	2,166,602	1.22x	1.15x	1.09x
11/15/2027	2,654,585	2,492,652	2,360,600	2,166,880	1.23x	1.15x	1.09x
11/15/2028	2,631,834	2,469,569	2,337,173	2,146,976	1.23x	1.15x	1.09x
11/15/2029	2,607,841	2,445,075	2,312,155	2,125,914	1.23x	1.15x	1.09x
11/15/2030	2,583,053	2,419,598	2,285,959	2,103,335	1.23x	1.15x	1.09x
11/15/2031	2,559,036	2,394,609	2,259,981	2,081,907	1.23x	1.15x	1.09x
11/15/2032	2,538,160	2,372,327	2,236,317	2,062,426	1.23x	1.15x	1.08x
11/15/2033	2,518,531	2,350,978	2,213,290	2,044,289	1.23x	1.15x	1.08x
11/15/2034	2,497,969	2,328,527	2,188,994	2,024,373	1.23x	1.15x	1.08x
11/15/2035	2,476,295	2,304,826	2,163,302	2,004,036	1.24x	1.15x	1.08x
11/15/2036	2,146,476	1,994,634	1,869,056	1,733,990	1.24x	1.15x	1.08x
11/15/2037	664,743	615,251	574,277	2,042,129	N/A**	N/A**	N/A**
	28,532,403	26,680,052	25,161,112	24,702,857			

\* Expected SHREC Receivables based on various production levels for both Tranche 5 and Tranche 6. P-measures are a statistical estimate of how often, given variances in weather and system performance, solar projects will exceed that value.

P50 means that for each year, 50% of the time generation is expected to be above the generation forecast and 50% of the time generation is expected to be below the generation forecast for such year;

Expected Net SHREC Receivables are net of Trustee fees, charges and expenses.

\*\* The final year of debt service is paid by the Special Capital Reserve Fund release net of trustee fees, charges and expenses.

**Finding 5.** The Bonds contemplated under this transaction will be supported by the Green Bank through a Project Support Commitment and Undertaking (“PSCU” – attached as Exhibit E), which will enable sources external to the economics and cash flows of the Project to provide adequate assurances that funds will be made available by Green Bank so that the likelihood of a draw upon the Special Capital Reserve Fund is remote. In addition to the statutorily mandated MPAs with the utilities for payment to the Green Bank for the SHRECS (which payments have been pledged to bondholders pursuant to the indenture), the following sources of Green Bank funds, while not pledged to bondholders, will support the undertakings by Green Bank pursuant to the PSCU:

- **Systems Benefit Charge:** As its main source of capitalization, the Green Bank through C.G.S. § 16-245n(b) receives a 1 mill surcharge from customers of Eversource Energy and United Illuminating. The fund has been in existence since Connecticut deregulated its electric industry in the late 1990s. On average, this surcharge generates about \$26 million a year to support the programs and initiatives of the Green Bank.
- **Regional Greenhouse Gas Emission Allowance Proceeds:** As a result of the Regulations of Connecticut State Agencies CGS Section 22a-174-31(f)(6)(B), the Green Bank receives

a portion of Connecticut's Regional Greenhouse Gas Initiative (RGGI) funds for renewable energy (approximately \$3 million to \$5 million annually).

- **Proceeds from Loans, Investments and Other Sources:** The Green Bank has a portfolio of approximately \$200 million in loans and investments (including investments in the Treasurer's Short Term Investments Fund or "STIF") that produces income and return of principal approximating \$8 to \$10 million annually. Moreover, the Green Bank obtains revenues from other activities, including, but not limited to, the sale of renewable energy credits.

As of June 30, 2024, the Green Bank had a net asset position of \$166.1 million.<sup>6</sup> On an unaudited basis, as of June 30, 2025, the Green Bank had a net asset position of around \$194 million.

### **DETERMINATION**

The Board of Directors of the Green Bank is of the opinion and determines that, provided the final bond issuance amount is sized so as to result in all cases with a minimum DSCR of 1.15x using projected generation assumptions under the P90 scenario, Project revenues will be sufficient to:

- (1) pay the principal of and interest on the bonds issued to finance the project,*
- (2) establish, increase and maintain any reserves deemed by the Green Bank to be advisable to secure the payment of the principal of and interest on such bonds,*
- (3) pay the cost of maintaining the project in good repair and keeping it properly insured, and*
- (4) pay such other costs of the project as may be required.*

Attached hereto as Exhibit A<sup>7</sup> is a copy of a letter from the Green Bank's financial advisor (NW Financial Group, LLC) relating to these Findings (that is, Findings #1 - #5, inclusive, contained herein). Attached as Exhibit B are the Project's projected revenues, expenses, debt service for the Bonds and coverage ratios. Attached as Exhibit C<sup>7</sup> is the report of Green Bank's independent engineer. Attached as Exhibit D is a copy of a structural diagram for the SHRECs. Attached as Exhibit E<sup>7</sup> is the Project Support Commitment and Undertaking. Attached as Exhibit F is a copy of the Preliminary Official Statement for the Bonds. Attached as Exhibit G<sup>7</sup> is the Green Bank's assessment of certain risk factors associated with the Bonds as set forth in the Preliminary Official Statement. Attached as Exhibits H-1 and H-2<sup>7</sup> are S&P Global Ratings Service Rating Action Reports.

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<sup>6</sup> Audited figure Connecticut Green Bank Comprehensive Annual Financial Report (p 5).

<sup>7</sup> NOTE – this attachment will be updated once received in final form by Green Bank – Tranche 5&6 bond information provided.

**Exhibit A**  
LETTER FROM NW Financial Group, LLC



NW FINANCIAL GROUP, LLC  
*Exceeding Expectations*

522 Broad Street  
Bloomfield, NJ 07003

Tel (201) 656-0115  
Fax (201) 656-4905  
www.nwfinancial.com

**Exhibit A**  
LETTER FROM NW Financial Group, LLC

July 28, 2025

Mr. Bert Hunter  
EVP and Chief Investment Officer  
Connecticut Green Bank  
845 Brook Street  
Rocky Hill, CT 06067

Bert,

NW Financial Group, LLC ("NW") is serving as financial advisor to the Connecticut Green Bank ("CGB", or "Green Bank") and has reviewed the financing documents and financial analysis in connection with the Solar Home Renewable Energy Credit ("SHREC") transaction with Eversource and United Illuminating for SHREC Tranche 5 and 6. The project will sell SHRECs to the utilities, representing approximately 93,400 kW of rooftop solar capacity over 15 years. The project is being financed with taxable bonds in the public markets. The taxable bond issue is expected to produce a total of \$17 – 18 million in proceeds to reimburse the Green Bank for advances made and to fund future incentive obligations and administrative expenses associated with the project. The range in proceeds is market dependent, with lower interest costs leading to a higher bond proceeds yield at the same debt service coverage ratio.

**The Findings**

There are five findings made by the Board in connection with seeking approval for SCRF backing:

1. The project is affordable. The bonds are backed by SHREC payments from the utilities, the per MWH rate is fixed for the first 15 years, which is the term of the financing. CGB is funding the DSRF in full for maximum annual debt service in addition to the protections being provided through the Project Support Agreement.
2. The Green Bank's counterparties are Eversource and United Illuminating for the SHRECs, both investment grade entities. All the key documentation has been in place through existing agreements, so there is no expected issue in any of the documentation.
3. The homeowners who are putting rooftop solar on their homes represent a very low default risk. In addition, the Equipment has warranties on the solar panels that last for



over 20 years, and on the inverters that last between 10 – 20 years. All of the installers are RSIP qualified by the Green Bank. The cashflow from SHREC generation estimates is further supported by actual performance of the solar program in other financings and represents a 0.3% loss rate over 9 years on the installations. As a result, we believe that the production risk is well managed and estimates are achievable.

4. The generation assumptions for the SHREC revenues are reviewed by an independent engineer. They have reviewed prior SHREC portfolios for the Green Bank, and their projections have been realized within a 1% variance. We have sized the bond issue to have 1.15X revenue coverage on the P90 expectation, which is conservative. For all prior SHREC transactions, the 1.15X revenue to debt coverage has proved sufficient to provide for debt payments.
5. CGB will provide additional support using the Project Support Agreement (PSA). All revenues that are free to pledge in the PSA are available to the Green Bank to provide support if project revenues are insufficient in any period.

NW has reviewed the documentation and exercised diligence in several conversations with the CGB and agrees with the findings presented to the Board.

#### **Rationale for Self-Sufficiency Finding**

The security for the bond issue is the sale of SHRECs to the utilities, who have agreed to a fixed price unit rates for each MWH of solar generated power. Passive solar sales produce a reliable SHREC revenue stream, even though the power production is seasonal. History shows that over a full year that the expectation for power production has been achieved. Thus, even with occasional issues on SHREC production in isolated cases in the portfolio, the expectation is that the revenue production will be covered within the expected tolerances that have been designed into the financing. In addition, to the extent that any debt service shortfalls develop, the CGB is providing additional security through its Project Support Agreement (PSA). The PSA is supported by all of the CGB revenues from the System Benefit Charge, RGGI funding, loan repayments, investment income, and the sale of investment credits. Further, there will be a Debt Service Reserve Fund established in the SHREC Indenture at Maximum Annual Debt Service, which will be funded at closing and will provide support to the transaction and allow the SCRF mechanism to work if needed.

The bonds are structured around the projected available revenues (which accounts for seasonality as well as the aging of the solar cells over time) and provide in every year a projected debt service coverage ratio of at least 1.15x. The debt service is fixed. The proceeds will be dependent on the taxable market conditions at the time of the sale. The SHREC revenues are expected to

cover all debt service costs, without the need for the PSA. However, the PSA will support these SHREC bonds before any demand is made upon the State to refill a SCRF reserve fund. The projections suggest that the CGB will not need to provide additional support as the project is expected to be self-sufficient.

Thus, NW believes that the strategic support that will be available through the Project Support Agreement, when combined with all the other remedies that CGB has built into their agreements strongly supports the Finding of Self-Sufficiency as required to use SRCF credit support.

Yours truly,

A handwritten signature in blue ink, appearing to read 'RAL', with a long horizontal flourish extending to the right.

---

Robert A. Lamb  
Managing Director

## **Exhibit B**

### **Cash Flow and Bond P&I Projections**

#### **SOURCES AND USES OF FUNDS**

Connecticut Green Bank

SCENARIO1 Solar Home Renewable Energy Credit, Green Liberty Bonds, Series 2025 (P90) (Tranche 5 & 6)

Preliminary Cashflows, Rates as of 7/8/25 COB | PLUS 25 bps

'AA-' rated with 1.15x Coverage and SCRF sized at MADS

CGB P90 Projections

**\*\*2037 Final Maturity\*\***

Dated Date 09/24/2025

Delivery Date 09/24/2025

#### **Sources:**

Bond Proceeds:	
Par Amount	17,847,000.00
	<b>17,847,000.00</b>

#### **Uses:**

Project Fund Deposits:	
Project Fund	15,073,108.98
Other Fund Deposits:	
Special Capital Reserve Fund	2,166,880.02
Delivery Date Expenses:	
Cost of Issuance	375,000.00
Underwriter's Discount	232,011.00
	<b>607,011.00</b>
	<b>17,847,000.00</b>



## BOND SUMMARY STATISTICS

Connecticut Green Bank

SCENARIO1 Solar Home Renewable Energy Credit, Green Liberty Bonds, Series 2025 (P90) (Tranche 5 & 6)

Preliminary Cashflows, Rates as of 7/8/25 COB | PLUS 25 bps

'AA-' rated with 1.15x Coverage and SCRF sized at MADS

CGB P90 Projections

\*\*2037 Final Maturity\*\*

Dated Date	09/24/2025
Delivery Date	09/24/2025
First Coupon	05/15/2026
Last Maturity	11/15/2037
Arbitrage Yield	5.392308%
True Interest Cost (TIC)	5.624968%
Net Interest Cost (NIC)	5.599900%
All-In TIC	6.010502%
Average Coupon	5.416596%
Average Life (years)	7.092
Weighted Average Maturity (years)	7.092
Duration of Issue (years)	5.766
Par Amount	17,847,000.00
Bond Proceeds	17,847,000.00
Total Interest	6,855,856.91
Net Interest	7,087,867.91
Total Debt Service	24,702,856.91
Maximum Annual Debt Service	2,166,880.02
Average Annual Debt Service	2,034,552.39
Underwriter's Fees (per \$1000)	
Average Takedown	
Other Fee	13.000000
Total Underwriter's Discount	13.000000
Bid Price	98.700000

Bond Component	Par Value	Price	Average Coupon	Average Life	Duration	PV of 1 bp change
Serial Bonds	17,847,000.00	100.000	5.41659563%	7.092	5.792	9,977.49
	17,847,000.00			7.092		9,977.49

## BOND PRICING

Connecticut Green Bank

SCENARIO1 Solar Home Renewable Energy Credit, Green Liberty Bonds, Series 2025 (P90) (Tranche 5 & 6)

Preliminary Cashflows, Rates as of 7/8/25 COB | PLUS 25 bps

'AA-' rated with 1.15x Coverage and SCRF sized at MADS

CGB P90 Projections

\*\*2037 Final Maturity\*\*

Bond Component	Maturity Date	Amount	Rate	Yield	Price
Serial Bonds:					
	11/15/2026	1,098,000	4.747%	4.747%	100.000
	11/15/2027	1,283,000	4.747%	4.747%	100.000
	11/15/2028	1,324,000	4.763%	4.763%	100.000
	11/15/2029	1,366,000	4.874%	4.874%	100.000
	11/15/2030	1,410,000	4.924%	4.924%	100.000
	11/15/2031	1,458,000	5.177%	5.177%	100.000
	11/15/2032	1,514,000	5.227%	5.227%	100.000
	11/15/2033	1,575,000	5.455%	5.455%	100.000
	11/15/2034	1,641,000	5.505%	5.505%	100.000
	11/15/2035	1,711,000	5.555%	5.555%	100.000
	11/15/2036	1,536,000	5.655%	5.655%	100.000
	11/15/2037	1,931,000	5.755%	5.755%	100.000
		<b>17,847,000</b>			

Dated Date	09/24/2025	
Delivery Date	09/24/2025	
First Coupon	05/15/2026	
Par Amount	17,847,000.00	
Original Issue Discount		
Production	17,847,000.00	100.000000%
Underwriter's Discount	-232,011.00	-1.300000%
Purchase Price	17,614,989.00	98.700000%
Accrued Interest		
Net Proceeds	17,614,989.00	

## BOND SOLUTION

Connecticut Green Bank

SCENARIO1 Solar Home Renewable Energy Credit, Green Liberty Bonds, Series 2025 (P90) (Tranche 5 & 6)

Preliminary Cashflows, Rates as of 7/8/25 COB | PLUS 25 bps

'AA-' rated with 1.15x Coverage and SCRF sized at MADS

CGB P90 Projections

\*\*2037 Final Maturity\*\*

Period Ending	Proposed Principal	Proposed Debt Service	Total Adj Debt Service	Revenue Constraints	Unused Revenues	Debt Service Coverage
11/15/2025						
11/15/2026	1,098,000	2,166,602	2,166,602	2,492,004	325,401	115.02%
11/15/2027	1,283,000	2,166,880	2,166,880	2,492,652	325,772	115.03%
11/15/2028	1,324,000	2,146,976	2,146,976	2,469,569	322,593	115.03%
11/15/2029	1,366,000	2,125,914	2,125,914	2,445,075	319,161	115.01%
11/15/2030	1,410,000	2,103,335	2,103,335	2,419,598	316,263	115.04%
11/15/2031	1,458,000	2,081,907	2,081,907	2,394,609	312,702	115.02%
11/15/2032	1,514,000	2,062,426	2,062,426	2,372,327	309,901	115.03%
11/15/2033	1,575,000	2,044,289	2,044,289	2,350,978	306,689	115.00%
11/15/2034	1,641,000	2,024,373	2,024,373	2,328,527	304,155	115.02%
11/15/2035	1,711,000	2,004,036	2,004,036	2,304,826	300,790	115.01%
11/15/2036	1,536,000	1,733,990	1,733,990	1,994,634	260,644	115.03%
11/15/2037	1,931,000	2,042,129	2,042,129	2,349,241	307,112	115.04%
	<b>17,847,000</b>	<b>24,702,857</b>	<b>24,702,857</b>	<b>28,414,042</b>	<b>3,711,185</b>	

**Exhibit C**

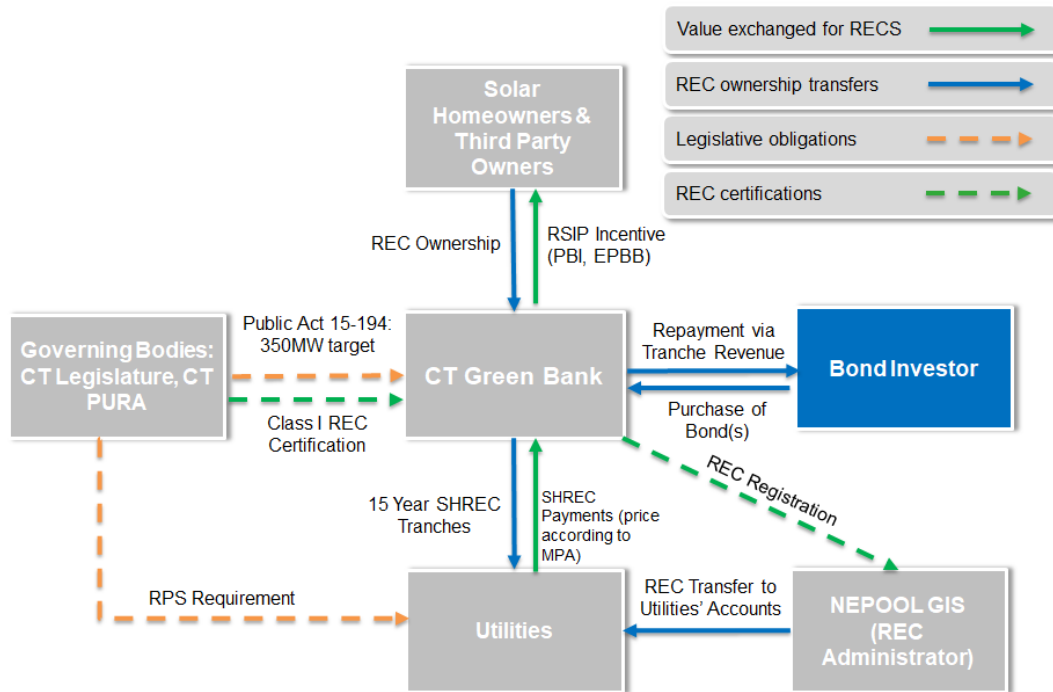
Independent Engineer Report Snapshot

Attached separately

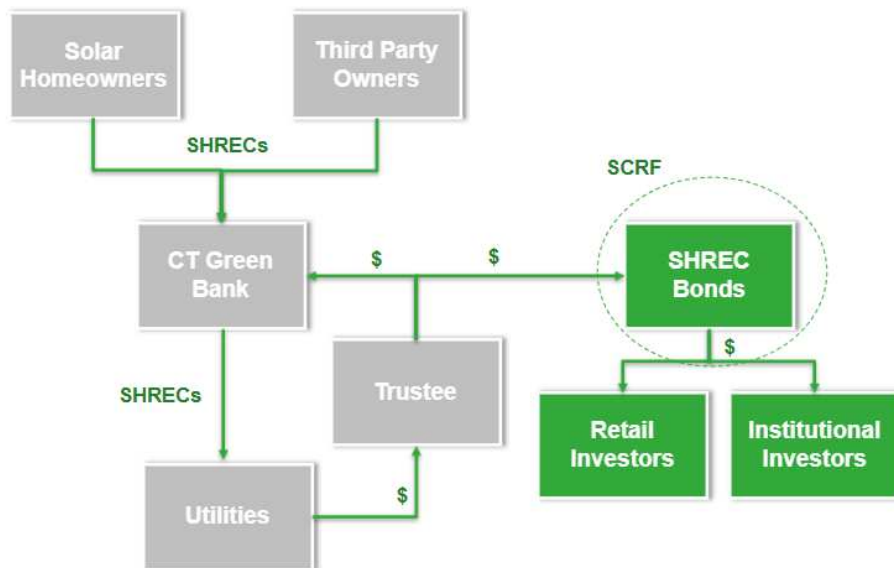
## Exhibit D

### Structural diagram for the SHRECs

## SHREC Creation Process



## SHREC 2025 Transaction Diagram



## **Exhibit E**

### **Project Support Commitment and Undertaking**

Attached separately

**Exhibit F**

**Preliminary Official Statement for the Bonds**

Attached separately

## **Exhibit G**

### **Green Bank's assessment of certain risk factors associated with the Bonds as set forth in the Preliminary Official Statement<sup>8</sup>**

Pursuant to regulations of Securities and Exchange Commission, issuers of bonds and other securities are required to disclose to all potential investors information about certain risk factors that are important in making a decision about investing in the bonds. The following represents the investment considerations disclosed in the Preliminary Official Statement for the Bonds. Following each identified risk factor, Green Bank staff provides additional context for the risk factors.

#### **INVESTMENT CONSIDERATIONS**

*The following investment considerations describe certain risk factors of an investment in the Series 2025 Bonds. Additional investment considerations relating to an investment in the Series 2025 Bonds are described throughout this Official Statement, whether or not specifically designated as investment considerations. Investors should consider such investment considerations in deciding whether to purchase any of the Series 2025 Bonds. There can be no assurance that other investment considerations will not become material in the future. In the event of a shortfall of Revenues, material delays in payments of principal or interest, or losses, on the Series 2025 Bonds could result and could materially reduce the value of the Series 2025 Bonds. These and other factors could result in a loss of marketability, or of market value, of the Series 2025 Bonds even if no such payment delay or loss occurs.*

#### **Reliance on State of Connecticut Rating**

The Series 2025 Bonds are supported by the State of Connecticut through a special capital reserve fund (see the caption "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2025 BONDS—The Special Capital Reserve Fund" herein) and the Green Bank is advised by the rating agency that its State of Connecticut supported revenue bonds, including the Series 2025 Bonds, are rated based upon the creditworthiness of the State of Connecticut. See Part II of this Official Statement and the appendices thereto for a discussion of the State of Connecticut. To the extent that the Green Bank is unable to pay the interest on and principal of the Series 2025 Bonds from the SHREC Receivables, owners of the Series 2025 Bonds will be relying upon the State of Connecticut to fund the Special Capital Reserve Fund. [In addition, due to the 15 year limitation on payments required pursuant to the Master Purchase Agreements, there will be not be sufficient SHREC Receivables available to make the interest payments on May 15, 2037 and November 15, 2037, and the principal amount of the Series 2025 Bonds maturing on November 15, 2037, which will be paid from amounts on deposit in the Special Capital Reserve Fund. See the caption "The Expected Source of the Repayment is the Potential Stream of Payments Made Under the Master Purchase Agreements" below.

#### **General Economic Conditions.**

Worsening economic conditions within the State of Connecticut could have a negative impact on State of Connecticut's ability to cure a deficiency in the Special Capital Reserve Fund maintained to meet payments of debt service on Series 2025 Bonds. The State of Connecticut's financial results could be

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<sup>8</sup> Green Bank staff has addressed these risk factors in an appendix for ease of tracking comments. If preferred by OTT once the findings have been finalized, staff can bring the final version of risk factors into the body of the memo.



harmful by a national or localized outbreak of a highly contagious or epidemic disease or other macroeconomic events that have a negative impact on state revenues or require a higher level of state spending. The effect of these factors, including the effect on the timing and amount of available funds to cure a deficiency in the Special Capital Reserve Fund, is impossible to predict.

The ability of the Utilities' customers who are generating SHRECs to keep systems operational may be affected by a variety of social and economic factors. Economic factors include interest rates, unemployment levels, upward adjustments in monthly mortgage payments, utility rate structures and the rate of inflation and consumer perceptions of economic conditions generally. Economic conditions may also be affected by localized natural disasters. The Green Bank is unable to determine and has no basis to predict to what extent social or economic factors will affect the Trust Estate and the Green Bank's ability to receive SHREC Receivables.

SHREC systems are installed on residential rooftops of participating households throughout the State. These SHREC systems may be owned outright by households, subject to an equipment lien if households have financed the purchase of the SHREC system, or owned by a third-party owner pursuant to power purchase agreement ("PPA") arrangements where the third-party owner collects revenues from the households in return for the energy supplied by the SHREC systems. While the generation of SHRECs are not dependent upon payment by these households against any such financing or PPAs, the financing counterparties or third-party owners could, in the event of a default in payment by a household subject to economic distress as a result of an economic recession or other circumstances, remove or disable the SHREC systems from defaulting households. Such removal or disabling of SHREC systems could result in a temporary or permanent disruption in the production of energy from the SHREC systems and as a consequence would impair Green Bank's ability to generate SHRECs from such defaulted systems. The Green Bank's experience to date is that these circumstances have not resulted in any material disruption in the production of SHRECs.

The generation of SHRECs are not dependent upon payment by Households and third-party system owners. However, macroeconomic conditions including higher interest rates or a recession among others may impair their ability to pay for necessary system maintenance or repairs. To date SHREC production has not been materially affected by rising interest rates or the COVID-19 pandemic and ensuing economic downturn.

**The Capacities of the SHREC Projects in the Portfolio are Estimates and Averages Only, Based on Assumptions, and Production May Not Meet These Estimates**

The Green Bank has relied upon certain assumptions of the average capacity across the SHREC Tranche 5 and 6 portfolio in estimating what the SHREC Projects can be expected to generate in MWh of electricity.

The Green Bank has also relied upon estimates and assumptions concerning the annual rate of degradation over the 15-year term of SHREC Tranche 5 and 6. These assumptions and estimates may not accurately predict the actual MWh of electricity the SHREC Projects actually produce and that the Utilities are required to purchase under the Master Purchase Agreements. Under the Master Purchase Agreements, the Utilities are required to pay for only the SHRECs that are delivered by the Green Bank in the preceding quarter to the respective Utility's NEPOOL GIS account. Any decrease in the anticipated amount of such SHRECs generated by the SHREC Projects within SHREC Tranche 5 and 6 would result in reduced cash flow from the Utilities to the Green Bank. This would impair the Green Bank's ability to pay the principal and interest on the Series 2025 Bonds from the SHREC Receivables. These estimates of potential SHREC Project capacity are estimates of production only, and no guarantee of ultimate performance is offered, granted, suggested or implied. See the caption "THE TRUST ESTATE—SHREC Tranche 5 and 6" herein.

**Green Bank context:** Estimates of production of electricity for the SHREC Systems used to determine the projected debt service coverage ratios (DSCRs) in the finding have been confirmed by the Green Bank's independent engineer that has extensive experience with the performance of solar PV systems as well as performing as an independent engineer for several capital markets securitizations. While it is true that assumptions and estimates may not accurately predict the output of electricity the SHREC Systems will actually produce, the assumed generation estimates for the "base case" (or "P90 case") assumes generation estimates will be exceeded by actual generation 90% of the time, yet only a 10% chance of being below the estimate. This forecast results in a DSCR of 115%. In addition, the independent engineer for the "stress case" (or "P99 case") assumes generation estimates will be exceeded by actual generation 99% of the time. This forecast results in a DSCR of >100% (but below 115%). In a similar manner, the independent engineer confirmed similar estimate for the Tranche 1 and Tranche 2 SHRECs, which support the SHREC Series 2019-1 Notes. The Tranche 1 and Tranche 2 portfolios have yielded generation and revenues for the first twenty-three quarters of that bond series equal to 98.6% of P90 estimates. Tranche 3, which supports the 2020 GLB Issuance, has yielded generation for the first twenty quarters equal to 101.4% of P90 projections confirmed by the Independent Engineer. Accordingly, the Green Bank is of the view that the estimates confirmed by the independent engineer offer a sound basis for Finding 1.

## **Reliance on Metering**

Solar PV systems installed through the RSIP have meters that collect, store, and dispatch system performance data, including the production of SHRECs, which data is transmitted via wireless internet networks to the Green Bank, which uses this data in the production of SHRECs. These are mechanical and electronic metering devices that may break down or fail, and not all of such breakdowns or failures are promptly recognized by homeowners, the Green Bank or the Utilities. The occurrence of mechanical or equipment breakdown or other mishaps or events would have previously prevented or delayed potential SHRECs from entering the NEPOOL GIS and being accounted for and recognized and billed for under the Master Purchase Agreements. However, after a large portion of RSIP residential rooftop solar systems were affected by the shutdown of 3G networks which were used by these systems to report data to the Green Bank, the Green Bank used a predictive model, using actual performance data of nearby reporting systems, to estimate the generation of these affected systems. This allowed the Green Bank to create certificates in the NEPOOL GIS. The Green Bank has since replaced more than four thousand 3G meters (with TPOs replacing significantly more), and the estimation methodology continues to be utilized to create certificates for general meter failures. The methodology was approved for use on a permanent basis by the NEPOOL GIS effective May 6, 2025.

**Green Bank context:** The Green Bank has more than a decade of experience with solar PV generation metering systems and tracking platforms. The actual incidence of non-reporting is, unless affected by a large scale action like the shutdown of 3G networks, at any one time, less than 1% based on information collected by the Green Bank's Residential Solar Investment Program. And as with estimates of production of electricity for the SHREC Systems, overall "System Availability" for Tranche 5 and 6 has been analyzed by the independent engineer and factored into the cash flows. In addition, the Green Bank has

*provided supporting evidence of the accuracy of the estimation methodology, which was approved for permanent use by the NEPOOL GIS market committee without opposition.*

### **Impact of Natural Disasters, Weather Events, Man-Made Disasters**

The occurrence of natural disasters, including hurricanes, floods, earthquakes, tornadoes, fires, blizzards, explosions, pandemic disease and man-made disasters, including acts of terrorism and military actions, could adversely affect the functioning of any one or more of the SHREC Projects, the NEPOOL GIS, the Utilities' ability to make the requisite payments under the Master Purchase Agreements, and the Green Bank's ability to pay the principal and interest on the Series 2025 Bonds from the SHREC Receivables.

### **The Expected Source of the Repayment is the Potential Stream of Payments Made Under the Master Purchase Agreements**

The periodic payments of principal and interest due on the Series 2025 Bonds initially rely on the payments made under the Master Purchase Agreements by the Utilities to the Green Bank in respect of SHRECs transferred to the Utilities from the Green Bank via the NEPOOL GIS. Under the Master Purchase Agreements, the Utilities are required to deliver payment for the SHRECs with respect to any SHREC Tranches exclusively to the Green Bank, and promise that the Utilities shall not sell, divert, grant, transfer or assign any such payment for SHRECs to any person other than the Green Bank during and following the relevant SHREC Tranche Delivery Term. The transfer of SHRECs occurs via the NEPOOL GIS from the Green Bank's NEPOOL GIS account to the Utilities' NEPOOL GIS accounts. The Green Bank invoices the Utilities for the value of the SHRECs transferred via the NEPOOL GIS. The payment of the amounts due on the Series 2025 Bonds is therefore reliant upon the Utilities' ability to pay the amounts due under the Master Purchase Agreements for the SHRECs transferred to the Utilities via NEPOOL GIS.

If an event of default occurs under the Master Purchase Agreements, the Utilities have the right to withhold payments thereunder up to the amount of its damages, terminate the Master Purchase Agreements, or suspend performance with respect to the transfer of SHRECs thereunder until such event of default is cured. Events of default under the Master Purchase Agreements include uncured breaches of representations and warranties, representations and warranties proving false, or the bankruptcy of any party thereto. See the caption "THE TRUST ESTATE—The Master Purchase Agreements—*Events of Default and Remedies Under the Master Purchase Agreements*" herein. Upon an event of default under the Master Purchase Agreements one or both of the Utilities could suspend performance or terminate the related Master Purchase Agreement, in which case SHREC Receivables would not be made available to the Green Bank for deposit into the Revenue Fund. Such an event would adversely affect the yield of the Series 2025 Bonds.

The Green Bank is statutorily required to sell SHRECs to the Utilities at the SHREC Tranche Purchase Prices determined pursuant to the Master Purchase Agreements, as described in this Official Statement under the caption "THE TRUST ESTATE—The Master Purchase Agreements—*SHREC Tranche Purchase Price*". Therefore, even if the Green Bank could obtain a better price from a third-party purchaser, the Green Bank is required to sell SHRECs to the Utilities at the applicable SHREC Tranche Purchase Price. This will limit the amount of SHREC Receivables available to make payments on the Series 2025 Bonds.

To the extent that there are insufficient amounts on deposit in the Special Capital Reserve Fund, the holders of the Series 2025 Bonds will rely solely on the State's obligation to replenish the Special Capital Reserve Fund. If there are sufficient amounts on deposit in the Special Capital Reserve Fund to pay the interest payments on May 15, 2037 and November 15, 2037, and the principal amount of the Series 2025 Bonds maturing on November 15, 2037, once the interest and principal payments due on

November 15, 2037, have been fully funded, it is likely that the Green Bank will redeem the Series 2025 Bonds maturing on November 15, 2037, prior to their final maturity date. See the captions “SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2025 BONDS—Covenants as to Special Capital Reserve Fund” and “DESCRIPTION OF THE INDENTURE—Special Capital Reserve Fund” herein.

**The Utilities’ Power Generation Capacity, Revenues, Costs and Results of Operations are Significantly Influenced by Weather Conditions and Seasonal Variations that are Not Within their Control**

Electricity consumption is seasonal and is mainly affected by weather conditions. In Connecticut, electricity consumption is generally higher during the autumn and winter months, and the Utilities generally experience higher demand during the colder months of October through March and lower demand during the warmer months of April through September. As a result of these seasonal patterns, the Utilities’ sales and results of operations are higher in the first and fourth quarters and lower in the second and third quarters. Sales and results of operations for all of the Utilities’ energy operations can be negatively affected by periods of unseasonably warm weather during the autumn and winter months.

**Political, Economic or Other Factors that are Beyond the Green Bank’s Control May Have an Adverse Effect on the Utilities’ Business, Results of Operation and Cash Flows**

The Utilities are dependent on domestic, regional and market conditions. Their performance, growth, and market demand for energy may be adversely affected by an economic downturn in the local, regional or global economies. The Utilities’ growth is affected by various factors, including Connecticut and New England energy consumption. Consequently, any future slowdown in Connecticut’s or the New England region’s economy could harm the Utilities’ business, results of operations, cash flows and financial condition.

**Impact of Bankruptcy of Utilities**

There can be no assurance that one or both of the Utilities will not become insolvent and/or file a voluntary petition, or that an involuntary petition will not be filed against either or both of the Utilities under the United States Bankruptcy Code, 11 U.S.C. Section 101, et seq., as amended (the “Bankruptcy Code”), or any similar applicable state law (collectively, with the Bankruptcy Code, the “Insolvency Laws”). Both debt risk and revenue risk can be contributing factors in a Utility bankruptcy. Utilities tend to have high credit ratings at all times, even when leading up to a bankruptcy, making the risk of a utility bankruptcy appear lower than the actual risk levels. As of the date of this Official Statement, Eversource is rated [BBB+/Baa2] (S&P/Moody’s) and United Illuminating is rated [A-/A3] (S&P/Moody’s). These high credit ratings imply a low risk of default, but for utilities this can be a misleading representation of credit worthiness. Further, despite the fact that utilities provide an important and irreplaceable product, they still face the effects of economic downturns as economic activity is highly cyclical.

Neither of the Utilities is a special purpose bankruptcy remote entity. Both Eversource and United Illuminating are engaged in other business activities, in addition to being obligated under the Master Purchase Agreements to make payments to the Green Bank through the purchase of the SHRECs through the NEPOOL GIS. As a consequence, either or both of the Utilities may be the subject of a voluntary or involuntary petition for relief by or against either or both Utilities under the Bankruptcy Code or other applicable insolvency laws.

In a case under Chapter 11 of the Bankruptcy Code, assuming that the Master Purchase Agreements are considered to be executory contracts, a Utility’s bankruptcy trustee, or the Utility as a debtor-in-possession (as to either, the “bankruptcy trustee”) will have the opportunity to assume or reject the Master

Purchase Agreement, and the decision may not be made until the time of a confirmation hearing on a final plan of reorganization. If the Master Purchase Agreement is not assumed or rejected at any time before confirmation of a plan of reorganization, the Green Bank will be obligated to continue performing under the applicable Master Purchase Agreement, without receiving return performance from the bankruptcy trustee, unless on request of the Green Bank and after notice and a hearing, the bankruptcy court orders the bankruptcy trustee to assume or reject the Master Purchase Agreement, or in the interim period before assumption or rejection, the bankruptcy court grants an order allowing such return performance, in whole or in part, as an administrative expense, or directs the payment of monies due under the Master Purchase Agreement (the return performance), or both.

The suspension of payments of amounts due to the Green Bank under the Master Purchase Agreement during the period after commencement of the Chapter 11 case, or the failure of the trustee in bankruptcy to resume making payments due to the Green Bank under the Master Purchase Agreement thereafter, could result in delays or reductions in SHREC Receivables.

If one or both of the Utilities were to become a debtor under the Bankruptcy Code, there can be no assurance that the Utilities will be able to successfully reorganize their businesses, and it is possible that the Utilities may be forced to sell their assets, otherwise liquidate or seek modifications to their obligations, including the obligation to purchase SHRECs pursuant to the applicable Master Purchase Agreement.

### **Risks Associated with the Green Bank**

The Green Bank performs certain functions with respect to the SHRECs, including the purchase and sale of SHRECs in accordance with the Master Purchase Agreements and critical functions regarding protection of the Trust Estate and the security interest in the Trust Estate. An investor must rely on the Green Bank to perform all of the necessary management functions for minting the SHRECs and selling the SHRECs to the Utilities under the Master Purchase Agreements and maintaining the payment streams and the Trust Estate for the Series 2025 Bonds.

The Green Bank is a public instrumentality and political subdivision of the State of Connecticut established and created for the performance of an essential public and governmental function. The Green Bank is reliant on public sources of funding to maintain its sophisticated operations. The Green Bank employees participate in the employee benefits programs and retirement programs offered by the State of Connecticut. Although payments of the amounts due under the Series 2025 Bonds do not rely on any of the State of Connecticut (other than the Special Capital Reserve Fund) or the Green Bank (as the Series 2025 Bonds are without recourse to the Green Bank), the obligations of the Green Bank rely on the continued performance of its workforce. As the State of Connecticut is faced with economic and budgeting pressures, the Green Bank's sources of funding may be reduced. These funding sources may be affected by a variety of political and economic factors outside of the Green Bank's control. Reduced funding could negatively affect the Green Bank's ongoing operations and ability to maintain the staff it needs to support the management function. See the caption "General Economic Conditions" above.

As the Green Bank was established and created by the State of Connecticut pursuant to the Green Bank Statute, the State of Connecticut would have the sole power and authority to discontinue the Green Bank's existence. However, under the terms of subsection (h) of the Green Bank Statute, the State of Connecticut pledges and agrees

“with any person with whom the Connecticut Green Bank may enter into contracts pursuant to the provisions of this section that the state will not limit or alter the rights hereby vested in said bank until such contracts and the obligations thereunder are fully met and performed on the part of said bank, provided nothing herein contained shall preclude such limitation

or alteration if adequate provision shall be made by law for the protection of such persons entering into contracts with said bank.”

***Green Bank context:*** *The Green Bank had a net asset position of \$166.1 million as of June 30, 2024. Since a majority of funding for the Green Bank was “swept” by the legislature in the 2017 session, Green Bank staff has taken numerous measures to ensure the organization was self-sustainable should funding be “swept” again. The Green Bank has more than \$300 million of earning assets, interest payments from which are sufficient to fully cover annual operating expenses. The Green Bank is therefore confident that the organization could continue operations if ratepayer or state funds were no longer available.*

### **Failure of the Green Bank to Remove Ineligible SHRECs When Required Will Reduce Funds Available to Make Payments on the Series 2025 Bonds**

None of the SHRECs is insured or guaranteed by the State of Connecticut or any governmental agency or instrumentality. Pursuant to the Indenture, the Green Bank will be obligated to remove any Ineligible SHREC pledged by the Green Bank to the Trustee under the Indenture by depositing an amount, established by the Green Bank, equal to the fair market value equivalent of the Ineligible SHREC originally pledged. Upon such deposit, the Green Bank may remove the related Ineligible SHREC from the Trust Estate.

The Green Bank is the sole warranting party in respect of the SHRECs pledged under the Indenture. In the event the Green Bank fails to fulfill its obligations, an investor could experience cash flow disruptions or losses on the Series 2025 Bonds. The Green Bank cannot assure an investor that the Green Bank will effect such a payment and removal. In addition, the Green Bank may have various legal defenses available to it in connection with a removal obligation. Except for the foregoing obligations with respect to Ineligible SHRECs, the Green Bank will not have any payment or removal obligations in respect of the SHRECs.

### **Bankruptcy of the Green Bank May Adversely Affect Payments on the Series 2025 Bonds**

The Green Bank cannot file for bankruptcy under the U.S. Bankruptcy Code (the “Bankruptcy Code”). Chapter 9 of the Bankruptcy Code allows a municipality to file a petition for bankruptcy under certain conditions. Under Chapter 9, a “municipality” is defined as a political subdivision or public agency or instrumentality of a state, and can also include revenue-producing bodies that provide services that are paid for by users rather than general taxes. The Green Bank falls within the Bankruptcy Code’s definition of “municipality” because Section 16-245n of the Connecticut General Statutes defines Green Bank as “a body politic and corporate, constituting a public instrumentality and political subdivision of the State of Connecticut established and created for the performance of an essential public and governmental function.” The Green Bank does not have the traditional powers associated with a “municipality,” such as taxing power, police powers or eminent domain powers.

The Bankruptcy Code also requires a municipality to be specifically authorized to file for Chapter 9 bankruptcy by either state law, or a governmental officer or organization empowered to provide such authorization by state law. With regard to a “municipality,” as that term is defined under Connecticut state law, Section 7-566 of the Connecticut General Statutes authorizes a Chapter 9 filing by a “municipality” only upon obtaining the Governor’s express prior written consent. The definition of “municipality” under this statute only applies to entities traditionally considered state municipalities—any town, city, borough,

metropolitan district, fire, sewer or other district—and any political subdivision of the State of Connecticut having the power to levy taxes and to issue bonds, notes or other obligations (Section 7-560 of the Connecticut General Statutes). Although the Green Bank has the power to issue bonds, notes or other obligations, because the Green Bank is not a town, city, borough, metropolitan district, fire, sewer or other district, and is not authorized to levy taxes, it does not meet the definition of “municipality” under Section 7-566 of the Connecticut General Statutes, and therefore is not authorized to file for Chapter 9 bankruptcy under that state law, as presently codified. The State could amend the Connecticut General Statutes to include the Green Bank in its definition of “municipality” and thereby authorize it to file for Chapter 9 bankruptcy (with the Governor’s express prior written consent), but such amendment has not been introduced and is not anticipated as of the date of this Official Statement.

***Green Bank context:*** *The Green Bank had a net asset position of \$166.1 million as of June 30, 2024. The Green Bank has more than \$300 million of earning assets, interest payments from which are sufficient to fully cover annual operating expenses. The Green Bank is therefore confident that the organization could continue operations if ratepayer or state funds were no longer available.*

### **The Series 2025 Bonds May Not Be Accelerated**

The Series 2025 Bonds may not be accelerated following an Event of Default under the Indenture. The Bondholders sole remedy upon an Event of Default is to enforce the Green Bank’s performance under the Indenture. See the caption “Defaults; Remedies on Default—*Remedies Upon Default*” in “APPENDIX I-A—FORM OF THE INDENTURE” hereto.

### **Political and State Risks**

The Green Bank is reliant on public sources and federal and state energy and environmental infrastructure policy to achieve its operational goals. These funding sources and policies may be affected by a variety of political and economic factors. The Green Bank is unable to determine and has no basis to predict to what extent political or economic factors will affect the Green Bank’s ongoing operations.

***Green Bank context:*** *The Green Bank had a net asset position of \$166.1 million as of June 30, 2024. The Green Bank has more than \$300 million of earning assets, interest payments from which are sufficient to fully cover annual operating expenses. The Green Bank has succeeded through many public policy changes at the state and federal levels over the course of its nearly 15-year history. Those changes have been both helpful and detrimental to Green Bank goals.*

### **Combination or “Layering” of Multiple Risks May Significantly Increase Risk of Loss**

Although the various risks discussed in this Official Statement are generally described separately, prospective Bondholders should consider the potential effects on the Series 2025 Bonds of the interplay of multiple risk factors. Where more than one significant risk factor is present, the risk of loss to Bondholders may be significantly increased. There are many circumstances in which layering of multiple risks with respect to the Trust Estate and the Series 2025 Bonds may magnify the effect of those risks. In considering the potential effects of layered risks, prospective investors should carefully review the descriptions of the Trust Estate and the Series 2025 Bonds.

### **The Rating of the Series 2025 Bonds is Not a Recommendation to Purchase and may Change**

It is a condition to the issuance of the Series 2025 Bonds that they be rated as described under the caption “SUMMARY OF TERMS—Rating” herein. The rating is based on the creditworthiness of the State of Connecticut, the amount of the Special Capital Reserve Fund Requirement and the legal structure of the transaction. The rating is not a recommendation to purchase, hold or sell the Series 2025 Bonds inasmuch as the rating does not comment as to the market price or suitability for any investor. The ratings may be increased, lowered or withdrawn by the rating agency if in the rating agency’s judgment circumstances so warrant. A downgrade in the rating of the Series 2025 Bonds is likely to decrease the price a subsequent purchaser will be willing to pay for the Series 2025 Bonds. The rating of the Series 2025 Bonds will not address the market liquidity of the Series 2025 Bonds.



## Exhibit H-1

Example of S&P ratings summary from a previous SHREC Green Liberty Bond Issuance

**S&P Global**  
Ratings

**RatingsDirect®**

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### **Summary:**

## **Connecticut Green Bank; General Obligation Equivalent Security**

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## Summary:

# Connecticut Green Bank; General Obligation Equivalent Security

### Credit Profile

US\$15.435 mil solar home renewable energy credit green liberty bonds (Climate Bond Certified) ser 2020 due 11/15/2030

Long Term Rating

A/Stable

New

### Rating Action

S&P Global Ratings assigned its 'A' long-term rating to the Connecticut Green Bank's Solar Home Renewable Energy Credit (SHREC) series 2020-1 Green Liberty bonds. The outlook is stable.

The Green Bank is issuing approximately \$15.4 million of bonds to refinance expenditures of the bank to its Residential Solar Incentive Program (RSIP) and fund a special capital reserve fund (SCRF). The bonds are secured by revenues received under the indenture, including SHREC receivables, funds on deposit in the SCRF.

We base the rating on the security provided by the SCRF and application of our "Issue Credit Ratings Linked To U.S. Public Finance Obligors' Creditworthiness" criteria (published Jan. 22, 2018, on RatingsDirect). We consider this a general operating pledge and in accordance with our criteria, generally rate these obligations on par with our view of the obligor's general creditworthiness, in this case, the state of Connecticut.

The reserve fund is the ultimate layer of security and will only be accessed if the revenues received under the indenture are insufficient to meet debt service requirements. This reserve fund, which is required to equal maximum annual debt service (MADS), is funded from bond proceeds. According to the terms of the indenture, the reserve fund is held by the trustee. If the reserve fund is depleted to pay debt service, funding from the state is "deemed to be appropriated" to restore the reserve to MADS. Appropriation and payment of these funds are not subject to further legislative approval, according to bond counsel. As a result, S&P Global Ratings has historically rated SCRF-enhanced issues on par with its GO rating on Connecticut. The Green Bank's obligation to fund debt service is absolute and unconditional.

The Green Bank is a quasi-public organization created in 2011 as a successor to the Connecticut Clean Energy Fund with a focus on financing clean energy initiatives, including renewable energy, energy efficiency, energy storage, alternative fuel vehicles, and infrastructure. It is not a department, institution or agency of the state, but the state treasurer serves as an ex-officio board member.

### Credit overview

Through the RSIP, the Green Bank offers incentives to homeowners and third-party owners to install solar panels. In exchange for its incentives, the Green Bank receives all rights and title to SHRECs generated and sells the SHRECs generated to the state's two investor-owned utilities (Eversource and United Illuminating) under a master purchase

agreement at a predetermined price over a 15-year tranche lifetime. Eversource must purchase 80% of SHRECs and United Illuminating 20% within each tranche. The utilities' obligation to purchase future tranches ends no later than the earlier of the Green Banks deployment of 350 megawatts of qualifying residential solar photovoltaic installations (in which case the Green Bank must notify the utilities that goal has been met) or Dec. 31, 2022 (maximum of six tranche delivery terms).

The SHRECs supporting this bond issuance (Tranche 3) will be generated from 4,818 systems with a SHREC purchase price of \$48 per SHREC with projected revenues of approximately \$25.6 million over the life of bonds.

While the Green Bank is not dissolvable through bankruptcy, SHREC payments are made by the utilities, and not customers or third-party owners. While the utilities have a greater likelihood to make SHREC payments to the Green Bank, there can be no assurance that one or both of the utilities will not become insolvent as neither utility is bankruptcy remote. Additional risk exists if customer defaults on payments to the utilities increase, affecting the financial performance of the utilities, or performance of residential systems generating the SHRECs and consequently expected revenues are worse than projected. The Green Bank also relies on public sources of funding to maintain operations and may be affected by a variety of political and economic factors.

If underlying risks of the transaction were to mount, and the Green Bank received insufficient payments to meet debt service requirements from the transaction or its public sources of funding, we expect the state's SCRF backing will be sufficient to remedy any deficiencies. Pursuant to Connecticut General Statutes (16-245mm), the aggregate amount of Green Bank bonds secured by SCRF may not exceed \$100 million and, in our opinion, limit the state's contingent liability exposure from the Green Bank. As of Feb. 1, 2020, Connecticut had \$5.1 billion of SCRF-secured debt outstanding, \$4.5 billion of which was issued by the Connecticut Housing Finance Authority. In our opinion, the state has not exhibited any political or administrative risks to suggest it would not support SCRF-backed obligations if needed.

#### **Environmental, social, and governance factors**

S&P Global Ratings considers health and safety a social risk under our view of environmental, social, and governance (ESG) factors. Absent the social risks of COVID-19, we consider Connecticut to have elevated social risks compared to the sector given its older population and higher cost of living. These demographic trends could present long-term credit risks to the state's economic and budgetary performance. However, we believe Connecticut's historically strong management and policy framework will help manage this risk. Environmental risks are considered above those of other states due to its 618 miles of coastline along Long Island Sound. Its shoreline roads and communities are at risk from rising sea levels. However, we recognize the state's commitment to renewable energy installation and energy efficiency, as evidenced by the creation of the Green Bank and this transaction. We view the state's governance risks as being in line with the sector and it has historically maintained a strong management and policy framework to respond to developing risks.

#### **Stable Outlook**

The outlook on the bonds reflects that of the state of Connecticut. Generally, our rating outlook timeframe is up to two years. Given the current uncertainty around the pandemic, our view of the credit risks to Connecticut and its



obligations centers on the more immediate budget effects in 2020 and is subject to change.

#### **Downside scenario**

Should a significant structural gap emerge and the state no longer continues making required pension contributions, uses significant one-time budgetary maneuvers (including deficit bonds), or sees its reserves deteriorate to low levels as they were before bond covenants were imposed, we may lower the rating. We also note that the state's three-year average pension funding ratio is close to our threshold of 40%, and may result in further downward rating action if pension funding levels deteriorate. We recognize that state governments across the nation will face unprecedented challenges in the near term. The duration and severity of recent events affecting the state's fiscal profile may result in faster deterioration of its credit quality as economic conditions change.

#### **Upside scenario**

If the state is able to weather the economic recession, maintaining good reserve balances and demonstrating a moderating debt burden, we may consider a higher rating. We currently estimate that the majority of our debt ratios will remain at least one-third higher than the threshold triggering our one-notch lower rating over our outlook horizon. This threshold was first triggered at the end of fiscal 2017.

### **Credit Opinion**

Connecticut released updated consensus revenue forecasts at the end of April, projecting a \$934.0 million deficit (4.8% of expenditures) in the general fund for fiscal 2020. To balance the budget this year, the state will use all of its expected volatility cap transfer to the reserve fund (\$318.3 million) and a draw from its rainy day fund (\$615.7 million). Prior to the COVID-19 pandemic, it was on track to increase reserve levels to over 15% during the biennium. The strong position of the state entering into fiscal 2020 is likely to weaken, with reserve balances at 12.9% of appropriations expected to decline to 9.4% following the drawdown for this year's deficit.

The projections also forecast a \$2.2 billion deficit (10.7% of expenditures) for fiscal 2021 that the state will need to address through some combination of expenditure and revenue changes or continued use of reserves. The level of reserves at the end of fiscal 2020 is expected to be \$1.9 billion and is insufficient to make up all of the projected deficit for fiscal 2021. The state has begun considering how to address the fiscal 2021 shortfall with revenue changes and other expenditure adjustments. However, the significance of the shortfall will likely result in some reserve use. During the last recession, the state issued nine-year deficit bonds to close its shortfall.

Despite these challenges, Connecticut enters the current recession in a significantly better position than in the past, with reserves at historically high levels. Bond covenants allow reserve drawdowns on a supermajority legislative vote, which the majority party holds at present. Previously, Connecticut had a history of carrying low reserves and ended fiscal 2017 with a reserve balance of only 1.1% of expenditures.

Further pressuring the state's finances during the recession are its extremely high fixed costs. An estimated 50% of fiscal 2020 budgeted expenditures constitute debt service, required pension and retiree health care benefit contributions, the state share of Medicaid costs, and other entitlements. The state also enacted an annual GO bond allocation cap of \$2 billion and an issuance cap of \$1.9 billion (with certain exclusions such as UConn 2000 bonds), but

the state has self-imposed a GO issuance limit of \$1.6 billion in fiscal years 2020 and 2021. Bond allocations are determined by the state's Bond Commission, whose agenda is controlled by the governor. During calendar year 2019, GO bond allocations by the Bond Commission totaled \$1.2 billion, well below the 2011 through 2018 bond allocation average of \$1.975 billion. Connecticut remains the only state with a high enough debt load to trigger a one-notch downward override rating adjustment under our state rating methodology. The bond bill authorizations are in line with prior years and we do not expect the debt profile to significantly moderate in the near term.

Based on the analytic factors we evaluate for states, on a scale of '1.0' (strongest) to '4.0' (weakest), we have assigned a composite score of '2.2' to Connecticut, an anchor of the 'AA-' rating. However, we also calculate that a majority of Connecticut's debt ratios in our state scoring criteria may lie more than one-third above the level necessary to score a '4', which triggers a one-notch rating override under our state scoring criteria. We are further using our discretionary ability to rate one notch below the anchor rating and overriding factors to maintain our 'A' rating due to our view of the state's high fixed-cost burden and lagging economic growth compared to peers

For more information on the state's general creditworthiness, see our full analysis on Connecticut, published May 15, 2020 on RatingsDirect.

## Related Research

- Through The ESG Lens 2.0: A Deeper Dive Into U.S. Public Finance Credit Factors, April 28, 2020

Certain terms used in this report, particularly certain adjectives used to express our view on rating relevant factors, have specific meanings ascribed to them in our criteria, and should therefore be read in conjunction with such criteria. Please see Ratings Criteria at [www.standardandpoors.com](http://www.standardandpoors.com) for further information. Complete ratings information is available to subscribers of RatingsDirect at [www.capitaliq.com](http://www.capitaliq.com). All ratings affected by this rating action can be found on S&P Global Ratings' public website at [www.standardandpoors.com](http://www.standardandpoors.com). Use the Ratings search box located in the left column.



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# Memo

**To:** Connecticut Green Bank Board of Directors

**From:** Bert Hunter, EVP and CIO, David Beech, Senior Manager, Investments, Rudy Sturk, Senior Manager of Marketing

**CC:** Bryan Garcia, President and CEO; Brian Farnen, General Counsel and CLO; Sergio Carrillo, Managing Director of Incentive Programs; Eric Shrago, VP of Operations; Jane Murphy, EVP Accounting and Financial Reporting

**Date:** August 13, 2025

**Re:** Request for Approval: Green Liberty Bond Issuance with Special Capital Reserve Fund

---

## Introduction

The purpose of this memorandum is to request approval to enable Staff to finalize the third Green Liberty Bond issuance backed by contracted revenues from Solar Home Renewable Energy Credits (SHRECs) paid to the Connecticut Green Bank ("Green Bank") by Eversource Energy ("Eversource") and Avangrid (together, the "Utilities") and supported by the use of the Special Capital Reserve Fund (SCRF) as provided by statute.

## Green Liberty Bonds & Structure

In 2020 in the midst of the COVID-19 pandemic, Green Bank completed its inaugural issuance of Green Liberty Bonds backed by the SCRF that enabled retail access to clean energy investment opportunities. The next issuance of similarly structured Green Liberty Bonds was issued in 2021 and was a resounding success – garnering almost \$100 million in bids for nearly \$25 million in bonds issued. The Connecticut Green Bank Board of Directors (the "Board") approved both issuances, as required by the Connecticut General Statutes ("CGS") and Green Bank bylaws and operating procedures.

Based upon the recommendations of its financial advisor (NW Financial) and underwriters (Ramirez and Co.), Staff is recommending the same structure as used in 2020 and 2021 for the third and final in the series of bonds issued and backed by SHRECs. The *State Supported Solar Home Renewable Energy Credit, Green Liberty Bonds, Series 2025* (the "Series 2025 Bonds") will be offered to the public and institutions in September utilizing credit enhancement in a municipal structure via the use of the SCRF which is available to the Green Bank pursuant to Section 16-245mm of the CGS. This structure allows for higher additional proceeds, estimated to be more than \$18M for this issuance based on current interest rates, and a greater proportion of retail friendly serial bonds. With the support of a SCRF, the bonds could be rated at or within a "notch" of the credit rating of State of Connecticut General Obligation bonds by the Public Finance Group at S&P. NW Financial and Ramirez & Co. expect an 'AA-' rating from S&P will be very attractive to retail investors.

### **Special Capital Reserve Fund & Findings of Self-Sufficiency**

Pursuing a SCRF credit enhancement requires that Staff establish findings that support “self-sufficiency” of the project, which in this case is the legacy Residential Solar Investment Program (the “RSIP”) that gave rise to the Green Bank receiving SHRECs in exchange for incentives awarded for the deployment of residential solar projects across the state (the “SHREC Projects”). These SHRECs, as explained herein, yield revenues from contracts that the Green Bank has entered into with the Utilities.

**Staff is separately presenting during the August 20, 2025 Special Meeting of the Board findings that support “self-sufficiency” of the SHREC Projects that support the Series 2025 Bonds.**

Staff established five (5) findings, principal amongst these being forecasts supported by the independent engineer’s confirmation that revenues from Tranche 5 and Tranche 6 of the SHRECs are sufficient to pay the principal of and interest on the Series 2025 Bonds. Tranches 5 & 6 encompass 10,749 residential solar PV systems, represent approximately 93MW of solar capacity, and are expected to generate approximately 818,000 megawatt hours of electricity (MWh) over the remaining ~11-year period of the original 15 year SHREC tranches.

Meetings with staffs of the State Treasurer and the Office of Policy and Management (OPM) have confirmed that, upon the Board passing resolutions to confirm the “determination of self-sufficiency” (as required by statute), for the Series 2025 Bonds, the State Treasurer and the Secretary of OPM will approve the use of the SCRF and will sign the relevant documentation to this effect.

### **Indenture of Trust**

The Series 2025 Bonds will be fully taxable for federal purposes and Climate Bond Certified and verified by Kestrel Verifiers. The Bonds are special obligations of Green Bank, payable solely by a pledge or assignment of any Pledged Revenues (as defined in the resolutions) to be received, any contract or proceeds of any contract, or any other property, revenues, moneys or funds available to Green Bank for such purpose as described in the Indenture of Trust. Green Bank will enter into an indenture of trust with The Bank of New York Mellon Trust Company, N.A., as trustee to finance the SHREC Tranche 5 and SHREC Tranche 6 Receivables (as defined in the resolutions).

### **Attachments**

- Appendix A – Indenture of Trust (Draft)
- Appendix B – Green Bank SCRF Self-Sufficiency Findings Memo (August 13, 2025)
- Appendix C – Bond Purchase Contract (Draft)
- Appendix D – Project Support Commitment and Undertaking (Draft)
- Appendix E – Preliminary Official Statement (Draft)
  - POS Appendix I-C - Continuing Disclosure Agreement
- Appendix F – DNV-GL Independent Report



**CONNECTICUT GREEN BANK  
BOARD OF DIRECTORS  
BOND RESOLUTION DATED AUGUST 20, 2025**

**WHEREAS**, Connecticut Green Bank (“Green Bank”) is a body politic and corporate, constituting a public instrumentality and political subdivision of the State of Connecticut (the “State”) and is authorized pursuant to Sections 16-245n and 16-245kk through 16-245mm of the Connecticut General Statutes (the “Act”), to finance and support financing or other expenditures that promote investment in sources of clean energy, as defined in the Act, by issuing its bonds, notes or other obligations in accordance with the Act; and

**WHEREAS**, the Act provides that, at the discretion of Green Bank, any bonds issued under the Act may be secured by a trust agreement by and between Green Bank and a corporate trustee or trustees, and such trust agreement or the resolution providing for the issuance of such bonds may secure such bonds by a pledge or assignment of any revenues to be received, any contract or proceeds of any contract, or any other property, revenues, moneys or funds available to Green Bank for such purpose; and

**WHEREAS**, pursuant to the State’s Residential Solar Incentive Program (“RSIP”), which sunset on December 31, 2022 per Connecticut General Statute 16-245ff, Green Bank provided up front incentives to homeowners and continues to provide performance-based incentives to third-party system owners (“TPOs”) that acquired (in the case of homeowners) or deployed (in the case of TPOs) residential photovoltaic (“PV”) systems (each, a “SHREC System”); and

**WHEREAS**, pursuant to Public Act No. 16-212 and Public Act No. 15-194, Green Bank acquired a specific type of State renewable energy credit called a “solar home renewable energy credit” and the related environmental and energy attributes (collectively, a “SHREC”) from the homeowners and TPOs receiving RSIP incentives and producing PV energy, and then sells such SHRECs to each of The Connecticut Light and Power Company d/b/a Eversource Energy (“Eversource”) and The United Illuminating Company (“United Illuminating”) and together with Eversource, each a “Utility” and together, the “Utilities”) pursuant to two 15-year contracts dated as of February 7, 2017, as amended (each, a “Master Purchase Agreement” and together, the “Master Purchase Agreements”); and

**WHEREAS**, the SHRECs have been divided into tranches based on the calendar year in which the related SHREC System was installed (each, a “SHREC Tranche”), and the revenue received from the Utilities under each Master Purchase Agreement from SHRECs actually produced at the price determined by Green Bank for each SHREC (the “SHREC Receivables”) established for each SHREC Tranche; and

**WHEREAS**, the SHRECs related to SHREC Systems for which a tranche was created in 2017 are referred to as “SHREC Tranche 1,” the SHRECs related to SHREC Systems for which a tranche was created in 2018 are referred to as “SHREC Tranche 2,” the SHRECs related to SHREC Systems for which a tranche was created in 2019 are referred to as “SHREC Tranche 3,” and the SHRECs related to SHREC Systems for which a tranche was created in 2020 are referred to as “SHREC Tranche 4”; and

**WHEREAS**, Green Bank acquired SHRECs from the homeowners and TPOs related to SHREC Systems for which a tranche was created in 2021 (the “SHREC Tranche 5”) before selling such SHRECs to the Utilities; and

**WHEREAS**, Green Bank acquired SHRECs from the homeowners and TPOs related to SHREC Systems for which a tranche was created in 2022 (the “SHREC Tranche 6”, and together with SHREC Tranche 5, “SHREC Tranche 5 and 6”) before selling such SHRECs to the Utilities; and

**WHEREAS**, Green Bank desires to fund its cost recovery under the RSIP by selling bonds secured by the SHREC Receivables related to the SHREC Tranche 5 and 6 under the Master Purchase Agreements

and other revenues of Green Bank as provided in the Indenture of Trust (as defined herein), such SHREC Receivables and other revenues defined collectively herein as “Pledged Revenues”; and

**WHEREAS**, Green Bank considers it necessary, appropriate and desirable to offer for sale, and to sell its State Supported Solar Home Renewable Energy Credit, Green Liberty Bonds, Series 2025, in an aggregate principal amount not to exceed \$20,000,000 (the “Bonds”) in a public offering intended to be exempt from registration under the Securities Act of 1933, as amended (the “Securities Act”) by virtue of the exemption from such registration under Section 3(a)(2) of the Securities Act; and

**WHEREAS**, it is in the best interests of Green Bank to sell the Bonds and enter into an indenture of trust with a trustee that will allow Green Bank to pledge the Pledged Revenues and to use the State’s Special Capital Reserve Fund (the “SCRF”) as security for the payment of the Bonds and interest thereon; and

**WHEREAS**, the Board of Directors of Green Bank (the “Board”) has determined that it is in the best interests of Green Bank to enter into and approve the issuance of the Bonds.

**NOW, THEREFORE, BE IT RESOLVED**, that to accomplish the financing of the SHREC Receivables for SHREC Tranche 5 and 6 to (a) fund its cost recovery under the RSIP, including administrative costs, (b) fund any reserve funds as security for the timely payment of principal of and interest on the Bonds, and (c) pay financing costs related to the issuance of the Bonds, the issuance of the Bonds by Green Bank is hereby authorized and approved. The Bonds shall be in an aggregate principal amount not to exceed \$20,000,000 with the redemption provisions, if any, sinking fund installment payments, if any, interest rates, maturity dates (not to exceed fifteen years from the date of the Bonds) and other terms of the Bonds as shall be determined and/or approved by the President and any Officer of Green Bank (each, an “Authorized Representative”), acting individually and within such limitations permitted herein and by the Act, and the execution of the Purchase Contract (as defined herein) by an Authorized Representative reflecting such terms shall constitute conclusive evidence of such determination; and

**FURTHER RESOLVED**, that the Bonds shall be special obligations of Green Bank, payable solely by a pledge or assignment of any Pledged Revenues to be received, any contract or proceeds of any contract, or any other property, revenues, moneys or funds available to Green Bank for such purpose as described in the Indenture of Trust (as defined herein). Neither the State nor any political subdivision thereof shall be obligated to pay the principal of or the interest on the Bonds except from revenues of SHREC Receivables and other Pledged Revenues pledged therefor under the Indenture of Trust. Neither the full faith and credit nor the taxing power of the State or any political subdivision thereof, including the Green Bank, is pledged to the payment of the principal of or interest on the Bonds; and

**FURTHER RESOLVED**, that the Findings of Self Sufficiency Report (the “Report”) presented to the Board at this meeting, including each of the Findings and the Determination included therein, is hereby approved and adopted, and an Authorized Representative is (a) authorized to make revisions to the Report, provided such revisions do not materially change the Findings and Determination contained therein, and such Report as revised shall be and is hereby deemed approved by the Board, and (b) authorized to take appropriate actions to secure the SCRF for the Bonds as he or she determines to be in the best interests of Green Bank, and provided Green Bank complies with all statutory requirements for the SCRF, which will require among other things (1) the State’s Office of Policy and Management (“OPM”) approval, and (2) the approval by the Office of the State Treasurer (“OTT”) and other documentation required under the Act; and

**FURTHER RESOLVED**, that Green Bank shall enter into a Project Support Commitment and Undertaking or other agreement substantially in the form presented to this meeting, with any changes to the form, terms and provisions thereof, as determined by an Authorized Representative and acceptable to OPM and OTT to further support the issuance of the Bonds; and

**FURTHER RESOLVED**, that Green Bank shall enter into an indenture of trust with The Bank of New York Mellon Trust Company, N.A., as trustee (the “Indenture of Trust”) to finance the SHREC Tranche 5 and 6 SHREC Receivables, substantially in the form presented to this meeting, with any changes to the form, terms and provisions thereof, as determined by an Authorized Representative; and the pledge or assignment of Green Bank’s revenues as provided therein is hereby approved; and

**FURTHER RESOLVED**, that the interest on the Bonds shall be includable in the gross income of the holders thereof for federal income tax purposes under the Internal Revenue Code of 1986, as amended, it being hereby found and determined by Green Bank that such issuance is necessary, is in the public interest, and is in furtherance of the purposes and powers of Green Bank; and

**FURTHER RESOLVED**, that the Bonds shall be sold to Ramirez & Co., Inc. as the initial purchaser (the “Initial Purchaser”), under the terms and conditions of a bond purchase contract (the “Purchase Contract”) and subject to certain continuing disclosure requirements as provided in a continuing disclosure agreement (the “Continuing Disclosure Agreement”) entered into by Green Bank in connection with the issuance of the Bonds; and

**FURTHER RESOLVED**, that the form, terms, provisions and distribution of the Preliminary Official Statement for the Bonds dated on or about September 15, 2025 as presented to the Board at this meeting be, and they hereby are approved, with any changes thereto as determined by an Authorized Representative; and

**FURTHER RESOLVED**, that in connection with the Bonds, the Authorized Representatives are, and each of them acting individually hereby is, authorized and directed in the name and on behalf of Green Bank, to prepare and deliver, or cause to be prepared and delivered, a final Official Statement relating to the Bonds, including any revisions thereof and amendments and supplements thereto, to execute and deliver the Bonds, the Project Support Commitment and Undertaking, the Indenture of Trust, the Purchase Contract, the Continuing Disclosure Agreement, and any other documents or instruments, with such changes, insertions and omissions as may be approved by an Authorized Representative, as he or she deems advisable for the purpose of issuing the Bonds (collectively, the “Financing Documents”), and to pay financing costs for the issuance of the Bonds, and the execution and delivery of said Financing Documents and payment of said financing costs shall be conclusive evidence of any approval required by this Resolution; and

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

**FURTHER RESOLVED**, that the proper Green Bank officers, employees and representatives are authorized and empowered to do all other acts to issue the Bonds as they shall deem necessary and desirable to carry out the intent of this Resolution.

**DRAFT DATED 8/20/25**

**INDENTURE OF TRUST**

**Between**

**CONNECTICUT GREEN BANK**

**And**

**THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.,  
as Trustee**

**\$ \_\_\_\_\_ STATE SUPPORTED SOLAR HOME RENEWABLE ENERGY  
CREDIT,  
GREEN LIBERTY BONDS, SERIES 2025  
(FEDERALLY TAXABLE)  
(CLIMATE BOND CERTIFIED)**

**Dated as of**

**October 1, 2025**

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#### Schedule 1 - Description of the Bonds

#### Exhibit A - Form of Bond

## **INDENTURE OF TRUST**

THIS INDENTURE OF TRUST (the “Indenture”) dated as of October 1, 2025 is made by and between the Connecticut Green Bank (the “Green Bank”), and The Bank of New York Mellon Trust Company, N.A. (the “Trustee”), a national banking association authorized to exercise corporate trust powers:

WHEREAS, Green Bank is established and created as a body politic and corporate constituting a public instrumentality and political subdivision of the State of Connecticut (the “State”); and

WHEREAS, pursuant to Sections 16-245n and 16-245kk through 16-245mm of the Connecticut General Statutes (the “Act”), Green Bank is authorized to support financing or other expenditures that promote investment in clean energy sources, and to enter into contracts with private sources to raise capital for such purposes; and

WHEREAS, on \_\_\_\_\_, 20\_\_, Green Bank issued its SHREC Collateralized Notes in the aggregate amount of \$\_\_\_\_\_ to fund its cost recovery under the Residential Solar Incentive Program (“RSIP”) for Solar Home Renewable Energy Credits (“SHRECs”) related to SHREC Systems (as defined herein) that were aggregated into a tranche in 2021 (the “SHREC Tranche 5”) and for SHRECs related to SHREC Systems that were aggregated into a tranche in 2022 (the “SHREC Tranche 6”, together with SHREC Tranche 5, the “SHREC Tranche 5 and 6”); and

WHEREAS, on July 29, 2020, Green Bank issued its \$16,795,000 State Supported Solar Home Renewable Energy Credit, Green Liberty Bonds, Series 2020 (Federally Taxable) to fund its cost recovery under the RSIP for SHRECs related to SHREC Systems that were aggregated into a tranche in 2019 (the “SHREC Tranche 3”); and

WHEREAS, on May 11, 2021, Green Bank issued its \$24,834,000 State Supported Solar Home Renewable Energy Credit, Green Liberty Bonds, Series 2021 (Federally Taxable) to fund its cost recovery under the RSIP for SHRECs related to SHREC Systems that were aggregated into a tranche in 2020 (the “SHREC Tranche 4”); and

WHEREAS, pursuant to the Act, Green Bank’s Board of Directors (the “Board”) has approved a bond authorization of \$20,000,000 to fund its cost recovery under the RSIP by selling its bonds secured by the SHRECs related to SHREC Systems that were aggregated in 2021 and 2022 into SHREC Tranche 5 and 6, which bonds shall be secured by the SHREC Receivables (as defined herein) under Master Purchase Agreements between Green Bank and Eversource Energy and The United Illuminating Company (the “Master Purchase Agreements”); and

WHEREAS, pursuant to the Act, Green Bank is authorized from time to time to issue negotiable bonds for any corporate purpose, as shall be authorized by resolution of the members of the Board; which resolution may contain provisions for Green Bank to pledge all or any part of the revenues from the SHREC Receivables or any revenue-producing contract or contracts to secure the payment of the bonds; and

WHEREAS, pursuant to the Act, at the discretion of Green Bank, any bonds may be secured by a trust agreement by and between Green Bank and a corporate trustee, which trust agreement may secure said bonds by a pledge or assignment of any revenues to be received, any contract or proceeds of any contract, or any other property, revenues, moneys or funds available to Green Bank for such purpose; and

WHEREAS, Green Bank has determined to authorize the issuance of its \$\_\_\_\_\_ State Supported Solar Home Renewable Energy Credit, Green Liberty Bonds, Series 2025 (Federally Taxable) (Climate Bond Certified) (the “Bonds”) and to use a portion of the proceeds derived from the sale thereof to reimburse Green Bank for funds previously advanced and to otherwise terminate any Green Bank obligations previously incurred and that remain outstanding in order to release the SHREC Receivables from such obligations, and to otherwise carry out its corporate purposes under the Act and the Connecticut General Statutes; and

WHEREAS, Green Bank has determined that the Bonds shall be secured, in part, by a pledge to the Trustee under this Indenture of all Green Bank’s interests in the SHREC Receivables and the other revenues therefrom.

### **GRANTING CLAUSE**

NOW, THEREFORE, THIS INDENTURE WITNESSETH, that to secure the payment of principal of, redemption premium, if any, and interest on the Bonds according to their true intent and meaning, and all other amounts due from time to time under this Indenture, including those due to the Trustee, to secure the performance and observance of all of the covenants, agreements, Bonds and conditions contained in the Bonds and in this Indenture, and to declare the terms and conditions upon and subject to which the Bonds are and are intended to be issued, held, secured and enforced and in consideration of the premises and the acceptance by the Trustee of the trusts created herein and of the purchase and acceptance of the Bonds by the Bondholders and for other good and valuable consideration, the receipt of which is acknowledged, Green Bank has executed and delivered this Indenture and absolutely and irrevocably grants, bargains, sells, conveys, releases, pledges and assigns, and grants a security interest to, the Trustee and to its successors in trust, on the basis set forth herein, and its and their assigns, all right, title and interest of Green Bank in and to the following (collectively, the “Trust Estate”):

(1) the SHREC Receivables and RECs related to SHREC Tranche 5 and 6 owned by Green Bank (other than with respect to any SHRECs that are reassigned to Green Bank as Ineligible SHRECs following the issuance of the Bonds); and

(2) the Revenues and all other property that may in the future be delivered, or by writing of any kind, conveyed, pledged, assigned or transferred to Green Bank as additional security hereunder for the Bonds; and

(3) Green Bank’s rights to the revenues under the Master Purchase Agreement related to the SHREC Receivables and under all other agreements that may in the future be delivered, or by writing of any kind, conveyed, pledged, assigned or transferred to Green Bank as additional security hereunder for the Bonds, but specifically reserving all other rights under the Master Purchase Agreements and such other agreements; and

(4) the Revenue Fund, the Debt Service Fund, the Redemption Fund and the 2025 SHREC Economic and Energy Security Fund together with any and all receipts, funds or moneys, investments and other property of every kind and nature from time to time hereafter on deposit in or payable to such funds and accounts thereof, including any Project Support Debt Service Amounts paid by Green Bank to the Trustee for deposit into the Debt Service Fund; and

(5) the Special Capital Reserve Fund, including all amounts on deposit in and if necessary certified by Green Bank as necessary to restore the Special Capital Reserve Fund to the Special Capital Reserve Fund Requirement and deemed appropriated by the State and paid to Green Bank, together with any and all moneys, investments and other property of every kind and nature from time to time hereafter on deposit in or payable to the Special Capital Reserve Fund, including any amounts paid by the Green Bank for deposit into the Special Capital Reserve Fund.

TO HAVE AND TO HOLD all in singular the Trust Estate, whether now owned or hereafter acquired, unto the Trustee and its successors and assigns forever, SUBJECT, HOWEVER, IN ALL CASES to the application thereof for the purposes and on the terms and conditions hereafter set forth in this Indenture.

IN TRUST, NEVERTHELESS, under and subject to the terms and conditions as hereinafter set forth for:

(a) the equal and proportionate benefit, security and protection of all present and future Bondholders from time to time issued and to be issued under and secured by this Indenture without privilege, priority or distinction as to the lien or otherwise of any Bond over any other Bonds equally secured, and for enforcement of the payment of the Bonds in accordance with their terms, and all other sums payable hereunder, on or in connection with the Bonds and for the performance of and compliance with the Bonds, covenants and conditions of and subject to the provisions of this Indenture, permitting the application and investment thereof for the purposes and on the terms and conditions set forth herein;

(b) the enforcement of the payment of the principal of, redemption premium, if any, and interest on the Bonds, and all other amounts due from time to time under this Indenture, including those due to the Trustee, when payable, according to the true intent and meaning thereof and of this Indenture, and

(c) security for the performance and observance of and compliance with the covenants, agreements, obligations, terms, and conditions of this Indenture in connection with the issuance of the Bonds,

in each case, without preference, priority or distinction, as to lien or otherwise except as provided herein, of any one Bond over any other by reason of designation, number, date of the Bonds or of authorization, issuance, sale, execution, authentication, delivery or maturity thereof, or otherwise, so that each Bond and all Bonds shall have the same right, lien and privilege under this Indenture and shall be secured equally and proportionately by this Indenture, it being intended that the lien and security of this Indenture shall take effect from the date hereof, without regard to the date of

the actual issue, sale or disposition of the Bonds, as though upon that date all of the Bonds were actually issued, sold and delivered to purchasers for value.

PROVIDED, HOWEVER, that upon satisfaction of and in accordance with the provisions of Section 1101, the rights assigned hereby shall cease, terminate and be void to the extent described therein, otherwise such rights shall be and remain in full force and effect; and

It is declared that the Bonds are the only bonds to be issued under and secured by this Indenture, and are to be issued, authenticated and delivered, and that all Revenues assigned or pledged hereby are to be dealt with and disposed of under, upon and subject to, the terms, conditions, stipulations, covenants, agreements, obligations, trusts, uses and purposes provided in this Indenture; and the Green Bank has agreed and covenanted, and agrees and covenants with the Trustee and with each and all holders of Bonds, as follows:

## **ARTICLE I**

### **DEFINITIONS AND INTERPRETATION**

Section 101. Definitions. In this Indenture the following terms shall have the following meanings unless the context otherwise requires: “Account” shall mean one of the accounts created and established pursuant to this Indenture.

“Accountant” shall mean any firm of independent certified public accountants selected by Green Bank.

“Act” shall mean Sections 16-245n and 16-245kk through 16-245mm of the Connecticut General Statutes, as amended from time to time.

“Administrative Expenses” shall mean all expenses of Green Bank necessary to produce and assure the Revenues reasonably expected to be produced by SHREC Tranche 5 and 6, including overhead expenses and out of pocket costs of Green Bank.

“Authorized Representative” shall mean with respect to Green Bank, the President or any other person designated as an Authorized Representative by resolution of its Board of Directors.

“Bond” or “Bonds” shall mean the \$\_\_\_\_\_ State Supported Solar Home Renewable Energy Credit, Green Liberty Bonds, Series 2025 (Federally Taxable) (Climate Bond Certified), issued under this Indenture.

“Bond Payment Date” shall mean with respect to the Bonds issued or incurred hereunder, an Interest Payment Date or a Principal Payment Date.

“Bondholder”, “owner” or “holder” or words of similar import shall mean, when used with reference to a Bond, the person in whose name the Bond is registered.

“Business Day” means any day other than a Saturday, a Sunday, or a day on which national banking associations or state banking institutions in the State of New York, the State of

Connecticut or the State in which the corporate trust office of the Trustee is located are authorized or obligated by law or executive order to be closed.

“Bylaws” shall mean the Bylaws of Green Bank, as amended from time to time.

“Certificate” shall mean a written certificate signed in the name of Green Bank by an Authorized Representative or in the name of the Trustee by its responsible officer.

“Code” shall mean the Internal Revenue Code of 1986, as amended.

“Connecticut General Statutes” shall mean the General Statutes of Connecticut, Revision of 1958, as amended.

“Costs of Issuance” shall mean all costs and expenses of Green Bank incurred in connection with the authorization, issuance, sale, and delivery of the Bonds, including, but not limited to, underwriting fees and costs, rating fees, legal fees and expenses, financial advisory and other consultant fees, Trustee fees and expenses, paying agent fees and printing costs.

“Costs of Issuance Fund” shall mean the fund by that name established pursuant to Sections 502 and 505 hereof.

“Debt Service” shall mean the sum of (i) the Interest Payment due on the Bonds on an Interest Payment Date, except to the extent that such interest is to be paid from amounts representing investment (but not reinvestment) earnings on the Debt Service Fund or Special Capital Reserve Fund if such amounts shall have been invested in Investment Securities and the amount of such investment earnings taken into account may be determined precisely, and (ii) the Principal Payment due on the Bonds on such Principal Payment Date. Such Interest Payment and Principal Payment shall be calculated on the assumption that no Bonds Outstanding at the date of calculation will cease to be Outstanding except by reason of the payment thereof upon stated maturity.

“Debt Service Accounts” shall mean the Interest Account and the Principal Account established in the Debt Service Fund.

“Debt Service Fund” shall mean the fund by that name established pursuant to Sections 502 and 504 hereof.

“Defeasance Obligations” shall mean (A) any bonds or other obligations which as to principal and interest constitute direct obligations of, or are guaranteed by, the United States of America, including obligations of any agency thereof or corporation which has been or may hereafter be created pursuant to an act of Congress as an agency or instrumentality of the United States of America to the extent unconditionally guaranteed as to timely payment of principal and interest by the United States of America or (B) any other receipt, certificate or other evidence of an ownership interest in obligations or in specified portions thereof (which may consist of specified portions of the interest thereon) of the character described in subclause (A).

“Environmental Attributes” shall mean, excluding electric energy and capacity produced, any other emissions, air quality, or other environmental attribute, aspect, characteristic,

claim, credit, benefit, reduction, offset or allowance, howsoever entitled or designated, resulting from, attributable to or associated with the generation of energy by a qualifying residential solar photovoltaic system as defined in Connecticut Public Act No. 15-194 and as amended by Connecticut Public Act No. 16-212, whether existing as of the effective date of the Master Purchase Agreements or in the future, and whether as a result of any present or future local, state or federal laws or regulations or local, state, national or international voluntary program, as well as any and all generation attributes under the regulations promulgated pursuant to Section 16-245a of the Connecticut General Statutes, as amended, modified, restated and superseded from time to time, that require a minimum percentage of electricity sold to end use customers in the State of Connecticut to be derived from certain renewable energy generating resources, regulations and under any and all other international, federal, regional, state or other law, rule, regulation, bylaw, treaty or other intergovernmental compact, decision, administrative decision, program (including any voluntary compliance or membership program), competitive market or business method (including all credits, certificates, benefits, and emission measurements, reductions, offsets and allowances related thereto) that are attributable, now or in the future; and further, means: (a) any such credits, certificates, benefits, offsets and allowances computed on the basis of a SHREC Project's generation using renewable technology or displacement of fossil fuel derived or other conventional energy generation; (b) any certificates issued pursuant to the New England Power Pool Generation Information System in connection with energy generated by a SHREC Project; and (c) any voluntary emission reduction credits obtained or obtainable by Green Bank in connection with the generation of energy by a SHREC Project; provided, however, that Environmental Attributes shall not include: (i) any production tax credits; (ii) any investment tax credits or other tax credits associated with the construction or ownership of a SHREC Project; or (iii) any state, federal or private grants relating to the construction or ownership of a SHREC Project or the output thereof. If during the delivery period, a change in laws or regulations occurs that creates value in Environmental Attributes, then at the applicable Utility's request, Green Bank will cooperate with such Utility to register such Environmental Attributes or take other action necessary to obtain the value of such Environmental Attributes for such Utility.

"Event of Default" shall mean any of the events specified in Section 901 hereof.

"Fiscal Year" shall mean the period adopted by Green Bank as its annual accounting period. The Fiscal Year is initially the twelve-month period commencing on July 1 and ending on June 30 in each year.

"Fund" shall mean any fund established pursuant to Sections 502 or 801 hereof.

"Green Bank" shall have the meaning set forth in the recitals to this Indenture.

"Indenture" shall mean this instrument as originally executed and as it may from time to time be supplemented, modified, or amended in accordance with the terms hereof.

"Independent Consultant" shall mean a Person that (1) does not have any direct financial interest or any material indirect financial interest in Green Bank and (2) is not connected with an officer, employee, promoter, trustee, partner, director or Person performing similar functions, and designated by Green Bank, qualified to pass upon questions relating to the financial affairs of Green Bank and having a favorable reputation for skill and experience.

“Ineligible SHREC” shall mean a SHREC for which (i) one or more eligibility criteria are found to have been breached at the time such SHREC was conveyed to Green Bank pursuant to the Master Purchase Agreements, which breach materially and adversely affects the value of such SHREC, or (ii) neither Green Bank nor the Trustee has a first priority perfected security interest.

“Interest Payment” shall mean as of any date of calculation and with respect to any Bonds Outstanding, the interest amount on the Bonds due on the next Interest Payment Date.

“Interest Payment Date” shall mean November 15 and May 15 in each year until maturity, commencing on May 15, 2026.

“Investment Securities” shall mean and include any of the following, as confirmed to the Trustee in a Certificate of an Authorized Representative:

- (1) Direct bonds issued or guaranteed by the United States of America or the State.
- (2) Debt or bonds which are rated “A” or better by Moody’s and S&P if rated by both, or are rated “A” by Moody’s or S&P if not rated by both (without regard to the addition of a number or a plus (+) or a minus (-) to any rating)(such ratings shall be determined at the time of purchase and the Trustee shall have no obligation to monitor such ratings after the time of purchase) and are:
  - (a) Securities which are guaranteed fully as to principal and interest by the United States or the State or for which the full faith and credit of the United States or the State is pledged for the payment of principal and interest; or
  - (b) Securities, including repurchase agreements, the principal and interest of which are irrevocably secured by securities described in clause (1) or subdivision (a) of clause (2) of this definition; or
  - (c) Bonds of any agency of the United States, including government sponsored enterprises, which are not guaranteed fully as to principal and interest by the United States or for which the full faith and credit of the United States is not pledged for the payment of principal and interest; or
  - (d) Partnership interests in, shares of stock of, units of beneficial interest in or other ownership interest in any one investment company registered under the Investment Company Act of 1940, as from time to time amended, provided the portfolio of such investment company consists solely of investments described in subsections (a) to (c) above.



- (3) Deposits of interest-bearing time or demand deposits or certificates of deposit or other similar banking arrangements that are allowable investments for Green Bank and are secured in such manner as Green Bank shall determine.
- (4) Participation certificates in the short-term investment fund created and existing under Section 3-27a of the Connecticut General Statutes.

“Master Purchase Agreements” shall mean the agreements authorized pursuant to Section 16-245gg of the Connecticut General Statutes (i) by and between Green Bank and The Connecticut Light and Power Company d/b/a Eversource Energy (“Eversource”) and (ii) by and between Green Bank and The United Illuminating Company (“United Illuminating”) (collectively Eversource and United Illuminating are the “Utilities”), pursuant to which Green Bank is required to sell and the Utilities are required to purchase the SHRECs.

“Notice” shall mean, unless otherwise expressly specified or permitted by the terms of this Indenture, a notice in writing, sent by registered or certified mail, postage prepaid, or by national overnight courier service, or by personal delivery, or by electronic mail with a pdf attachment of such notice (with prompt telephonic confirmation of receipt), to the addresses provided in Section 1210 hereof, or to such other address as Green Bank or the Trustee shall from time to time designate by notice in writing to the other.

“Operating Expenses” means all reasonable and necessary current and future costs and expenses of Green Bank to function as a quasi-public entity in accordance with State law and fulfill its purposes, other than loans to Persons, including all employee wages, salaries, and benefits, as provided in its approved budget. Operating Expenses do not include principal of or interest on the Bonds or other indebtedness of Green Bank.

“Opinion of Counsel” shall mean a written opinion signed by an attorney or firm of attorneys who may be counsel for Green Bank.

“Outstanding”, when used with reference to Bonds, shall mean, as of any date of determination, all Bonds theretofore issued or incurred and not paid and discharged other than (a) Bonds theretofore cancelled by the Trustee or delivered to the Trustee for cancellation, (b) Bonds in lieu of which other Bonds have been authenticated and delivered or have been paid pursuant to the provisions of a Supplemental Indenture regarding mutilated, destroyed, lost or stolen Bonds unless proof satisfactory to the Trustee has been received that any such Bond is held by a protected purchaser, (c) any Bond held by Green Bank, and (d) Bonds deemed paid and no longer outstanding pursuant to the terms thereof.

“Person” means an individual, corporation, limited liability company, firm, association, partnership, trust, or other legal entity or group of entities, including a governmental entity or any agency or political subdivision thereof.

“President” shall mean the President or any Interim President of Green Bank appointed in accordance with Green Bank's Bylaws.

“Principal Payment” shall mean, as of any date of calculation and with respect to any Bonds Outstanding, the principal amount of the Bonds due on a certain future date.

“Principal Payment Date” shall mean November 15 each year until maturity, commencing on November 15, 2026.

“Prior Bond Indenture” means the Indenture of Trust between the Connecticut Green Bank and U.S. Bank National Association as Trustee for \$2,957,971.35 Clean Renewable Energy Bonds (CGB Meriden Hydro LLC Project) dated as of February 2, 2017.

“Prior 2020 Green Liberty Bond Indenture” means the Indenture of Trust between the Connecticut Green Bank and The Bank of New York Mellon Trust Company, N.A. as Trustee for the \$16,795,000 State Supported Solar Home Renewable Energy Credit, Green Liberty Bonds, Series 2020 (Federally Taxable) dated as of July 1, 2020.

“Prior 2021 Green Liberty Bond Indenture” means the Indenture of Trust between the Connecticut Green Bank and The Bank of New York Mellon Trust Company, N.A. as Trustee for the \$24,834,000 State Supported Solar Home Renewable Energy Credit, Green Liberty Bonds, Series 2021 (Federally Taxable) dated as of May 1, 2021.

“Prior Lease/Purchase Agreement” means the \$9,101,729.15 Equipment Lease/Purchase Agreement (Taxable Direct Pay New Clean Renewable Energy Bond) Connecticut State Colleges and University System between Banc of America Leasing & Capital, LLC and Green Bank, dated as of December 29, 2017, as amended October 25, 2018.

“Project Support Commitment and Undertaking” means the agreement by Green Bank to pay to the Trustee the Project Support Debt Service Amounts due and payable thereunder.

“Project Support Debt Service Amount” means the amount payable by Green Bank pursuant to the Project Support Commitment and Undertaking and Section 504(a) of this Indenture as follows: (i) on the fifth (5<sup>th</sup>) business day of November and May in each year, beginning in the year 2026, for deposit into the Interest Account within the Debt Service Fund, the amount necessary to make the next succeeding Interest Payment, less any amounts in the Interest Account at each date of deposit; and (ii) on the fifth (5<sup>th</sup>) business day of November of each year, commencing in November 2026, for deposit into the Principal Account within the Debt Service Fund, the amount necessary to make the next succeeding Principal Payment, less any amounts in the Principal Account at each date of deposit.

“Rebate Amount” shall mean any amounts due and owing to the Department of the Treasury of the United States of America as required to obtain and maintain the tax exemption under the Code.

“RECs” shall mean the solar home renewable energy credits produced by qualifying residential solar photovoltaic systems pursuant to Section 16-245gg of the Connecticut General Statutes.

“Record Date” shall mean, unless otherwise determined by the Trustee upon the occurrence of an Event of Default, the last business day of any calendar month proceeding the month in which there occurs a Bond Payment Date.

“Redemption Fund” shall mean the fund by that name established pursuant to Sections 502 and 507 hereof.

“Redemption Price” shall mean, when used with respect to a Bond or portion thereof, the principal amount thereof plus the applicable premium, if any, payable upon redemption thereof pursuant to the terms of this Indenture.

“Related Secured Credit Facility” shall mean the outstanding obligations of Green Bank for which the SHREC Tranche 5 and 6 SHRECs have been pledged as security for the repayment thereof.

“Residential Solar Incentive Program” or “RSIP” means the program established by Green Bank pursuant to Section 16-245ff of the Connecticut General Statutes to support the deployment of residential solar photovoltaic installations in the State.

“Revenue Fund” shall mean the fund by that name established pursuant to Sections 502 and 503 hereof.

“Revenues” shall mean all payments, charges, rents, fees, insurance proceeds and other realized income derived or to be derived from or for the ownership of the RECs related to SHREC Tranche 5 and 6, including all investment proceeds received by Green Bank, and including all revenues from the Master Purchase Agreements related to the SHREC Receivables, but does not include (i) any amounts received or receivable from the State or the United States (or any agency of either thereof), or (ii) any amounts received by or paid to Green Bank under the terms of any grant agreement with the State or the United States (or any agency of either thereof) and which are received by or paid to Green Bank under such grant agreement.

“SHREC” or “SHRECs” shall mean the solar home renewable energy credits purchased by Green Bank from homeowners and third-party system owners receiving RSIP incentives, including any related Environmental Attributes and certain energy attributes, and which are required to be sold by Green Bank to the Utilities, pursuant to the Master Purchase Agreements.

“SHREC Program Expenditures” means the anticipated incentive payments payable by Green Bank under its Solar Home Renewable Energy Credit program, the deposits required from Green Bank to remove any Ineligible SHRECs, plus payments for administrative, operating and financing costs related thereto.

“SHREC Project” means a qualifying residential solar photovoltaic system, which is a solar photovoltaic project that (i) receives funding from Green Bank, (ii) is certified by the Connecticut Public Utilities Regulatory Authority as a Class I renewable energy source, as defined in subsection (a) of Section 16-1 of the Connecticut General Statutes, (iii) emits no pollutants, (iv) is located on the customer-side of the revenue meter of a one-to-four family home, (v) serves the distribution system of an electric distribution company, and (vi) which is capable of producing SHRECs.

“SHREC Receivables” shall mean the revenue received by Green Bank from the Utilities for SHRECs related to SHREC Tranche 5 and 6 on and after the date the Bonds are issued.

“SHREC System” shall mean a residential photovoltaic system for which the homeowner or a third-party owner deploying such system has been provided an incentive by Green Bank pursuant to the Residential Solar Incentive Program.

“SHREC Tranche 5 and 6” shall mean the SHRECs related to SHREC Systems that were aggregated in 2021 and 2022.

“Special Capital Reserve Fund” or “SCRF” shall mean the fund by that name established pursuant to Sections 502 and 506 hereof.

“Special Capital Reserve Fund Requirement” shall mean as of any date of calculation, an amount equal to the maximum amount of Principal Payments and interest thereon becoming due in the calendar year in which such computation is made, or in any single succeeding calendar year, on Outstanding Bonds.

“State” shall mean the State of Connecticut.

“Supplemental Indenture” shall mean a written agreement of Green Bank amending or supplementing this Indenture, adopted in accordance with Article VIII hereof.

“Trust Estate” shall have the meaning set forth in the Granting Clause in this Indenture.

“Trustee” shall mean The Bank of New York Mellon Trust Company, N.A., its successor or successors and any other person which may at any time be substituted in its place pursuant to this Indenture.

“Utilities” shall mean, collectively, The Connecticut Light and Power Company, d/b/a Eversource Energy (“Eversource”) and The United Illuminating Company (“United Illuminating”).

“2025 SHREC Economic and Energy Security Fund” shall mean the fund by that name established pursuant to Sections 502 and 508 hereof.

#### Section 102. Interpretation.

(a) Any reference herein to any officer of Green Bank shall include those succeeding to his or her functions, duties or responsibilities pursuant to or by operation of law or who are lawfully performing his or her functions.

(b) Unless the context otherwise indicates, words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders. The singular shall include the plural and vice versa.

(c) All accounting terms not specifically defined herein shall be construed in accordance with generally accepted accounting principles consistently applied, except as otherwise stated herein. If any change in accounting principles from those used in the preparation of the financial statements of Green Bank results from the promulgation of rules, regulations, pronouncements and opinions by or required by the Governmental Accounting Standards Board, American Institute of Certified Public Accountants, or other authoritative bodies that determine generally accepted accounting principles (or successors thereto or agencies with similar functions) and such change results in a change in the accounting terms used in this Indenture, the accounting terms used herein shall be modified to reflect such change in accounting principles so that the criteria for evaluating Green Bank's financial condition shall be the same after such change as if such change had not been made. Any such modification shall be described in a Certificate of an Authorized Representative filed with the Trustee, which shall contain a certification to the effect that (i) such modifications are occasioned by such a change in accounting principles and (ii) such modifications will not have a material adverse effect on Green Bank's financial condition.

(d) Headings of Articles and Sections herein and the table of contents hereto are solely for convenience of reference, and do not constitute a part hereof and shall not affect the meaning, construction, or effect hereof.

Section 103. References to Indenture. The terms "hereby," "hereof," "hereto," "herein," "hereunder," and any similar terms, used in this Indenture refer to this Indenture.

Section 104. Contents of Certificates and Opinions. Every Certificate or opinion provided for herein by Green Bank with respect to compliance with any provision hereof shall include: (i) a statement that the Person making or giving such certificate or opinion has read such provision and the definitions herein relating thereto; (ii) a brief statement as to the nature and the scope of the examination or investigation upon which the certificate or opinion is based; (iii) a statement that, in the opinion of such Person, he, she or it has made, or caused to be made, such examination or investigation as is necessary to enable him, her or it to express an informed opinion with respect to the subject matter referred to in the instrument to which his, her or its signature is affixed; and (iv) a statement as to whether, in the opinion of such Person, such provision has been complied with.

Any such Certificate or opinion made or given by an officer of Green Bank or the Trustee may be based, insofar as it relates to legal, accounting or clean energy matters, upon a Certificate or opinion or representation of counsel, an Accountant or Independent Consultant unless such officer knows, or in the exercise of reasonable care should have known, that the Certificate, opinion or representation with respect to the matters upon which such Certificate or opinion may be based, as aforesaid, is erroneous. Any such Certificate, opinion or representation made or given by counsel, an Accountant, or an Independent Consultant, may be based, insofar as it relates to factual matters (with respect to which information is in the possession of Green Bank), upon the Certificate or opinion of, or representation by an officer of Green Bank unless such counsel, Accountant or Independent Consultant knows, or in the exercise of reasonable care should have known, that the Certificate, opinion of or representation by such officer, with respect to the factual matters upon which such Person's Certificate or opinion may be based, as aforesaid, is erroneous. The same officer of Green Bank, or the same counsel or Accountant or Independent Consultant, as the case may be, need not certify as to all the matters required to be certified under any provision hereof,

but different officers, counsel, Accountants or Independent Consultants may certify as to different matters, respectively.

## ARTICLE II

### AUTHORIZATION AND ISSUANCE OF BONDS

Section 201. Authorization of Indenture. This Indenture is entered into pursuant to the authority granted to Green Bank by the Act and the Bylaws. Green Bank has ascertained and hereby determines and declares that execution of this Indenture is necessary to carry out its purposes under the Act, that each and every act, matter, thing or course of conduct as to which provision is made herein is necessary in order to carry out and effectuate the corporate purposes of Green Bank in accordance with the Act and the Bylaws and to exercise the powers given thereby, and that each and every covenant or agreement herein contained and made is necessary, useful or convenient in order to better secure the Bonds and the contracts or agreements necessary, useful and convenient to carry out and effectuate its purposes under the Act.

Section 202. Indenture to Constitute Contract. In consideration of the purchase and acceptance of the Bonds by those who shall hold the same from time to time, the provisions of this Indenture shall constitute a contract among Green Bank, the Trustee and the holders from time to time of the Bonds. The pledge hereof and the provisions, covenants and agreements herein set forth to be performed by or on behalf of Green Bank shall be for the equal benefit, protection and security of the holders of any and all such Bonds each of which, regardless of the time or times of its issue or maturity, shall be of equal rank without preference, priority or distinction over any other thereof except as expressly provided in this Indenture.

Section 203. Authorization of Bonds; Obligation of Bonds.

(a) In order to provide sufficient funds for the purposes of financing and refinancing the SHREC Receivables, Bonds of Green Bank are hereby authorized to be issued and such Bonds shall be issued subject to the terms, conditions and limitations established in this Indenture.

(b) The Bonds issued hereunder shall be payable solely out of the Revenues and other receipts, funds and moneys pledged therefor pursuant to this Indenture and are secured by the liens created hereby, including the Trust Estate. The Bonds are not general obligations of Green Bank or the State. The Bonds shall not be deemed to constitute a debt or liability of the State or of any political subdivision thereof, or a pledge of the full faith and credit of the State or any of its political subdivisions but shall be payable solely from the funds provided for such purposes by this Indenture. The Bonds shall not constitute indebtedness of the State within the meaning of any statutory or constitutional provision.

(c) The Bonds issued pursuant to this Indenture shall be limited bonds of Green Bank and shall not be payable from nor charged upon any funds other than Revenues or other receipts, funds or moneys pledged therefor pursuant to this Indenture, nor shall Green Bank be subject to any liability thereon except to the extent of such Revenues or other receipts, funds and moneys pledged therefor pursuant to this Indenture; provided, however, that the foregoing shall in

no way limit Green Bank's duties and obligations hereunder and any rights or remedies the Bondholders may have in respect of such duties and obligations. The issuance of Bonds pursuant hereto shall not directly or contingently obligate Green Bank to make any additional appropriation for their payment. The Bonds shall not constitute a charge, lien or encumbrance, legal or equitable, upon any property of Green Bank, other than Revenues or other receipts, funds or moneys pledged therefor as provided in this Indenture.

Section 204. Issuance and Delivery of the Bonds.

(a) There are hereby authorized to be issued under this Indenture Bonds in the principal amount of \$\_\_\_\_\_, in denominations of \$1,000 or any integral multiple thereof, as follows: Connecticut Green Bank State Supported Solar Home Renewable Energy Credit, Green Liberty Bonds, Series 2025 (Federally Taxable) (Climate Bond Certified), dated October \_\_\_, 2025, bearing interest and maturing as indicated on Schedule 1 hereof. The interest on the Bonds shall be includable in the gross income of the holders thereof for federal income tax purposes under the Code, it having been found and determined by Green Bank that such issuance is necessary, is in the public interest, and is in furtherance of the purposes and powers of Green Bank.

(b) The Bonds shall be issued in fully registered form, without coupons, in the principal amount of the Bonds, initially registered in the name of Cede & Co, the nominee for The Depository Trust Company. Interest on the Bonds will be calculated on the basis of a 360-day year consisting on twelve 30-day months. Subject to the provisions of this Indenture, the form of the Bonds and the Trustee's certificate of authentication shall be substantially in the form of bond in Exhibit A with such changes as are required hereby.

(c) Optional Redemption. The Bonds are subject to redemption prior to maturity, at the option of Green Bank, on or after November 15, 20\_\_ at any time, in whole or in part, in such amounts as Green Bank may determine, at the redemption price or prices (expressed as a percentage of the principal amount of the Bond to be redeemed) set forth in the following table, plus interest accrued and unpaid to the redemption date:

<u>Redemption Date</u>	<u>Redemption Price</u>
November 15, 20__ and thereafter	100.00%

(d) Mandatory Sinking Fund Redemption. The Bonds are not subject to mandatory sinking fund redemption.

(e) A portion of the net proceeds of the Bonds shall be used to reimburse Green Bank for funds previously advanced and to otherwise satisfy any Green Bank obligations previously incurred and that remain outstanding in order to release the SHREC Receivables from the Related Secured Credit Facility.

Section 205. [Not used]

Section 206. Special Capital Reserve Fund.

(a) For purposes of this Section, “required minimum capital reserve” means the maximum amount permitted to be deposited in a special capital reserve fund (i.e., debt service reserve fund) by the Code, to permit the Bonds to be issued on a tax-exempt basis, if the Bonds were to be issued on a tax-exempt basis.

(b) As provided in the Act:

- (i) In connection with the issuance of Bonds or to refund Bonds previously issued by Green Bank, Green Bank has in Section 502 established a reserve fund for the Bonds to be known as a Special Capital Reserve Fund, and will pay into such fund (1) any moneys appropriated and made available by the State for purposes of such fund, (2) any proceeds of the sale of Bonds, to the extent provided in the resolution of Green Bank authorizing the issuance thereof, and (3) any other moneys which may be made available to Green Bank for the purpose of such fund from any other source or sources.
- (ii) The moneys held in or credited to the Special Capital Reserve Fund, except as hereinafter provided, shall be used for (1) the payment of the principal of and interest, when due, on the Bonds of Green Bank as such payments become due, or (2) the purchase of such Bonds and the payment of any redemption premium required to be paid when such Bonds are redeemed prior to maturity, including in any such case by way of reimbursement of a provider of bond insurance or of a credit or liquidity facility that has paid such redemption premiums. Notwithstanding the provisions of subdivisions (1) and (2) of this subsection, Green Bank shall provide that no moneys shall be withdrawn from the Special Capital Reserve Fund at any time in such amount as would reduce the amount of such moneys to less than the maximum amount of principal and interest becoming due by reason of maturity in the then current or any succeeding calendar year on the Bonds then Outstanding, or less than the required minimum capital reserve, except for the purpose of paying such principal of, redemption premium and interest on such Bonds becoming due and for the payment of which other moneys of Green Bank are not available. Green Bank shall not issue Bonds secured by the Special Capital Reserve Fund at any time if the required minimum capital reserve on the Bonds then Outstanding and the Bonds then to be issued and secured by the same fund at the time of issuance exceeds the moneys in the fund, unless Green Bank, at the time of the issuance of such Bonds, deposits in such fund from the proceeds of the Bonds so to be issued, or from other sources, an amount which, together with the amount then in such fund, will be not less than the required minimum capital reserve.
- (iii) Prior to December first, annually, Green Bank shall deposit, or cause to be deposited, into the Special Capital Reserve Fund, the balance



of which has fallen below the required minimum capital reserve of such fund, the full amount required to meet the minimum capital reserve of such fund, as available to Green Bank from any resources of Green Bank not otherwise pledged or dedicated to another purpose. On or before December first, annually, but after Green Bank has made such required deposit, the State shall deem to be appropriated from the State general fund such sums, if any, as shall be certified by the chairperson or vice-chairperson of Green Bank to the Secretary of the Office of Policy and Management, the State Treasurer and the joint standing committees of the General Assembly having cognizance of matters relating to finance, revenue and bonding and energy, as necessary to restore each such fund to the amount equal to the required minimum capital reserve of such fund, and such amounts shall be allotted and paid to Green Bank for deposit to the Special Capital Reserve Fund. For the purpose of evaluation of any such fund, obligations acquired as an investment for any such fund shall be valued at market value as of the date of calculation. Nothing contained in this Section shall preclude Green Bank from establishing and creating other debt service reserve funds in connection with the issuance of bonds or notes of Green Bank which are not a special capital reserve fund. Subject to any agreement or agreements with holders of outstanding notes and bonds of Green Bank, any amount or amounts allotted and paid to Green Bank pursuant to this Section shall be repaid to the State from moneys of Green Bank at such time as such moneys are not required for any other of Green Bank's corporate purposes, and in any event shall be repaid to the State on the date one year after all bonds and notes of Green Bank theretofore issued on the date or dates such amount or amounts are allotted and paid to Green Bank or thereafter issued, together with interest on such bonds and notes, with interest on any unpaid installments of interest and all costs and expenses in connection with any action or proceeding by or on behalf of the holders thereof, are fully met and discharged.

- (iv) No Bonds secured by the Special Capital Reserve Fund shall be issued by Green Bank under this Indenture unless Green Bank is of the opinion and determines that the revenues from the SHREC Receivables shall be sufficient to (1) pay the principal of and interest on the Bonds issued to finance the SHREC Receivables, (2) establish, increase and maintain any reserves deemed by Green Bank to be advisable to secure the payment of the principal of and interest on such Bonds, (3) pay the cost of maintaining the SHREC Receivables, and (4) pay such other costs of the SHREC Receivables as may be required.
- (v) Notwithstanding the provisions of this Section, no Bonds secured by the Special Capital Reserve Fund shall be issued by Green Bank

until and unless such issuance has been approved by the Secretary of the Office of Policy and Management or his or her deputy. Any such approval by the Secretary pursuant to this subsection shall be in addition to (1) the otherwise required opinion of sufficiency by Green Bank set forth in subsection (b)(iv) of this Section, and (2) the approval of the State Treasurer or the Deputy State Treasurer and the documentation by Green Bank otherwise required under subsection (a) of Section 1-124 of the Connecticut General Statutes. Such approval may provide for the waiver or modification of such other requirements of this Section as the Secretary determines to be necessary or appropriate in order to effectuate such issuance, subject to all applicable tax covenants of Green Bank and the State.

(c) The Special Capital Reserve Fund established pursuant to Section 502 hereof shall comply with and be subject to the provisions of the Act as provided in this Section. Green Bank shall take all actions required under the Act to maintain the balance within the Special Capital Reserve Fund at an amount not less than the Special Capital Reserve Fund Requirement.

### **ARTICLE III**

#### **GENERAL TERMS AND CONDITIONS OF BONDS**

Section 301. Authorization. In addition to the provisions of Section 204 hereof, the Bonds issued hereunder shall contain on the face thereof a statement to the effect that neither the State of Connecticut nor any political subdivision thereof shall be obligated to pay the same or the interest thereon except from the Revenues or the other revenues thereof for which such Bonds are issued, and that neither the full faith and credit nor the taxing power of the State of Connecticut or of any political subdivision thereof is pledged to the payment of the principal of or the interest on such Bonds. The issuance of the Bonds under the provisions of this Section shall not directly, indirectly or contingently obligate the State or any political subdivision thereof to levy or to pledge any form of taxation or to make any appropriation for the payment of such Bonds.

Section 302. Place and Medium of Payment; Form. The Bonds shall be payable at the designated corporate trust office of the Trustee appointed or provided for such Bonds, in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts. The Bonds shall be issued in the form of fully registered bonds without coupons payable to a named person or registered assigns.

Section 303. Negotiability, Transfer and Registry.

(a) The Depository Trust Company (“DTC”), New York, NY, will act as securities depository for the Bonds. The Bonds will be issued as fully registered Bonds registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully registered Bond certificate will be issued for each maturity of the Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

(b) Principal and interest payments on, and redemption premium, if any, with respect to the Bonds will be made to Cede & Co. or such other nominee as may be requested by an authorized representative of DTC. Purchases of the Bonds under the DTC system must be made by or through DTC participants, which will receive a credit for the Bonds on DTC's records.

Section 304. Regulations with Respect to Exchanges and Transfers. In all cases in which the privilege of exchange Bonds or the registration of transfer Bonds is exercised, Green Bank shall execute and the Trustee shall authenticate and deliver Bonds in accordance with the provision of this Indenture. All Bonds surrendered in such exchanges or registrations of transfer shall forthwith be canceled by the Trustee. For every such change or the registration of transfer of bonds whether temporary or definitive, Green Bank or the Trustee may, as a condition precedent to the privilege of making such change or transfer, make a charge sufficient to reimburse it for its expenses and for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer. In connection with any such transfer or exchange, the transferor or owner shall provide or cause to be provided to the Trustee all information necessary to allow the Trustee to comply with any applicable tax reporting obligations, including without limitation any cost basis reporting obligations under Internal Revenue Code Section 6045. The Trustee may rely on the information provided to it and shall have no responsibility to verify or ensure the accuracy of such information.

Section 305. Bonds Mutilated, Destroyed, Stolen or Lost. In any case any Bond shall become mutilated or be destroyed, stolen or lost, Green Bank shall execute, and thereupon the Trustee shall authenticate and deliver, a new Bond, with the same maturity date and in the same principal amount as the Bond so mutilated, destroyed, stolen or lost; provided that (i) in the case of a mutilated Bond, upon surrender and cancellation of such mutilated Bond, and (ii) in the case of any Bond destroyed, stolen or lost, upon filing with the Trustee of evidence satisfactory to Green Bank and the Trustee that such Bond has been destroyed, stolen or lost and proof of ownership thereof, and upon furnishing Green Bank and the Trustee with indemnity satisfactory to them and complying with such other reasonable regulations as Green Bank and the Trustee may prescribe and paying such expenses as Green Bank and Trustee may incur. All Bonds so surrendered to the Trustee shall be canceled by it. Any such new Bonds issued pursuant to this Section in substitution for mutilated Bonds or Bonds alleged to be destroyed, stolen or lost shall constitute original additional contractual Bonds on the part of Green Bank, whether or not the Bonds so alleged to be destroyed, stolen or lost be at any time enforceable by anyone, and shall be equally secured by and entitled to equal and proportional benefits with all other Bonds issued under this Indenture.

Section 306. Preparation of Definitive Bonds, Temporary Bonds.

(a) Until the definitive Bonds are prepared, Green Bank may execute, in the same manner as is provided in Section 307, and, upon the request of Green Bank, the Trustee shall authenticate and deliver, in lieu of definitive Bonds, but subject to the same provisions, limitations and conditions as the definitive Bonds and as to interchangeability and registration of the transfer of Bonds, as permitted by law, one or more temporary Bonds substantially of the tenor of the definitive Bonds in lieu of which such temporary Bond or Bonds are issued in the same denomination as the definitive Bond, and with such omissions, insertions and variations as may be appropriate to temporary Bonds. Green Bank at its own expense shall prepare and execute and, upon the surrender therefor of such temporary Bonds the Trustee shall authenticate and, without

charge to the holder thereof, deliver in exchange therefor, the definitive Bond of the same principal amount and maturity as the temporary Bonds surrendered. Until so exchanged the temporary Bonds shall in all respects be entitled to the same benefits and security as definitive Bonds authenticated and issued pursuant to this Indenture.

(b) All temporary Bonds surrendered in exchange either for another temporary Bond or Bonds or for a definitive Bond or Bonds shall be forthwith canceled by the Trustee.

#### Section 307. Execution and Authentication.

(a) After their authorization, Bonds may be executed by or on behalf of Green Bank and delivered to the Trustee for authentication. The Bonds shall be executed in the name and on behalf of Green Bank by the manual or facsimile signature of an Authorized Representative of Green Bank and the corporate seal of Green Bank (as and if applicable) shall be thereunto affixed, imprinted, engraved or otherwise reproduced thereon, and attested by the manual or facsimile signature of another Authorized Representative of Green Bank, or in such other manner as may be required by law. In case any one or more of the officers or employees who shall have signed or sealed any of the Bonds shall cease to be such officer or employee before the Bonds so signed and sealed shall have been actually delivered, such Bonds may, nevertheless, be delivered as herein provided, and may be issued as if the person who signed or sealed such Bonds had not ceased to hold such offices or be so employed. Any Bond may be signed and sealed on behalf of Green Bank by such persons as at the actual time of the execution of such Bond shall be duly authorized to hold the proper office in or employment by Green Bank, although at the date of the Bonds such person may not have been so authorized to have held such office or employment.

(b) The Bonds shall bear thereon a certificate of authentication, in the form set forth in the form of Bonds, executed manually by the Trustee. No Bond shall be entitled to any right or benefit under this Indenture or shall be valid or obligatory for any purpose until such certificate of authentication shall have been duly executed by the Trustee. Such certificate of the Trustee upon any Bond executed on behalf of Green Bank shall be conclusive evidence that the Bond so authenticated has been authenticated and delivered under this Indenture and that the owner thereof is entitled to the benefits hereof.

### **ARTICLE IV**

#### **APPLICATION OF BOND PROCEEDS**

Section 401. Application of Bond Proceeds. The proceeds (including accrued interest) from the sale of the Bonds shall be applied simultaneously with the delivery of such Bonds for the purposes of paying Green Bank's current secured indebtedness in order to release the SHREC Receivables from the Related Secured Credit Facility, and making deposits in the Funds and Accounts, as shall be provided in a Certificate of Authorized Representative, and all amounts not otherwise deposited shall be deposited in the Revenue Fund.

## ARTICLE V

### FUNDS AND ACCOUNTS

Section 501. The Pledge Effected by this Indenture. All Bonds issued pursuant to this Indenture shall be special, limited obligations of Green Bank. Pursuant to the Granting Clauses set forth herein, Green Bank has pledged the Trust Estate as security for the payment of the Bonds and the performance of any other obligation of Green Bank under this Indenture, in accordance with the terms and the provisions of this Indenture, subject only to the provisions of this Indenture permitting the application thereof for or to the purposes and on the terms and conditions herein set forth. As provided in the Act: this pledge shall be valid and binding from the time when the pledge is made; the lien of this pledge shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against Green Bank, irrespective of whether the parties have notice of the claims; notwithstanding any provision of the Uniform Commercial Code, no instrument by which such pledge is created need be recorded or filed except in the records of Green Bank; any revenues, contract or proceeds of any contract, or other property, revenues, moneys or funds so pledged and thereafter received by Green Bank shall be subject immediately to the lien of the pledge without any physical delivery thereof or further act, and such lien shall have priority over all other liens.

Section 502. Establishment of Funds and Accounts.

(a) The following Funds and Accounts are hereby established:

- (1) Revenue Fund
- (2) Debt Service Fund
  - (a) Interest Account
  - (b) Principal Account
- (3) Costs of Issuance Fund
- (4) Special Capital Reserve Fund
- (5) Redemption Fund
- (6) 2025 SHREC Economic and Energy Security Fund

(b) In addition to the Accounts established in subsections (a) above, the Trustee shall, at the written request of Green Bank, establish such additional Funds, or within any Fund held by the Trustee such Accounts as shall be designated in the written instructions of an Authorized Representative of Green Bank and shall in like manner establish within any Account such subaccounts for the purposes of such Accounts as shall be so designated.

(c) Unless otherwise expressly provided in this Indenture, all of the Funds and Accounts shall be held by the Trustee.

Section 503. Revenue Fund.

(a) The Trustee shall establish, maintain, and hold in trust a separate fund designated as the “Revenue Fund,” and within said fund one or more separate accounts as directed by Green Bank from time to time, and administer said fund and such accounts as set forth in this Section. The Trustee shall deposit into the Revenue Fund, as and when such amounts are received, (i) all Revenues, (ii) all amounts delivered by or at the written direction of Green Bank to the Trustee for deposit therein, and (iii) any other amounts required to be deposited therein pursuant to this Indenture.

(b) The Trustee shall use and withdraw amounts in the Revenue Fund on the second Business Day immediately following the last day of each calendar month and apply such amounts as follows:

FIRST: to the Trustee’s unpaid fees, charges and expenses;

SECOND: to the Interest Account in the Debt Service Fund, the amount necessary to make the payment of the next succeeding Interest Payment, less any amounts in the Interest Account at each date of deposit;

THIRD: to the Principal Account in the Debt Service Fund, the amount necessary to make the next succeeding Principal Payment, less any amounts in the Principal Account at each date of deposit;

FOURTH: to the Special Capital Reserve Fund, the amount, if any, necessary to make the total on deposit equal the Special Capital Reserve Fund Requirement;

FIFTH: to the Redemption Fund, the amount, if any, required pursuant to Section 605 hereof; and

SIXTH: to the 2025 SHREC Economic and Energy Security Fund, the balance.

Section 504. Debt Service Fund.

(a) The Trustee shall pay from the moneys or deposits in the respective Accounts in the Debt Service Fund (i) on each Interest Payment Date, the amounts required for the payment of the Interest Payment due on such date, (ii) on each Principal Payment Date, the amounts required for the payment of the Principal Payment due on such date, and (iii) on any redemption date or date of purchase, the amounts required for the payment of accrued interest on Bonds to be redeemed or purchased on such date unless the payment of such accrued interest shall be otherwise provided. Thirty (30) days prior to each Interest Payment Date and Principal Payment Date, the Trustee shall determine whether the moneys or deposits in the respective Accounts within the Debt Service Fund are sufficient to make the next succeeding Interest Payment and Principal Payment. If such moneys or deposits are not sufficient to make such payments, the Trustee shall, no later than the next Business Day, provide a Notice to Green Bank of such insufficiency. Green Bank shall thereafter pay to the Trustee the Project Support Debt Service Amount as provided in the Project Support Commitment and Undertaking.

Section 505. Costs of Issuance Fund. Upon the delivery of the Bonds, Green Bank shall, as provided in a Certificate of an Authorized Representative, pay to the Trustee, for deposit into the Costs of Issuance Fund, the Costs of Issuance.

(a) Moneys on deposit in the Costs of Issuance Fund shall, as provided in a Certificate of an Authorized Representative, be applied to pay the Persons entitled thereto the Costs of Issuance relating to the issuance of the Bonds. Any moneys remaining on hand in the Costs of Issuance Fund upon the earlier of (i) payment of all Costs of Issuance or (ii) one hundred twenty (120) days after the issuance of the Bonds, shall be transferred by the Trustee to the Revenue Fund.

Section 506. Special Capital Reserve Fund.

(a) Upon the delivery of the Bonds, Green Bank shall, as provided in a Certificate of an Authorized Representative, pay to the Trustee, for deposit into the Special Capital Reserve Fund, an amount equal to the Special Capital Reserve Fund Requirement.

(b) [Not Used]

(c) Green Bank shall, as provided in a Certificate of an Authorized Representative, pay to the Trustee upon receipt thereof any moneys allotted and paid to Green Bank by the State pursuant to the Act for the purpose of restoring the Special Capital Reserve Fund to the amount of the Special Capital Reserve Fund Requirement.

(d) If at any time any Principal Payment, or any interest due thereon, or any Redemption Price of Bonds has become due and payable and payment thereof in full has not been made or provided for, the Trustee shall (i) forthwith withdraw from the Special Capital Reserve Fund an amount which together with other amounts available for such payment shall be sufficient to provide for such payment in full and apply the amount so withdrawn to such payment, and (ii) no later than the next Business Day after such withdrawal, provide a Notice to Green Bank that Green Bank immediately pay to the Trustee any and all amounts available to Green Bank necessary to restore the Special Capital Reserve Fund to the amount of the Special Capital Reserve Fund Requirement no later than November 30 of any calendar year after such Notice is given.

(e) In the case of any purchase, redemption in whole or in part, or payment of principal at maturity, of any Bonds, Green Bank may, as provided in a Certificate of an Authorized Representative, direct the Trustee to apply moneys in the Special Capital Reserve Fund to the payment of the principal or Redemption Price of and interest on the Bonds being paid or redeemed up to the amount by which such amounts in the Special Capital Reserve Fund exceed the Special Capital Reserve Fund Requirement after giving effect to such purchase, redemption or payment.

(f) On December 1 of each year if:

- (1) the amount in the Special Capital Reserve Fund exceeds the Special Capital Reserve Fund Requirement, and
- (2) all withdrawals from the Special Capital Reserve Fund provided for in subsections (d) and (e) have been made, the Trustee shall withdraw the excess from the Special Capital Reserve Fund and

deposit the amount so withdrawn into the 2025 SHREC Economic and Energy Security Fund hereof.

(g) Amounts in the Special Capital Reserve Fund shall be invested in Investment Securities maturing not later than the next succeeding Principal Payment Date or Interest Payment Date.

Section 507. Redemption Fund. There shall be deposited into the Redemption Fund amounts required to be deposited therein pursuant to Section 605 hereof. Amounts in the Redemption Fund may be applied as directed by Green Bank, as provided in a Certificate of an Authorized Representative, to the purchase of Bonds at prices not exceeding the Redemption Price thereof applicable on the next redemption date plus accrued interest to such next redemption date (such redemption date shall be the earliest date upon which Bonds are subject to redemption from such amounts) or to the redemption of Bonds pursuant to Article VI hereof.

Section 508. 2025 SHREC Economic and Energy Security Fund. The Trustee shall, no later than the second Business Day of each calendar month, transfer moneys credited to the 2025 SHREC Economic and Energy Security Fund to Green Bank.

Section 509. Investment of Funds.

(a) Moneys held in the Funds and Accounts established hereunder shall, as provided in a Certificate of an Authorized Representative, be invested and reinvested by the Trustee to the fullest extent practicable in Investment Securities which mature not later than such times as shall be necessary to provide moneys when needed for payments to be made from such Funds and Accounts. The Trustee shall make all such investments of moneys held by it in accordance with the Certificate of an Authorized Representative, such instructions to specify the particular investment to be made. The Trustee shall bear no responsibility hereunder other than to follow the written instructions of Green Bank as provided in the Certificate of an Authorized Representative.

(b) Interest (net of that which represents a return of accrued interest paid in connection with the purchase of any investment) and other investment earnings (but not profits or losses) on any moneys or investments in the Funds and Accounts, other than the Special Capital Reserve Fund, shall be paid into the 2025 SHREC Economic and Energy Security Fund as and when received. Interest (net of that which represents a return of accrued interest paid in connection with the purchase of any investment) and other investment earnings (but not profits or losses) on any moneys or investments in the Special Capital Reserve Fund shall be paid into the Interest Account of the Debt Service Fund.

(c) All Investment Securities acquired with moneys in any Fund or Account shall be held by the Trustee in favor of the Trustee. Although Green Bank recognizes that it may obtain a broker confirmation or written statement containing comparable information at no additional cost, Green Bank agrees that confirmations of Investment Securities are not required to be issued by the Trustee for each month in which a monthly statement is rendered.



(d) Nothing in this Indenture shall prevent any Investment Securities acquired as investments for Funds or Accounts held under this Indenture from being issued or held in book-entry form on the books of the United States Treasury.

Section 510. Valuation and Sale of Investments.

(a) Bonds purchased as an investment of moneys in any Fund or Account created under the provisions of this Indenture shall be deemed at all times to be a part of such Fund or Account and any profit realized from the liquidation of such investment shall be credited to such Fund or Account and any loss resulting from the liquidation of such investment shall be charged to such Fund or Account.

(b) In computing the amount in any Fund or Account created under the provisions of this Indenture for any purpose provided in this Indenture, Bonds purchased as an investment of moneys therein shall be valued at the cost of such Bonds or the market value thereof, whichever is lower; provided, however, that in the case of Bonds scheduled to mature, or subject to redemption at the option of the holder, in ten (10) years or less, such Investment Securities shall be valued at amortized cost; provided further, however, that funds held in the Special Capital Reserve Fund shall be valued at market price and Defeasance Obligations held in the Redemption Fund shall be valued at cost plus interest earned thereon. The accrued interest paid in connection with the purchase of any obligation shall be included in the value thereof until interest on such obligation is paid. Such computation shall be made by the Trustee as of July 1 of each year and on the date of the refunding of any Bonds and at such other times as Green Bank shall determine or as may be required by this Indenture.

(c) Except as otherwise provided in this Indenture, the Trustee shall sell or present for redemption, any obligation so purchased as an investment whenever it shall be directed in writing by Green Bank, as provided in a Certificate of an Authorized Representative. Whenever it shall be necessary in order to provide moneys to meet any payment or transfer from any Fund or Account held by the Trustee, the Trustee shall present for redemption such obligation or obligations designated by Green Bank, as provided in a Certificate of an Authorized Representative, or in the absence of such designation by Green Bank, as the Trustee shall elect, necessary to provide sufficient moneys for such payment or transfer. The Trustee shall not be liable or responsible for any loss, fee, tax or other charge resulting from the making of any such investment, reinvestment or the sale of any obligation pursuant to this Indenture.

Section 511. Financial and Other Reporting.

(a) Green Bank shall provide to the Trustee by December 31 of each year financial statements audited by an Accountant of all of the Revenues, expenses and accounts for the preceding Fiscal Year which shall be prepared in accordance with the provisions of generally accepted accounting principles related to accounting, auditing and financial reporting, and otherwise as required by the Connecticut General Statutes.

(b) The Trustee shall, upon becoming aware of a failure of Green Bank to comply with the above-referenced conditions, give notice of such non-compliance to Green Bank.

Green Bank shall comply with the provisions of this Section as soon as practicable but no later than thirty (30) days after receipt of such notice by Green Bank.

## **ARTICLE VI**

### **REDEMPTION OF BONDS**

The provisions contained in the following Sections of this Article VI are applicable to the Bonds.

Section 601. Privilege of Redemption and Redemption Price. Bonds subject to redemption prior to maturity shall be redeemable, upon notice as provided in this Article, at such times, at such Redemption Prices and upon such terms as may be specified in this Indenture.

Section 602. Redemption at the Election of Green Bank. In the case of any redemption of Bonds as provided in Section 204(c), Green Bank shall, as provided in a Certificate of an Authorized Representative, give written notice to the Trustee of the election so to redeem, of the redemption date, of the principal amounts of the Bonds to be redeemed (principal amounts thereof to be redeemed shall be determined by Green Bank in its sole discretion) and whether such notice and such redemption are unconditional or conditional on funds being available on the redemption date to pay the Redemption Price. Such notice shall be given to the Trustee at least twenty (20) days prior to the redemption date.

Section 603. Redemption Other Than at Green Bank Election. Whenever by the terms of this Indenture Bonds are required to be redeemed otherwise than at the election of Green Bank, the Trustee shall select the Bonds to be redeemed, in any manner which the Trustee may determine, give the notice of redemption and apply the moneys available therefor to redeem on the redemption date at the Redemption Price therefor, together with accrued interest to the redemption date, of the Bonds to be redeemed.

Section 604. Notice of Redemption. The Trustee shall give notice, in the name of Green Bank, of the redemption of such Bonds, which notice shall specify the Bonds to be redeemed, the redemption date and the place or places where amounts due upon such redemption will be payable and, if less than all of the Bonds are to be redeemed, the numbers or other distinguishing marks of such Bonds so to be redeemed. Such notice shall further state whether the notice and the redemption are unconditional or conditional; if unconditional, that on such date there shall become due and payable upon each Bond to be redeemed the Redemption Price thereof, together with interest accrued to the redemption date; if conditional, that on such date that, if there shall be sufficient funds available to effect such redemption on the redemption date, there shall become due and payable upon each Bond to be redeemed the Redemption Price thereof, together with interest accrued to the redemption date, and, in either case, that if there shall be sufficient funds available to effect such redemption on the redemption date, then from and after such date interest thereon shall cease to accrue and be payable. The Trustee shall mail a copy of such notice by first class mail, postage prepaid, not less than twenty (20) days before the redemption date, to the owners of the Bonds which are to be redeemed, at their last addresses appearing upon the registry books.

Section 605. Payment of Redeemed Bonds. Notice having been given in the manner provided in Section 604, if there shall be sufficient funds available to effect such redemption on the redemption date, the Bonds so called for redemption shall become due and payable on the redemption date so designated at the Redemption Price, plus interest accrued and unpaid to the redemption date, and, upon presentation and surrender thereof at the office specified in such notice such Bonds shall be paid at the Redemption Price plus interest accrued and unpaid to the redemption date. If, on the redemption date, moneys for the redemption of all the Bonds to be redeemed together with interest to the redemption date, shall be held by the Trustee as to be available therefor on said date and if notice of redemption shall have been given as aforesaid, then, from and after the redemption date interest on the Bonds so called for redemption shall cease to accrue and become payable. If said moneys shall not be so available on the redemption date, such Bonds or portions thereof shall continue to bear interest until paid at the same rate as they would have borne had they not been called for redemption.

## **ARTICLE VII**

### **REPRESENTATIONS AND COVENANTS OF GREEN BANK**

Green Bank represents, covenants and agrees with the Trustee and the holders of the Bonds as follows:

Section 701. Payment of Bonds. Green Bank shall duly and punctually pay or cause to be paid, solely from the Trust Estate pledged hereunder for such payments, the Principal Payment or Redemption Price of every Bond and the Interest Payment thereon, at the dates and places and in the manner stated in the Bonds.

Section 702. Offices for Servicing Bonds. Green Bank shall at all times maintain an office or agency where Bonds may be presented for registration, transfer or exchange, and where notices, presentations and demands upon Green Bank in respect of the Bonds or of this Indenture may be served. Green Bank hereby appoints the Trustee as its agent to maintain such office or agency for the registration, transfer or exchange of the Bonds and for the service of such notices, presentations and demands upon Green Bank.

Section 703. Further Assurance. At any and all times, Green Bank shall, so far as each may be authorized by law, pass, make, do, execute, acknowledge and deliver, all and every such further resolutions, acts, deeds, conveyances, assignments, transfers and assurances as may be necessary or desirable for the better assuring, conveying, granting, pledging, assigning and confirming all and singular, the rights, assets, revenues and other moneys, securities, funds and property hereby pledged or assigned, or intended so to be, or which Green Bank, may become bound to pledge or assign.

Section 704. Power to Issue Bonds and Pledge Revenues. Green Bank is duly authorized under the Act and all applicable laws to authorize and issue and deliver the Bonds. Green Bank is duly authorized to execute and enter into this Indenture and to pledge the Revenues and assets purported to be pledged and assigned hereby in the manner and to the extent herein provided. Except to the extent permitted under this Indenture, the Revenues and assets so pledged and assigned are and will be free and clear of any pledge, lien, charge or encumbrance thereon or with

respect thereto prior to, or of equal rank with, the pledge created hereby and all corporate or other action on the part of Green Bank to that end has been and will be duly and validly taken. The Bonds are and will be the valid and legally enforceable limited obligations of Green Bank in accordance with their terms and the terms of this Indenture. Green Bank shall at all times, to the extent permitted by law, defend, preserve and protect the pledge of the Revenues and other assets, including rights herein pledged and assigned under this Indenture and all the rights of the Bondholders under this Indenture against all claims and demands of all persons whomsoever. Green Bank shall not take any action or permit any action to be taken (unless taken by the State), to dissolve Green Bank.

Section 705. Green Bank Not to Amend Indenture. Green Bank agrees that it will not amend this Indenture in any way that impairs the funding to the funds and accounts herein pursuant to Section 504(a) hereof without the prior written consent of the Secretary of the Office of Policy and Management and the State Treasurer, unless all of the Bonds, together with the interest thereon, and all costs and expenses in connection with any action or proceeding by or on behalf of such holders, are fully met and discharged.

Section 7.05A. Green Bank Not to Subordinate Its Obligations Supported by State. Green Bank agrees that:

(a) It shall not enter into any agreement, including any indenture, that results in its obligations to make timely payment of (i) the Project Support Debt Service Amounts under the Project Support Commitment and Undertaking, (ii) the amounts required under Section 206(b)(iii) hereof, or (iii) the amounts due and payable under the Prior Bond Indenture, the Prior Lease/Purchase Agreement, the Prior 2020 Green Liberty Bond Indenture, or the Prior 2021 Green Liberty Bond Indenture, to be subordinate to its obligations under such agreement; provided, for a specific Green Bank program or project, Green Bank may pledge the assets or revenues related thereto as security for its obligations thereunder.

(b) It shall cause to be included in Operating Expenses all Administrative Expenses hereunder, and cause to be paid when due all such Administrative Expenses.

Section 706. Accounts and Periodical Reports and Certificates. Green Bank shall keep or cause to be kept proper books of record and account (separate from all other records and accounts) in which complete and correct entries shall be made of its transactions under this Indenture and which, together with all other books and papers of Green Bank, shall at all reasonable times be subject to the inspection of the Trustee, the State or the representative, duly authorized in writing, of the holder or holders of not less than a majority of the principal amount of the Bonds then Outstanding. Green Bank shall use its best efforts to direct all payments on the SHREC Receivables to the Trustee for deposit into the Funds and Accounts under this Indenture, and if such payments are misdirected or erroneously deposited into another Green Bank fund or account, Green Bank shall promptly transfer the applicable amount to the Trustee for deposit hereunder.

Section 707. Indebtedness and Liens. Green Bank shall not issue any bonds, notes or other evidences of indebtedness, other than the Bonds, secured by a pledge of or other lien or charge on the Revenues and shall not create or cause to be created any lien or charge on such

Revenues or on any amounts held by the Trustee, under this Indenture; but this Section shall not prevent Green Bank from issuing notes payable from the proceeds of the Bonds or bonds or notes or other Bonds for the corporate purposes of Green Bank payable out of, or secured by a pledge of, Revenues to be derived on and after such date as the pledge of the Revenues provided in this Indenture shall be discharged and satisfied as provided in Section 1101.

Section 708. Special Capital Reserve Fund.

(a) Green Bank shall at all times maintain the Special Capital Reserve Fund pursuant to Section 506 and do and perform or cause to be performed each and every act and thing with respect to the Special Capital Reserve Fund provided to be done or performed by or on behalf of Green Bank or the Trustee pursuant to Section 206 and the other terms and provisions of this Indenture, or of the Act.

(b) In order to better secure the Bonds issued under this Indenture as Bonds secured by the Special Capital Reserve Fund, and in furtherance of the provisions of the Act, Green Bank shall cause the Chairperson of its Board of Directors annually, on or before the first day of December of each year, to make and deliver to the Secretary of the Office of Policy and Management and the Treasurer of the State a certificate stating such sums, if any, and after the transfers contemplated by Sections 503 and 506 hereof, as shall be necessary to restore the Special Capital Reserve Fund to the Special Capital Reserve Fund Requirement, and accompany such certificate with a request that such sums be paid directly to the Trustee for the account of Green Bank for deposit into the Special Capital Reserve Fund.

Section 709. General. Green Bank shall do and perform or cause to be done and performed all acts and things required to be done or performed by or on behalf of them under the provisions of the Act, the Bylaws and this Indenture in accordance with the terms of such provisions.

Section 710. Agreement of Green Bank. Green Bank agrees that it will not in any way impair the rights and remedies of Bondholders, until the Bonds, together with the interest thereon, and all costs and expenses in connection with any action or proceeding by or on behalf of such holders, are fully met and discharged.

Section 711. State Not to Impair Bonds of Green Bank. Pursuant to the Act, the State has pledged to and agreed with the Bondholders of Bonds issued under this Indenture pursuant to the Act, and with those parties who may enter into contracts with Green Bank or its successor agency pursuant to the Act, that the State will not limit or alter the rights vested in the Green Bank until such Bonds, together with the interest thereon, are fully met and discharged and such contracts are fully performed on the part of Green Bank, provided nothing contained in this Section shall preclude such limitation or alteration if and when adequate provisions shall be made by law for the protection of the Bondholders described in this Section or those entering into such contracts with Green Bank.

Section 712. Continuing Disclosure Requirements. Green Bank shall undertake all responsibility for compliance with continuing disclosure requirements related to the Bonds, and the Trustee shall have no liability to the Bondholders or any other Person with respect to such

disclosure matters. Notwithstanding any other provision of this Indenture, failure of Green Bank to comply with the continuing disclosure requirements shall not be considered an Event of Default hereunder.

Section 713. Removal of Ineligible SHRECs. Green Bank shall remove any Ineligible SHREC pledged by Green Bank to the Trustee hereunder by depositing into the Revenue Fund an amount established by Green Bank equal to the fair market value equivalent of the Ineligible SHREC originally pledged. Upon payment for the Ineligible SHREC, the Trustee shall release the Ineligible SHREC from the lien of the Indenture (if requested). If the Trustee receives written notice of an Ineligible SHREC, the Trustee shall give written notice thereof within five (5) Business Days of receipt thereof to Green Bank. If Green Bank discovers or receives notice of an Ineligible SHREC, Green Bank shall provide written notice thereof to the Trustee. The Trustee shall have no duties or responsibilities hereunder or otherwise in respect of an Ineligible SHREC other than those referred to in this Section.

## **ARTICLE VIII**

### **SUPPLEMENTS AND AMENDMENTS**

Section 801. Supplements Not Requiring Consent of Bondholders. Green Bank and the Trustee may, without the consent of any of the Bondholders, enter into any Supplemental Indenture for one or more of the following purposes:

- (a) To add to the covenants and agreements of Green Bank contained in this Indenture, other covenants and agreements thereafter to be observed relative to the application, custody, use and disposition of the proceeds of the Bonds; or
- (b) To confirm, as further assurance, any pledge under and the subjection to any lien on or pledge of the Revenues created or to be created by this Indenture; or
- (c) To cure any ambiguity, supply any omission, or cure or correct any defect or inconsistent provision in this Indenture, unless such modification would result in a material reduction of the rights or interests of the Bondholders under this Indenture; or
- (d) To grant to or confer on the Trustee for the benefit of the Bondholders any additional rights, remedies, powers, or security that Green Bank may lawfully be granted or conferred and which are not contrary to or inconsistent with this Indenture as theretofore in effect; or
- (e) To create any additional Funds or Accounts hereunder; or
- (f) To modify, alter, amend or supplement any provision of this Indenture if, prior to the execution of any such amendment there shall be delivered to the Trustee an Opinion of Counsel to the effect that such amendment will not have a material adverse effect on the security, remedies or rights of the Bondholders.

Section 802. Supplements Requiring Consent of Bondholders.

(a) Other than Supplemental Indentures referred to in Section 801 hereof, Green Bank and the Trustee may, with the consent of the Bondholders of not less than a majority in aggregate principal amount of the Bonds then Outstanding and anything contained herein to the contrary notwithstanding, enter into one or more Supplemental Indentures as Green Bank shall deem necessary and desirable for the purpose of modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or provisions contained herein; provided, however, that nothing in this Section shall permit or be construed as permitting a Supplemental Indenture which would:

- (i) Extend the stated maturity of or time for paying interest on any Bond or reduce the principal amount of or the redemption premium or rate of interest or method of calculating interest payable on any Bond without the consent of the Bondholder of such Bond; or
- (ii) Modify, alter, amend, add to or rescind any of the terms or provisions contained in Article IX hereof so as to affect the right of the Bondholders of any Bonds in default as to payment to compel the Trustee to declare the principal of all Bonds to be due and payable, without the consent of the Bondholders of all Bonds then Outstanding; or
- (iii) Reduce the aggregate principal amount of Bonds then Outstanding the consent of the Bondholders of which is required to authorize such Supplemental Indenture without the consent of the Bondholders of all Bonds then Outstanding.

(b) If at any time Green Bank shall request the Trustee to enter into a Supplemental Indenture pursuant to this Section, which request is accompanied by a copy of the resolution or other action of its Board of Directors certified by its secretary (or, if it has no secretary, its comparable officer) together with a copy of the proposed Supplemental Indenture, and if the Trustee shall receive an instrument or instruments, which instruments may be in electronic format, purporting to be executed by the Bondholders of not less than the aggregate principal amount of the Bonds specified in subsection (a) for the Supplemental Indenture in question, which instrument or instruments shall refer to the proposed Supplemental Indenture and shall specifically consent to and approve the execution thereof in substantially the form of the copy thereof as on file with the Trustee, the Trustee may execute such Supplemental Indenture in substantially such form, without liability or responsibility to any Bondholder of any Bond, whether or not such Bondholder shall have consented thereto.

(c) Any such consent shall be binding upon the Bondholder of the Bond giving such consent and upon any subsequent Bondholder of such Bond and of any Bond issued in exchange therefor (whether or not such subsequent Bondholder thereof has notice thereof), unless such consent is revoked in writing by the Bondholder of such Bond giving such consent or by a subsequent Bondholder thereof by filing with the Trustee, prior to the execution by the Trustee of such Supplemental Indenture, such revocation and, if such Bond or Bonds are transferable by delivery, proof that such Bonds are held by the signer of such revocation. At any time after the Bondholders of the required principal amount or number of Bonds shall have filed their consents

to the Supplemental Indenture, the Trustee shall make and file with Green Bank a written statement to that effect. Such written statement shall be conclusive that such consents have been so filed.

(d) If the Bondholders of the required principal amount of the Outstanding Bonds shall have consented to and approved the execution of such Supplemental Indenture as herein provided, no Bondholder of any Bond shall have any right to object to the execution thereof, or to object to any of the terms and provisions contained therein or the operation thereof, or in any manner to question the propriety of the execution thereof, or to enjoin or restrain the Trustee or Green Bank from executing the same or from taking any action pursuant to the provisions thereof.

#### Section 803. Execution and Effect of Supplemental Indentures.

(a) In executing any Supplemental Indenture permitted by this Article, the Trustee shall be entitled to receive and to rely upon an Opinion of Counsel stating that the execution of such Supplemental Indenture is authorized or permitted hereby. The Trustee may but shall not be obligated to enter into any such Supplemental Indenture which materially and adversely affects the Trustee's own rights, duties or immunities.

(b) Upon the execution and delivery of any Supplemental Indenture in accordance with this Article, the provisions hereof shall be modified in accordance therewith and such Supplemental Indenture shall form a part hereof for all purposes and every Bondholder theretofore or thereafter authenticated and delivered hereunder shall be bound thereby.

(c) Any Bond authenticated and delivered after the execution and delivery of any Supplemental Indenture in accordance with this Article may, and, if required by Green Bank shall, bear a notation in form approved by Green Bank as to any matter provided for in such Supplemental Indenture. If Green Bank shall so determine, new Bonds so modified as to conform, as determined by Green Bank, to any such Supplemental Indenture may be prepared and executed by Green Bank and authenticated and delivered by the Trustee in exchange for and upon surrender of Bonds then Outstanding.

(d) The Trustee shall give notice, by first class mail, to the Bondholders then Outstanding of the execution and delivery of any Supplemental Indenture, setting forth the effective date of such Supplemental Indenture and a summary of the terms thereof (or, in lieu of such a summary, by attaching the form of such Supplemental Indenture to such notice).

### ARTICLE IX

#### DEFAULTS; REMEDIES ON DEFAULT

Section 901. Events of Default. If one or more of the following events (in this Indenture called "Events of Default") shall occur:

- (1) a failure to make due and punctual payment of a Principal Payment or the Redemption Price of any Bond when and as the same shall become due and payable, whether at maturity or upon call for redemption, or otherwise; or



- (2) a failure to make due and punctual payment of any Interest Payment on any Bond, when and as such interest payment shall become due and payable; or
- (3) with respect to Bonds secured by the Special Capital Reserve Fund, Green Bank shall fail or refuse to comply with the provisions of Sections 206 and 506 of this Indenture, or such amounts as shall be certified by the chairperson of Green Bank to the Secretary of the Office of Policy and Management and Treasurer of the State pursuant to such provisions of the Act shall not be allotted and paid by the State to Green Bank for deposit therein and such allotment and payment is not made prior to the second day succeeding the final adjournment of (i) the session of the General Assembly of the State convening when such certification shall have been made or, if the General Assembly is not then in session, (ii) the first session of the General Assembly of the State convening after such certification shall have been made; or
- (4) a failure by Green Bank in the performance or observance of any other of its covenants, agreements or conditions in this Indenture, and such default shall continue for a period of sixty (60) days after the giving of written notice thereof stating that such notice is a “Notice of Default” to Green Bank by the Trustee, or to Green Bank and to the Trustee by the holders of not less than a majority in principal amount of the Bonds Outstanding, except that, in each case, if such failure can be remedied but not within such 60-day period, such failure shall not become an Event of Default for so long as Green Bank shall commence such cure within such 60-day period and diligently proceeds to remedy the same within 180 days of the commencement of such cure.

#### Section 902. Remedies Upon Default.

(a) Upon the occurrence and continuance of any Event of Default, the Trustee may, and upon the written request of the Bondholders of not less than a majority in principal amount of the Bonds then Outstanding shall, subject to Section 906 hereof, proceed, in its own name, to protect and enforce the rights of the Bondholders by such of the following remedies, as the Trustee, being advised by counsel, shall deem most effectual to protect and enforce such rights:

- (1) by mandamus or other suit, action or proceeding at law or in equity, to enforce all rights of the Bondholders, including the right to require Green Bank to receive and collect the Revenues adequate to carry out the covenants and agreements as to the pledge of such Revenues, and to require Green Bank to carry out any other covenants or agreements with Bondholders and to perform its duties under the Act; and

- (2) by bringing suit upon the Bonds; and
- (3) by action or suit in equity, to require Green Bank to account as if it were the Trustee of an express trust for the Bondholders as provided in Section 903 hereof; and
- (4) by action or suit in equity, to enjoin any acts or things which may be unlawful or in violation of the rights of the Bondholders.

Section 903. Accounting and Examination of Records After Default. Green Bank covenants that if an Event of Default shall happen and shall not have been remedied, Green Bank will account, as if it were the trustee of an express trust, for all Revenues and other moneys, securities and funds pledged or held under this Indenture for such period.

Section 904. Application of Revenues and Other Moneys After Default.

(a) Green Bank covenants that if an Event of Default shall occur and shall not have been remedied, Green Bank, upon demand of the Trustee, shall pay over or cause to be paid over to the Trustee forthwith, any moneys, securities and funds then held by Green Bank and included in the Trust Estate hereof not already held in any Fund or Account established under this Indenture. Amounts on deposit in the Special Capital Reserve Fund shall be applied solely to the Bonds.

(b) During the continuance of an Event of Default, unless otherwise directed by the owners of a majority in principal amount of the Bonds at the time Outstanding, the Trustee shall apply such Revenues and the income therefrom as follows and in the following order:

- (1) to the payment of the reasonable and proper charges and expenses of the Trustee and its counsel; then
- (2) to the payment of the interest and principal or Redemption Price then due on the Bonds, as follows:

First: To the payment to the Persons entitled thereto of all installments of interest then due in the order of the maturity of such installments, and, if the amount available shall not be sufficient to pay in full any installment or installments maturing on the same date, then to the payment thereof ratably, according to the amounts due thereon, to the Persons entitled thereto, without any priority or preference; and

Second: To the payment to the Persons entitled thereto of the unpaid principal or Redemption Price of any Bonds which shall have become due, whether at maturity or by call for redemption, in the order of their due dates, and, if the amount available shall not be sufficient to pay in full all the Bonds due on any date, then to the payment thereof ratably, according to the amounts of

principal or Redemption Price due on such date, to the Persons entitled thereto, without any priority or preference.

(c) if and when all overdue installments of interest on all Bonds, together with the reasonable and proper charges and expenses of the Trustee and its counsel, and all other sums payable by Green Bank under this Indenture, including the principal and Redemption Price of and accrued unpaid interest on all Bonds which shall then be payable, shall either be paid by or for the account of Green Bank, and all defaults under this Indenture or the Bonds shall be made good or secured, the Trustee shall pay over to Green Bank all such Revenues then remaining unexpended in the hands of the Trustee (except Revenues deposited or pledged, or required by the terms of this Indenture to be deposited or pledged, with the Trustee), and thereupon Green Bank and the Trustee shall be restored, respectively, to their former positions and rights under this Indenture, and all Revenues shall thereafter be applied as provided in Article V. No such payment over to Green Bank by the Trustee or resumption of the application of Revenues as provided in Article V shall extend to or affect any subsequent default under this Indenture or impair any right consequent thereon.

Section 905. Proceedings Brought by Trustee.

(a) If an Event of Default shall occur and shall not have been remedied, then and in every such case, the Trustee, by its agents and attorneys, may proceed to protect and enforce its rights and the rights of the holders of the Bonds under this Indenture forthwith by a suit or suits in equity or at law, whether for the specific performance of any covenant herein contained, or in aid of the execution of any power herein granted, or for an accounting against Green Bank as if it were the trustee of an express trust, or in the enforcement of any other legal or equitable right as the Trustee, being advised by counsel, shall deem most effectual to enforce any of its rights or to perform any of its duties under this Indenture.

(b) All rights of action under this Indenture may be enforced by the Trustee without the possession of any of the Bonds or the production thereof at the trial or other proceedings, and any such suit or proceedings instituted by the Trustee shall be brought in its name.

(c) The holders of a majority in principal amount of the Bonds at the time Outstanding, may direct by instrument in writing the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee, provided that the Trustee shall have the right to decline to follow any such direction if the Trustee shall be advised by counsel that the action or proceeding so directed may not lawfully be taken, or if the Trustee in good faith shall determine that the action or proceeding so directed would subject the Trustee to personal liability or be unjustly prejudicial to the Bondholders not parties to such direction.

(d) Upon commencing a suit in equity or upon other commencement of judicial proceedings by the Trustee to enforce any right under this Indenture, the Trustee shall be entitled to exercise any and all rights and powers conferred in this Indenture and provided to be exercised by the Trustee upon the occurrence of an Event of Default; and, as a matter of right against Green Bank, without notice or demand and without regard to the adequacy of the security for the Bonds,

the Trustee shall, to the extent permitted by law, be entitled to the appointment of a receiver of the moneys, securities and funds then held by Green Bank in any Fund or Account established under this Indenture and, subject to application of the Revenues, with all such powers as the court or courts making such appointment shall confer; but notwithstanding the appointment of any receiver, the Trustee shall be entitled to retain possession and control of and to collect and receive income from, any moneys, securities and funds deposited or pledged with it under this Indenture or agreed or provided to be delivered or pledged with it under this Indenture.

(e) Regardless of the happening of an Event of Default, the Trustee shall have the power to, but (unless requested in writing by the holders of a majority in principal amount of the Bonds then Outstanding, and furnished with security and indemnity satisfactory to it) shall be under no obligation to, institute and maintain such suits and proceedings as it may be advised shall be necessary or expedient to prevent any impairment of the security under this Indenture by any acts which may be unlawful or in violation of this Indenture, and such suits and proceedings as the Trustee may be advised shall be necessary or expedient to preserve or protect its interests and the interests of the Bondholders.

#### Section 906. Restriction on Bondholders' Action.

(a) No holder of any Bond shall have any right to institute any suit, action or proceeding at law or in equity for the enforcement of any provision of this Indenture or the execution of any trust under this Indenture or for any remedy under this Indenture, unless such holder shall have previously given to the Trustee written notice of the happening of an Event of Default, as provided in this Article, and the holders of at least a majority in principal amount of the Bonds then Outstanding shall have filed a written request with the Trustee, and shall have offered it reasonable opportunity, either to exercise the powers granted in this Section or to institute such action, suit or proceeding in its own name, and unless such holders shall have offered to the Trustee security and indemnity acceptable to the Trustee against the costs, expenses and liabilities to be incurred therein or thereby, and the Trustee shall have refused to comply with such request within a reasonable time; it being understood and intended that no one or more holders of Bonds shall have any right in any manner whatever by his/her or their action to affect, disturb or prejudice the pledge created by this Indenture, or to enforce any right under this Indenture, except in the manner therein provided; and that all proceedings at law or in equity to enforce any provision of this Indenture shall be instituted, had and maintained in the manner provided in this Indenture and for the equal benefit of all holders of the Outstanding Bonds.

(b) Nothing in this Indenture or in the Bonds contained shall affect or impair the obligation of Green Bank, which is absolute and unconditional, to pay at the respective dates of maturity and places therein expressed the principal of and interest on the Bonds to the respective holders thereof from the Trust Estate, or affect or impair the right of action, which is also absolute and unconditional, of any holder to enforce such payment of the Bonds. Notwithstanding the preceding sentence and anything in this Indenture or in the Bonds contained, Green Bank shall not be required to advance any moneys derived from any source other than the Revenues and assets pledged under this Indenture for any of the purposes in this Indenture mentioned whether for the payment of the principal of or the Redemption Price, if any, or interest on the Bonds or for any other purpose of this Indenture.

Section 907. Remedies Not Exclusive. No remedy by the terms of this Indenture conferred upon or reserved to the Trustee or the Bondholders is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Indenture or existing at law or in equity or by statute on or after the date of adoption of this Indenture.

Section 908. Effect of Waiver and Other Circumstances.

(a) No delay or omission of the Trustee or of any Bondholder to exercise any right or power arising upon the happening of an Event of Default shall impair any right or power or shall be construed to be a waiver of any such default or to be an acquiescence therein; and every power and remedy given by this Article to the Trustee or to the Bondholders may be exercised from time to time and as often as may be deemed expedient by the Trustee or by the Bondholders.

(b) The holders of a majority in principal amount of the Bonds at the time Outstanding, or their attorneys-in-fact duly authorized, may on behalf of the holders of all of the Bonds waive any past default under this Indenture and its consequences, except a default in the payment of interest on or principal or Redemption Price of the Bonds. No such waiver shall extend to any subsequent or other default or impair any right consequent thereon.

Section 909. State Right to Act. With respect to any right of the Trustee to take action pursuant to this Article, the State (acting through the office of the State Treasurer) may act for and on behalf of the Trustee, at the option of the State, so long as any Bonds are secured by the Special Capital Reserve Fund; otherwise the State shall be deemed to have given its right to act to the Trustee.

## **ARTICLE X**

### **THE TRUSTEE**

Section 1001. Concerning the Trustee; Acceptance of Trustee. The Trustee hereby accepts and agrees to execute the trusts imposed upon it by this Indenture, but only upon the terms and conditions set forth in this Article and subject to the provisions of this Indenture, to all of which the parties hereto and the respective owners of the Bonds agree.

Section 1002. Obligation of Trustee. The Trustee shall be under no obligation to institute any suit, or to take any action or proceeding under this Indenture or to enter any appearance or in any way defend in any suit in which it may be made defendant, or to take any steps in the execution of the trusts hereby created or in the enforcement of any rights and powers hereunder, including, without limitation, pursuant to the direction of, or on behalf of, any of the Bondholders, until it shall be paid or reimbursed or indemnified to its satisfaction against any and all reasonable costs and expenses, outlays, liabilities, damages and counsel fees and expenses and other reasonable disbursements. The Trustee may nevertheless begin suit, or appear in and defend suit, or do anything else in its judgment proper to be done by it as the Trustee, and in such case Green Bank shall reimburse the Trustee for all costs and expenses, outlays, liabilities, damages and counsel fees and expenses and other reasonable disbursements properly incurred in connection therewith.

### Section 1003. Responsibilities of Trustee.

(a) The recitals contained in this Indenture, any Supplemental Indenture and in the Bonds shall be taken as the statements of Green Bank and the Trustee assumes no responsibility for the correctness of the same. The Trustee makes no representations as to the validity or sufficiency of this Indenture, any Supplemental Indenture or of the Bonds or in respect of the security afforded by this Indenture or any Supplemental Indenture and the Trustee shall incur no responsibility in respect thereof. The Trustee shall be under no responsibility or duty with respect to: (i) the issuance of the Bonds for value; or (ii) the application of the proceeds thereof except to the extent that such proceeds are received by it in its capacity as Trustee; or (iii) the application of any moneys paid to Green Bank or others in accordance with this Indenture except as to the application of any moneys paid to it in its capacity as Trustee; or (iv) the recording or rerecording, registration or reregistration, filing or refiling of this Indenture or any security documents contemplated thereby; or (v) the validity of the execution by Green Bank of this Indenture; or (vi) compliance by Green Bank with the terms of this Indenture; or (vii) any information, statement or recital in any official statement, offering memorandum or any other disclosure material prepared or distributed with respect to the Bonds and shall have no responsibility for compliance with any state or federal securities laws in connection with the Bonds; or (viii) the review, verification or analysis of any financial statements filed with it hereunder and the Trustee shall hold any such financial statements solely as a repository for the benefit of the Bondholders and shall not be deemed to have notice of any information contained therein or default or event of default which may be disclosed therein in any manner (i.e., the delivery of any such reports, information and documents to the Trustee is for information purposes only and the Trustee's receipt of such shall not constitute notice or constructive notice of any information contained therein or determinable from information contained therein, including Green Bank's compliance with any of its covenants hereunder as to which the Trustee is entitled to rely exclusively on a Certificate of an Authorized Representative). The Trustee may require of Green Bank full information and advice regarding the performance of the covenants, conditions and agreements contained in this Indenture. The Trustee shall not be liable in connection with the performance of its duties hereunder except for its own negligence or willful misconduct.

(b) Except as otherwise provided in this Indenture, the Trustee shall not be bound to recognize any person as a holder of any Bond or to take action at such person's request, unless such person shall be the Bondholder of such Bond. Any action duly taken by the Trustee pursuant to this Indenture upon the request, authority or consent of any person who at the time of making such request or giving such authority or consent is the Bondholder of any Bond secured hereby shall be conclusive and binding upon all future Bondholders of such Bond.

(c) The duties and obligations of the Trustee shall be determined by the express provisions of this Indenture, and the Trustee shall not be liable except for the performance of such duties and obligations as are specifically set forth in this Indenture and no duties or obligations shall be implied to the Trustee. In the case of an Event of Default specified in Article IX hereof, which Event of Default has not been cured or waived and of which the Trustee is deemed to have knowledge, the Trustee shall exercise such of the rights and powers vested in it by this Indenture and shall use the same degree of care and skill in its exercise thereof as a prudent person would exercise or use under the circumstances in the conduct of his or her own affairs. The permissive right of the Trustee to do things enumerated in this Indenture shall not be construed as a duty. The

Trustee may act through agents or attorneys and shall not be responsible for the misconduct or negligence of agents or attorneys appointed with due care.

(d) The Trustee shall not be charged with knowledge of any event hereunder unless an officer or administrator in the Trustee's corporate trust department has actual knowledge of such event.

(e) In the absence of bad faith on its part, the Trustee may rely conclusively, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Trustee and conforming to the requirements of this Indenture; but in the case of any such certificates or opinions which by any provision hereof are required specifically to be furnished to the Trustee, the Trustee shall be under a duty to examine the same to determine whether or not they conform to the requirements of this Indenture.

(f) Except as otherwise expressly provided by the provisions of this Indenture, the Trustee shall not be obligated and may not be required to give or furnish any notice, demand, report, request, reply, statement, advice or opinion to the Bondholder of any Bond and the Trustee shall not incur any liability for its failure or refusal to give or furnish the same unless obligated or required to do so by an express provision hereof. The Trustee shall not be liable for any action taken or omitted by it in good faith and believed by it to be authorized or within the discretion or rights or powers conferred upon it by this Indenture. The Trustee shall incur no liability in respect of any action taken or omitted by it in good faith in accordance with the direction of the Bondholders of the percentage of the Bonds specified herein relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee or exercising any trust or power conferred upon the Trustee under this Indenture.

(g) In the event the Trustee shall receive inconsistent or conflicting requests and indemnity from two or more groups of Bondholders, each representing less than a majority of the principal amount of the Bonds then Outstanding, the Trustee, in its sole discretion, may determine what action, if any, shall be taken.

(h) The Trustee shall not be liable for interest on any funds deposited with it hereunder, except as the Trustee may otherwise specifically agree in writing.

Section 1004. Property Held in Trust. All moneys and securities held by the Trustee at any time pursuant to the terms of this Indenture shall be and hereby are assigned, transferred and set over unto the Trustee in trust for the purposes and under the terms and conditions of this Indenture.

Section 1005. Evidence on Which Trustee May Act. The Trustee shall be protected in acting upon any notice, resolution, request, consent, order, certificate, report, opinion, bond or other paper or document believed by it to be genuine, and to have been signed or presented by the proper party or parties. The Trustee may consult with counsel of its selection, who may or may not be counsel to Green Bank, and may rely on an opinion of such counsel. Any such opinion of counsel shall be full and complete authorization and protection in respect of any action taken or suffered, or any action not taken, by it in good faith and in accordance therewith, and the Trustee shall not be liable for any action taken or omitted in good faith in reliance on such opinion of

counsel. Whenever the Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering or not taking any action under this Indenture, such matter (unless other evidence in respect thereof be hereby specifically prescribed) may be deemed to be conclusively proved and established by a certificate signed by an Authorized Representative of Green Bank. Such certificate shall be full warrant for any action taken or suffered, or any action not taken, in good faith under the provisions hereof, but the Trustee may (but shall not be required to) in addition thereto or in lieu thereof require or accept other evidence of such fact or matter or may require such further or additional evidence as it may deem reasonable. Except as otherwise expressly provided herein, any request, order, notice or other direction required or permitted to be furnished pursuant to any provision hereof by Green Bank to the Trustee shall be sufficiently executed if executed in the name of Green Bank by an Authorized Representative.

Section 1006. Compensation and Indemnification. Unless otherwise provided by contract with the Trustee, Green Bank shall pay or cause to be paid to the Trustee after reasonable notice to Green Bank in light of the compensation sought to be received, reasonable compensation for all services rendered by it hereunder, including, if applicable, its services as registrar, paying agent and transfer agent, and also all its reasonable expenses, charges, counsel fees, expenses and other disbursements and those of its attorneys, agents, and employees, incurred in and about the performance of its powers and duties hereunder. Green Bank shall indemnify and save the Trustee harmless against any expenses and liabilities which it may incur in the exercise and performance of its powers and duties hereunder which are not due to its negligence or willful misconduct. None of the provisions contained in this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur financial liability in the performance of any of its duties or in the exercise of any of its rights or powers. The obligations of Green Bank under this Section to compensate the Trustee, to pay or reimburse the Trustee for expenses, disbursements, charges and counsel fees and to indemnify and hold harmless the Trustee shall survive the satisfaction and discharge of this Indenture, the removal or resignation of the Trustee and the payment of the Bonds.

Section 1007. Permitted Acts. The Trustee may become the owner of or may deal in Bonds or may deal with Green Bank as fully and with the same rights as if it were not the Trustee. The Trustee may act as depository for, and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, Green Bank or any committee formed to protect the rights of Bondholders or to effect or aid in any reorganization growing out of the enforcement of the Bonds or this Indenture, whether or not such committee shall represent the owners of a majority in principal amount of the Outstanding Bonds in respect of which any such action is taken.

Section 1008. Resignation of Trustee. The Trustee, or any successor thereof, may at any time resign and be discharged of its duties and obligations hereunder by giving not less than thirty (30) days' written notice to Green Bank and the Bondholders, specifying the date when such resignation shall take effect, provided such resignation shall not take effect until a successor shall have been appointed by Green Bank or a court of competent jurisdiction as provided in Section 1010 and shall have accepted such appointment.

Section 1009. Removal of Trustee. The Trustee, or any successor thereof, may be removed, upon thirty (30) days' written notice, with or without cause at any time by Green Bank, if no Event of Default under this Indenture shall have occurred and be continuing, or upon an Event of Default under this Indenture by the owners of a majority in principal amount of Outstanding



Bonds, excluding any Bonds held by or for the account of Green Bank, by an instrument or concurrent instruments in writing signed and acknowledged by such Bondholders or by their attorneys-in-fact duly authorized and delivered to Green Bank, provided that such removal shall not take effect until a successor is appointed. Such removal shall take effect upon the date a successor shall have been appointed by Green Bank or a court of competent jurisdiction as provided in Section 1010 and shall have accepted such appointment. Copies of each instrument providing for any such removal shall be delivered by Green Bank to the Trustee and any successor thereof.

Section 1010. Successor Trustee. (a) In case the Trustee, or any successor thereof, shall resign or shall be removed or shall become incapable of acting, or shall be adjudged a bankrupt or insolvent, or if a receiver, liquidator or conservator of the Trustee or of its property shall be appointed, or if any public officer shall take charge or control of the Trustee, or of its property or affairs, Green Bank shall forthwith appoint a Trustee to act. Notice of any such appointment shall be delivered by Green Bank to the Trustee so appointed and the predecessor Trustee. Green Bank shall give or cause to be given written notice of any such appointment to the Bondholders.

(b) If in a proper case no appointment of a successor shall be made within forty-five (45) days after the giving of written notice in accordance with Section 1008 or after the occurrence of any other event requiring or authorizing such appointment, the Trustee or any Bondholder may apply to any court of competent jurisdiction for the appointment of such a successor, and such court may thereupon, after such notice, if any, as such court may deem proper, appoint such successor.

(c) Any successor appointed under the provisions of this Section shall be a bank or trust company or national banking association which is able to accept the appointment on reasonable and customary terms and authorized by law to perform all the duties required by this Indenture, which is approved by Green Bank (unless an Event of Default under Section 901 exists, in which case a successor shall be appointed by the owners of a majority in principal amount of Outstanding Bonds or by a court pursuant to the above paragraph, or unless a successor is appointed by a court pursuant to the above paragraph) and which has a combined capital and surplus aggregating at least \$50,000,000 (or such other financial resources acceptable to Green Bank in its sole discretion), if there be such a bank or trust company or national banking association willing to serve as Trustee hereunder.

Section 1011. Transfer of Rights and Property to Successor Trustee. Any successor Trustee appointed under the provisions of Section 1010 shall execute, acknowledge and deliver to its predecessor, and also to Green Bank, an instrument accepting such appointment, and thereupon such successor, without any further act, deed or conveyance shall become fully vested with all moneys, estates, properties, rights, powers, duties and Bonds of its predecessor hereunder, with like effect as if originally appointed as Trustee. However, the Trustee then ceasing to act shall nevertheless, on request by Green Bank or of such successor, execute, acknowledge and deliver such instruments of conveyance and further assurance and do such other things as may reasonably be required for more fully and certainly vesting and confirming in such successor all the right, title and interest of such Trustee in and to any property held by it hereunder, and upon payment of its fees and expenses shall pay over, assign and deliver to such successor any moneys or other properties subject to the trusts and conditions herein set forth and subject to any indemnification

rights of the Trustee hereunder. Should any deed, conveyance or instrument in writing from Green Bank be required by such successor for more fully and certainly vesting in and confirming to it any such moneys, estates, properties, rights, powers, duties or obligations, any and all such deeds, conveyances and instruments in writing shall, on request, and so far as may be authorized by law, be executed, acknowledged and delivered by Green Bank.

Section 1012. Merger or Consolidation of the Trustee. Any company into which the Trustee may be merged or with which it may be consolidated or any company resulting from any merger or consolidation to which it shall be a party or any company to which such Trustee may sell or transfer all or substantially all of its corporate trust business, provided such company shall be a bank or trust company or national banking association qualified to be a successor to such Trustee under the provisions of Section 1010 (except that the approval of Green Bank shall not be required), shall be the successor to such Trustee, without any further act, deed or conveyance.

Section 1013. Several Capacities. Anything in this Indenture to the contrary notwithstanding, the same entity may serve hereunder as the Trustee and in any other capacities, to the extent permitted by law. The Trustee is hereby appointed to serve initially in the capacity of Trustee.

Section 1014. Co-Trustees.

(a) With the consent of Green Bank, for the purpose of meeting the legal requirements of any applicable jurisdiction, the Trustee shall have power to appoint one or more persons to act as co-trustee under this Indenture, with such powers as may be provided in the instrument of appointment, and to vest in such person or persons any property, title, right or power deemed necessary or desirable, subject to the remaining provisions of this Section.

(b) Each co-trustee shall, to the extent permitted by applicable law, be appointed subject to the following terms:

- (i) The rights, powers, duties and obligations conferred or imposed upon any such trustee shall not be greater than those conferred or imposed upon the Trustee, and such rights and powers shall be exercisable only jointly with the Trustee, except to the extent that, under any law of any jurisdiction in which any particular act or acts are to be performed, the Trustee shall be incompetent or unqualified to perform such act or acts, in which event such rights and powers shall be exercised by such co-trustee subject to the provisions of subsection (b) (iv) of this Section.
- (ii) The Trustee may at any time, by an instrument in writing executed by it and with written notice to Green Bank, accept the resignation of or remove any co-trustee appointed under this Section.
- (iii) No co-trustee under this Indenture shall be liable by reason of any act or omission of any other co-trustee appointed under this Indenture.

- (iv) No power given to such co-trustee shall be separately exercised hereunder by such co-trustee except with the consent in writing of the Trustee, anything herein contained to the contrary notwithstanding.

Section 1015. Trustee May Fix Record Date. The Trustee may, but shall not be obligated to, fix a record date for the purpose of determining the Bondholders entitled to give their consent or take any other action pursuant to this Indenture. If a record date is fixed, then at such record date only those persons (or their duly designated proxies), shall be entitled to give such consent or to revoke any consent previously given or to take any such action, whether or not such persons continue to be Bondholders after such record date. No such consent shall be valid or effective for more than one hundred twenty (120) days after such record date.

Section 1016. When Bonds Disregarded. In determining whether the Bondholders of the required principal amount of Bonds have concurred in any direction, waiver or consent, Bonds owned by Green Bank or by any entity directly or indirectly controlling or controlled by or under direct or indirect common control with Green Bank shall be disregarded and deemed not to be Outstanding, except that, for the purpose of determining whether the Trustee shall be protected in relying on any such direction, waiver or consent, only Bonds which the Trustee knows are so owned shall be so disregarded. Also, subject to the foregoing, only Bonds Outstanding at the time shall be considered in any such determination.

Section 1017. Compliance with CGS Section 4a-60 and 4a-60a.

(a) CGS Section 4a-60. In accordance with Connecticut General Statutes Section 4a-60(a), as amended, and to the extent required by Connecticut law, the Trustee agrees and warrants as follows: (1) in the performance of this Indenture it will not discriminate or permit discrimination against any person or group of persons on the grounds of race, color, religious creed, age, marital status, national origin, ancestry, sex, gender identity or expression, status as a veteran, intellectual disability, mental disability or physical disability, including, but not limited to, blindness, unless it is shown by the Trustee that such disability prevents performance of the work involved, in any manner prohibited by the laws of the United States or of the State of Connecticut and further to take affirmative action to insure that applicants with job-related qualifications are employed and that employees are treated when employed without regard to their race, color, religious creed, age, marital status, national origin, ancestry, sex, gender identity or expression, status as a veteran, intellectual disability, mental disability or physical disability, including, but not limited to, blindness, unless it is shown by the Trustee that such disability prevents performance of the work involved; (2) in all solicitations or advertisements for employees placed by or on behalf of the Trustee, to state that it is an “affirmative action-equal opportunity employer” in accordance with regulations adopted by the Commission on Human Rights and Opportunities (the “CHRO”); (3) to provide each labor union or representative of workers with which the Trustee has a collective bargaining agreement or other contract or understanding and each vendor with which the Trustee has a contract or understanding, a notice to be provided by the CHRO advising the labor union or workers’ representative of the Trustee’s commitments under Connecticut General Statutes Section 4a-60, and to post copies of the notice in conspicuous places available to employees and applicants for employment; (4) to comply with each provision of Connecticut General Statutes Sections 4a-60, 46a-68e and 46a-68f and with each regulation or

relevant order issued by the CHRO pursuant to Connecticut General Statutes Sections 46a-56, 46a-68e, 46a-68f and 46a-86; (5) to provide the CHRO with such information requested by the CHRO, and permit access to pertinent books, records and accounts, concerning the employment practices and procedures of the Trustee as relate to the provisions of Connecticut General Statutes Sections 4a-60a and 46a-56; and (6) to include provisions (1) through (5) of this section in every subcontract or purchase order entered into by the Trustee in order to fulfill any obligation of this Indenture, and such provisions shall be binding on a subcontractor, vendor or manufacturer unless exempted by regulations or order of the CHRO and take such action with respect to any such subcontract or purchase order as the CHRO may direct as a means of enforcing such provisions in accordance with Connecticut General Statutes Section 4a-60.

(b) CGS Section 4a-60a. In accordance with Connecticut General Statutes Section 4a-60a(a), as amended, and to the extent required by Connecticut law, the Trustee agrees and warrants as follows: (1) that in the performance of this Indenture, the Trustee will not discriminate or permit discrimination against any person or group of persons on the grounds of sexual orientation, in any manner prohibited by the laws of the United States or of the State of Connecticut, and that employees are treated when employed without regard to their sexual orientation; (2) to provide each labor union or representative of workers with which the Trustee has a collective bargaining agreement or other contract or understanding and each vendor with which the Trustee has a contract or understanding, a notice to be provided by the CHRO advising the labor union or workers' representative of the Trustee's commitments under Connecticut General Statutes Section 4a-60a, and to post copies of the notice in conspicuous places available to employees and applicants for employment; (3) to comply with each provision of Connecticut General Statutes Section 4a-60a and with each regulation or relevant order issued by the CHRO pursuant to Connecticut General Statutes Section 46a-56; (4) to provide the CHRO with such information requested by the CHRO, and permit access to pertinent books, records and accounts, concerning the employment practices and procedures of the Trustee which relate to the provisions of Connecticut General Statutes Sections 4a-60a and 46a-56; and (5) to include provisions (1) through (4) of this section in every subcontract or purchase order entered into by the Trustee in order to fulfill any obligation of this Indenture, and such provisions shall be binding on a subcontractor, vendor or manufacturer unless exempted by regulations or orders of the CHRO and take such action with respect to any such subcontract or purchase order as the CHRO may direct as a means of enforcing such provisions in accordance with Connecticut General Statutes Section 4a-60a.

(c) Required Submissions. The Trustee agrees and warrants that (1) it has delivered to Green Bank an affidavit signed under penalty of false statement by a chief executive officer, president, chairperson, member, or other corporate officer duly authorized to adopt corporate or company policy in the form as required under the Connecticut General Statutes; (2) if there is a change in the information contained in the most recently filed affidavit, the Trustee will submit an updated affidavit not later than the earlier of the execution of a new contract with the State or a political subdivision of the State or thirty days after the effective date of such change; and (3) the Trustee will deliver an affidavit to Green Bank annually, not later than fourteen days after the twelve-month anniversary of the most recently filed affidavit, stating that the affidavit on file with Green Bank is current and accurate.

Section 1018. Section 1018. Compliance with CGS Section 9-612(g)(2). For all State contracts as defined in Public Act 07-1 having a value in a calendar year of \$50,000 or more or a combination or series of such agreements or contracts having a value of \$100,000 or more, the Trustee's authorized signatory to this Indenture expressly acknowledges receipt of the State Elections Enforcement Commission's notice advising State contractors of State campaign contribution and solicitation prohibitions, and will inform its principals of the contents of the notice.

## **ARTICLE XI**

### **SATISFACTION AND DISCHARGE OF INDENTURE**

Section 1101. Payment of Bonds; Defeasance. If (i) Green Bank shall deliver to the Trustee for cancellation all Bonds theretofore authenticated (other than any Bonds which shall have been mutilated, destroyed, lost or stolen and which shall have been replaced or paid) and not theretofore cancelled, or (ii) upon payment of all Bonds not theretofore cancelled or delivered to the Trustee for cancellation, or (iii) Green Bank shall deposit with the Trustee as trust funds cash or Defeasance Obligations or both, sufficient to pay at maturity or upon redemption all Bonds not theretofore cancelled or delivered to the Trustee for cancellation, including without limitation principal and interest due or to become due to such date of maturity or redemption date, as the case may be, and if in any case Green Bank shall also pay or cause to be paid all other sums payable hereunder by Green Bank, then this Indenture shall cease to be of further effect, and the Trustee, on demand of Green Bank and at the cost and expense of Green Bank, shall execute proper instruments acknowledging satisfaction of and discharging this Indenture. Green Bank shall cause a report to be prepared by a firm nationally recognized for providing verification services regarding the sufficiency of funds for such discharge and satisfaction, upon which report the Trustee may rely. Green Bank hereby agrees to reimburse the Trustee for any costs or expenses theretofore and thereafter reasonably and properly incurred by the Trustee in connection with this Indenture or such Bonds.

Section 1102. Payment of Bonds after Discharge of Lien. Notwithstanding the discharge of the lien hereof as in this Article, the Trustee shall nevertheless retain such rights, powers and duties hereunder as may be necessary and convenient for the payment of amounts due or to become due on the Bonds and the registration, transfer, exchange and replacement of Bonds as provided in this Indenture. Nevertheless, any moneys held by the Trustee or any paying agent for the payment of the principal of, premium, if any or interest on any Bond remaining unclaimed for two years after the principal of all Bonds have become due and payable, whether at maturity or upon proceedings for redemption as provided herein, shall, subject to applicable law, then be paid to Green Bank and the Bondholders or coupons not theretofore presented for payment shall thereafter be entitled to look only to Green Bank for payment thereof as unsecured creditors and all liability of the Trustee or any paying agent with respect to such moneys shall thereupon cease.

## **ARTICLE XII**

### **MISCELLANEOUS PROVISIONS**

Section 1201. Evidence of Signatures of Bondholders and Ownership of Bonds.

(a) Any request, consent, revocation of consent or other instrument which this Indenture may require or permit to be signed and executed by the Bondholders may be in one or more instruments of similar tenor and shall be signed or executed by such Bondholders in person or by their attorneys-in-fact appointed in writing. Proof of the execution of any such instrument, or of an instrument appointing any such attorneys, shall be sufficient for any purpose of this Indenture (except as otherwise therein expressly provided) if made in any manner satisfactory to the Trustee. Proof of the holding of Bonds on any date shall be provided by the registration books of Green Bank maintained by the Trustee.

(b) Any request or consent by the owner of any Bond shall bind all future owners of such Bond and any Bond issued in exchange therefor in respect of anything done or suffered to be done by Green Bank or any Trustee in accordance therewith.

Section 1202. Governing Law. This Indenture shall be construed and adjudicated in accordance with the laws of the State of Connecticut applicable to contracts made and performed in the State of Connecticut, without giving effect to any choice of law rules or provisions.

Section 1203. Counterparts. This Indenture may be executed in several counterparts, each of which shall be an original and all of which shall constitute one instrument. The counterparts of this Indenture may be executed and delivered by facsimile or other electronic signature (including portable document format) and the parties hereto may rely on the receipt of such document so executed and delivered electronically or by facsimile as if the original had been received.

Section 1204. Parties Interested Herein. Nothing in this Indenture expressed or implied is intended or shall be construed to confer upon, or to give to, any person or corporation, other than Green Bank, the Trustee, the State and the Bondholders, any right, remedy or claim under or by reason of this Indenture of any covenant, condition or stipulation thereof; and all covenants, stipulations, promises and agreements in this Indenture contained by and on behalf of Green Bank shall be for the sole and exclusive benefit of Green Bank, the Trustee, and the Bondholders.

Section 1205. No Recourse on the Bonds. No recourse shall be had for the payment of the principal of or interest on the Bonds or for any claim based thereon or on this Indenture against any officer of Green Bank or any person executing the Bonds, or any employee or agent of the foregoing.

Section 1206. Successors and Assigns. Whenever in this Indenture Green Bank is named or referred to, it shall be deemed to include its successors and assigns and all the covenants and agreements in this Indenture contained by or on behalf of Green Bank shall bind and inure to the benefit of its respective successors and assigns whether so expressed or not.

Section 1207. Severability of Invalid Provisions. If any one or more of the covenants or agreements provided in this Indenture on the part of Green Bank or the Trustee to be performed should be contrary to law, then such covenant or covenants, agreement or agreements, shall be deemed severable from the remaining covenants and agreements, and shall in no way affect the validity of the other provisions of this Indenture.

Section 1208. Payments on Saturdays, Sundays and Holidays. In any case where the date of any payment required to be made under this Indenture shall not be a Business Day, then such

payment shall not be made on such date but shall be made on the next succeeding Business Day, with the same effect as if made on such prior date.

Section 1209. Effective Date. This Indenture shall take effect upon its execution by the Authorized Representative of Green Bank.

Section 1210. Notice.

(a) Except as provided in subsection (b) of this Section, unless otherwise expressly specified or permitted by the terms of this Indenture, all notices shall be in writing, sent by registered or certified mail, postage prepaid, or by national overnight courier service, or by personal delivery, or by Electronic Means (as defined in subsection (b) of this Section) with a pdf attachment of such notice (with prompt telephonic confirmation of receipt), to the following addresses, or to such other address as Green Bank or the Trustee shall from time to time designate by notice in writing to the other.

If to Green Bank:

Connecticut Green Bank  
75 Charter Oak Avenue, Suite 1-103  
Hartford, CT 06106  
Attn: President

If to the Trustee:

The Bank of New York Mellon Trust Company, N.A.  
500 Ross Street, 12<sup>th</sup> Floor  
Pittsburgh, PA 15262  
Attn: Corporate Trust Administration

If to the State:

Office of the Treasurer  
165 Capitol Avenue  
Hartford, CT 06106  
Attn: Assistant Treasurer for Debt Management

(b) The Trustee shall have the right to accept and act upon instructions, including funds transfer instructions (“Instructions”) given pursuant to this Indenture and related financing documents and delivered using Electronic Means; provided, however, that Green Bank shall provide to the Trustee an incumbency certificate listing officers with the authorization to provide such Instructions (“Authorized Officers”) and containing specimen signatures of such Authorized Officers, which incumbency certificate shall be amended by Green Bank whenever a person is to be added or deleted from the listing. If Green Bank elects to give the Trustee Instructions using Electronic Means and the Trustee in its discretion elects to act upon such Instructions, the Trustee’s reasonable understanding of such Instructions shall be deemed controlling. Green Bank understands and agrees that the Trustee cannot determine the identity of

the actual sender of such Instructions and that the Trustee shall conclusively presume that directions that purport to have been sent by an Authorized Officer listed on the incumbency certificate provided to the Trustee have been sent by such Authorized Officer. Green Bank shall be responsible for ensuring that only Authorized Officers transmit such Instructions to the Trustee and that Green Bank and all Authorized Officers are solely responsible to safeguard the use and confidentiality of applicable user and authorization codes, passwords and/or authentication keys upon receipt by Green Bank. The Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from the Trustee's reliance upon and compliance with such Instructions notwithstanding such directions conflict or are inconsistent with a subsequent written instruction. Green Bank agrees: (i) to assume all risks arising out of the use of Electronic Means to submit Instructions to the Trustee, including without limitation the risk of the Trustee acting on unauthorized Instructions, and the risk of interception and misuse by third parties; (ii) that it is fully informed of the protections and risks associated with the various methods of transmitting Instructions to the Trustee and that there may be more secure methods of transmitting Instructions than the method(s) selected by Green Bank; (iii) that the security procedures (if any) to be followed in connection with its transmission of Instructions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances; and (iv) to notify the Trustee immediately upon learning of any compromise or unauthorized use of the security procedures. "Electronic Means" shall mean the following communications methods: e-mail, secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys issued by the Trustee, or another method or system specified by the Trustee as available for use in connection with its services hereunder.



**SIGNATURE PAGE**

IN WITNESS WHEREOF, the President and Chief Executive Officer of the Connecticut Green Bank, and the Trustee, in acceptance of the trusts created hereunder, has caused this Indenture to be signed in its corporate name by its officer thereunder duly authorized, all as of the day and year first written above.

**CONNECTICUT GREEN BANK**

BY: \_\_\_\_\_  
Bryan Garcia  
President and Chief Executive Officer

**THE BANK OF NEW YORK MELLON TRUST  
COMPANY, N.A., as Trustee**

BY: \_\_\_\_\_

Its:

**SCHEDULE 1**

**Connecticut Green Bank  
State Supported Solar Home Renewable Energy Credit, Green Liberty Bonds,  
Series 2025  
(Federally Taxable)  
(Climate Bond Certified)**

Dated: October \_\_\_\_, 2025.

Interest Payment Dates: May 15 and November 15 of each year, commencing May 15, 2026.

Principal Payment Dates and Amounts:

Serial Bonds: \$\_\_\_\_\_

<u>Maturity</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Price</u>
November 15, 2026			
November 15, 2027			
November 15, 2028			
November 15, 2029			
November 15, 2030			
November 15, 2031			
November 15, 2032			
November 15, 2033			
November 15, 2034			
November 15, 2035			
November 15, 2036			
November 15, 2037			

**EXHIBIT A**

**FORM OF BOND**

No. \_\_\_\_

**NEITHER THE STATE OF CONNECTICUT NOR ANY POLITICAL SUBDIVISION THEREOF SHALL BE OBLIGATED TO PAY THE PRINCIPAL OF OR THE INTEREST ON THIS BOND EXCEPT FROM THE TRUST ESTATE AND OTHER RECEIPTS, FUNDS OR MONEYS PLEDGED THEREFOR PURSUANT TO THE INDENTURE. NEITHER THE FULL FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OF CONNECTICUT OR OF ANY POLITICAL SUBDIVISION THEREOF, INCLUDING THE CONNECTICUT GREEN BANK, IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THIS BOND. THE CONNECTICUT GREEN BANK HAS NO TAXING POWER.**

**CONNECTICUT GREEN BANK  
STATE SUPPORTED SOLAR HOME RENEWABLE ENERGY CREDIT  
GREEN LIBERTY BOND, SERIES 2025  
(FEDERALLY TAXABLE)  
(CLIMATE BOND CERTIFIED)**

DATED DATE: OCTOBER \_\_\_\_, 2025  
MATURITY DATE: NOVEMBER 15, 20\_\_\_\_\_  
INTEREST RATE: \_\_\_\_\_%  
CUSIP: 207580\_\_\_\_\_

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT  
IN DOLLARS (U.S.): \_\_\_\_\_ DOLLARS (\$\_\_\_\_\_)

THE CONNECTICUT GREEN BANK ("Green Bank"), a body politic and corporate constituting a public instrumentality and political subdivision of the State of Connecticut (the "State"), for value received, hereby promises to pay to the Registered Owner shown above, or registered assigns as provided herein, the Principal Amount shown above on the Maturity Date shown above, and to pay interest (calculated on the basis of a 360-day year consisting of twelve 30-day months) on such Principal Amount until such Principal Amount is paid or has been duly provided for, at the annual Interest Rate shown above, on May 15, 2026 and semi-annually thereafter on the fifteen day of May and November in each year. This bond will bear interest from the most recent interest payment date to which interest has been paid or, if no interest has been paid, from the Dated Date shown above.

This bond is one of a duly authorized issue of the State Supported Solar Home Renewable Energy Credit, Green Liberty Bonds, Series 2025 of Green Bank, of like tenor, except as to number, interest rate, maturity date and denomination, consisting of an aggregate principal amount of \$\_\_\_\_\_ Dollars (\$\_\_\_\_\_), payable on November 15 in each year as follows: \_\_\_\_\_ (the “Bonds”). The Bonds are issued by Green Bank under authority of the constitution and statutes of the State of Connecticut and pursuant to a resolution adopted by Green Bank’s Board of Directors on August 20, 2025.

**THIS BOND SHALL NOT BE DEEMED TO CONSTITUTE A DEBT OR LIABILITY OF THE STATE OR OF ANY POLITICAL SUBDIVISION THEREOF OR A PLEDGE OF THE FULL FAITH AND CREDIT OF THE STATE OR ANY SUCH POLITICAL SUBDIVISION THEREOF (OTHER THAN GREEN BANK), BUT SHALL BE PAYABLE SOLELY FROM THE TRUST ESTATE AND OTHER RECEIPTS, FUNDS OR MONEYS PLEDGED THEREFOR PURSUANT TO THE INDENTURE. THE STATE SHALL NOT BE OBLIGATED TO PAY THIS BOND OR THE INTEREST THEREON, NOR SHALL GREEN BANK BE OBLIGATED TO PAY THIS BOND OR THE INTEREST THEREON EXCEPT FROM THE REVENUES AND OTHER RECEIPTS, FUNDS AND MONEYS PLEDGED THEREFOR. NEITHER THE FULL FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OR OF ANY POLITICAL SUBDIVISION THEREOF (INCLUDING, FOR PURPOSES OF THIS SENTENCE, GREEN BANK) IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL, INTEREST, OR PREMIUM, IF ANY, ON THIS BOND. GREEN BANK HAS NO TAXING POWER. THE ISSUANCE OF THIS BOND SHALL NOT DIRECTLY OR INDIRECTLY OR CONTINGENTLY OBLIGATE THE STATE OR ANY POLITICAL SUBDIVISION THEREOF TO LEVY OR TO PLEDGE ANY FORM OF TAXATION WHATEVER THEREFOR OR TO MAKE ANY APPROPRIATIONS FOR ITS PAYMENT, EXCEPT AS PROVIDED IN THE INDENTURE.**

This bond is authorized pursuant to Sections 16-245n and 16-245kk through 16-245mm, inclusive, of the Connecticut General Statutes, as amended to date (the “Act”), and is issued pursuant to a resolution adopted by Green Bank’s Board of Directors, an Indenture of Trust (the “Indenture”) entered into by and between Green Bank and The Bank of New York Mellon Trust Company, N.A., as trustee (such trustee and any successor thereto under the Indenture being herein called the “Trustee”), dated as of October 1, 2025, and other proceedings had and taken in conformity therewith, or determined pursuant thereto. This bond is payable solely from the Trust Estate and other receipts, funds or moneys pledged therefor pursuant to the Indenture. Reference to the Indenture and to the Act is made for a description of the pledges and covenants securing this bond, the nature, extent and manner of enforcement of such pledges, the rights and remedies of the owners of this bond with respect thereto and the terms and conditions upon which this bond is issued, including for the purpose of refunding outstanding bonds. Terms not defined herein shall have the meanings set forth for such terms in the Indenture. Certified copies of the Indenture are on file in the office of the Trustee and in the office of Green Bank.

The Bonds are issued by means of a book-entry-only system with no physical distribution of bond certificates to the beneficial owners of the Bonds. Green Bank shall deposit with The Depository Trust Company (together with any successor securities depository for the Bonds, the “Securities Depository”) one bond certificate, registered in the name of the Securities Depository's

nominee, Cede & Co., for each stated maturity of the Bonds, and such certificates shall remain in the custody of the Securities Depository for so long as it acts as securities depository for the Bonds. Green Bank reserves the right to terminate the book-entry-only system for the Bonds and the right to appoint successor securities depositories for the Bonds. Upon the termination, if any, of the book-entry-only system established for the Bonds, Green Bank shall cause bond certificates in the authorized denominations to be delivered to each beneficial owner of the Bonds representing each such beneficial owner's ownership of Bonds of this issue.

Unless this bond certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to Green Bank or its agent for registration of transfer, exchange, or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

Payment of each installment of interest shall be made to the Registered Owner and shall be paid in accordance with the agreement between Green Bank and the Securities Depository, or, following the termination, if any, of the book-entry-only system established for the Bonds, by check mailed to the registered owner of this bond who shall appear on the registration books of Green Bank maintained by the Trustee at the close of business on the last business day of the calendar month preceding the interest payment date, at the address of the registered owner as it appears on the registration books.

The Bonds maturing on or before November 15, 20\_\_ are not subject to redemption prior to maturity. The Bonds maturing on November 15, 20\_\_ are subject to redemption prior to maturity, at the option of Green Bank, on and after November 15, 20\_\_, at any time, in whole or in part, in such amounts as Green Bank may determine, at the redemption prices (expressed as a percentage of the principal amount of the Bonds to be redeemed) set forth in the following table, plus interest accrued and unpaid to the redemption date:

**Redemption Dates**

**Redemption Prices**

November 15, 20\_\_ and thereafter

100%

Notice of redemption shall be given by Green Bank or its agent by mailing a copy of the redemption notice by first-class mail at least twenty (20) days prior to the date fixed for redemption to the registered owner of any Bonds designated for redemption in whole or in part at the address of such registered owner as the same shall last appear on the registration books for the Bonds. Failure to give such notice to any registered owner, or any defect therein, shall not affect the validity of the redemption of any other Bonds. Upon the giving of such notice, if sufficient funds available solely for redemption are on deposit with the Trustee as paying agent for the Bonds, the Bonds or portions thereof so called for redemption will cease to bear interest after the specified redemption date.

If less than all of the Bonds subject to redemption shall be called for redemption, the particular Bonds or portions of Bonds to be redeemed shall be selected by lot in such manner as Green Bank in its sole discretion may determine; provided, however, that in selecting Bonds for redemption, each bond shall be considered as representing that number of Bonds which is obtained by dividing the principal amount of such bond by \$1,000.

Green Bank, so long as a book-entry-only system is used for the Bonds, will send a notice of redemption only to the Securities Depository or its nominee. Any failure of such Securities Depository to advise any participant or any failure of any participant or indirect participant to notify any indirect participant or beneficial owner of such notice and its content or effect will not affect the validity of the redemption of the Bonds called for redemption.

The principal, and redemption premium, if any, of this bond is payable upon presentation and surrender of this bond at the principal office of the Trustee as paying agent for the Bonds.

The Bonds are issued in registered form in denominations of \$1,000 or any multiple thereof. A registered owner may exchange bonds of this issue for other registered bonds of any of the authorized denominations with the same Maturity Date and Interest Rate and in the same aggregate principal amount, upon surrender of the bonds at the principal office of the Trustee as transfer agent (the "Transfer Agent") upon payment of any tax, fee, or other governmental charge required to be paid with respect to such exchange and subject to any other conditions imposed by the Transfer Agent.

This bond is transferable only on the registration books of Green Bank kept at the principal office of the Transfer Agent by the registered owner of this bond in person or by such owner's attorney duly authorized in writing, upon surrender of this bond together with a written instrument of transfer satisfactory to the Transfer Agent duly executed by the registered owner of this bond, or such owner's attorney duly authorized in writing, and thereupon a new registered bond or bonds in the same aggregate principal amount, and with the same Maturity Date and Interest Rate, shall be issued to the transferee in exchange for this surrendered bond, upon payment of any tax, fee or other governmental charge required to be paid with respect to such transfer and subject to any other conditions imposed by the Transfer Agent.

The Transfer Agent is not required to transfer or exchange any bond of this issue during the period from the close of business on the last business day of the month preceding each interest payment date until the next business day following such interest payment date. So long as the Bonds are, and are to remain, in book-entry-only form, the Transfer Agent shall make no transfer or exchange of any bond of this issue except to a successor Securities Depository for the Bonds.

Green Bank and the Transfer Agent may deem and treat the person in whose name this bond is registered as the absolute owner of this bond for the purpose of receiving payment of the principal of this bond and the interest due on this bond and for all other purposes, and neither Green Bank nor the Transfer Agent shall be affected by any notice to the contrary.

The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of Green Bank and the rights of the holders of the Bond at any time by Green Bank with the consent of the holders of not less than a majority in

aggregate principal amount of the Bond at the time outstanding thereunder. Any such consent shall be conclusive and binding upon each such holder and upon all future holders of each Bond and of any Bond issued upon the transfer or exchange thereof, whether or not notation of such consent is made thereon. The holder of this Bond shall have no right to enforce the provisions of the Indenture, to institute action to enforce the provisions and covenants thereof or to institute, appear in or defend any suit or other proceedings with respect thereto, except as provided in the Indenture.

This bond is issued pursuant to and in full compliance with the Constitution and laws of the State. It is hereby certified, recited and declared that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this bond do exist, have happened and have been performed in due time, form and manner as required by law and that the issuance of this bond, together with all other obligations of Green Bank, do not exceed or violate any constitutional or statutory limitation.

This bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Indenture until the Certificate of Authentication hereon shall have been signed by the Trustee.

IN WITNESS WHEREOF, CONNECTICUT GREEN BANK has caused this bond to be executed in its name by the manual signature of its President and Chief Executive Officer and attested by the manual signature of an Authorized Officer all as of the bond date set forth above.

CONNECTICUT GREEN BANK

By: \_\_\_\_\_  
Name: Bryan Garcia  
Title: President and Chief Executive Officer

Attest:

\_\_\_\_\_  
Brian R. Farnen  
General Counsel and Chief Legal Officer



**TRUSTEE'S CERTIFICATE OF AUTHENTICATION**

This is to certify that this Bond is one of the bonds described in the within mentioned Indenture and one of the bonds of the particular issue described herein.

By: \_\_\_\_\_  
Its Authorized Officer or Official



## **FINDINGS OF SELF SUFFICIENCY FOR SOLAR HOME RENEWABLE ENERGY CREDIT (SHREC) TAXABLE MUNICIPAL BOND ISSUANCE BY THE CONNECTICUT GREEN BANK**

August 13, 2025

### **Introduction and Background**

Section 16-245mm of the Connecticut General Statutes (“CGS”) requires, as a condition of the issuance of any bonds by the Connecticut Green Bank (“Green Bank”) for a project backed by a Special Capital Reserve Fund (“SCRf”), that the Green Bank determine that the revenues from a project will be sufficient to pay all the costs of the project, including debt service.

Specifically, Section 16-245mm(e) of the CGS provides that no “bonds secured by a SCRf shall be issued to pay project costs unless the Green Bank is of the opinion and determines that the revenues from the project shall be sufficient to:

- (1) pay the principal of and interest on the bonds issued to finance the project,*
- (2) establish, increase and maintain any reserves deemed by the Green Bank to be advisable to secure the payment of the principal of and interest on such bonds,*
- (3) pay the cost of maintaining the project in good repair and keeping it properly insured, and*
- (4) pay such other costs of the project as may be required.”*

Green Bank proposes to issue SCRf-backed taxable municipal bonds in a principal amount projected to be between \$15,000,000 to \$20,000,000 (the “Bonds”) on or around September 5, 2025, based on a minimum debt service coverage ratio (“DSCR”) of 1.15x<sup>1</sup>, secured by the sale of solar home renewable energy credits (“SHREC Receivables”), created under Connecticut Green Bank’s Solar Home Renewable Energy Credit (“SHREC”) program. The Connecticut Green Bank’s Residential Solar Investment Program (or “RSIP”) under which the SHREC program was administered ended on December 31, 2022. This issuance would mark the third use of a SCRf to support a Green Bank bond issuance related to SHREC Receivables. In July 2020, the Green Bank successfully issued SCRf-backed taxable municipal bonds in a principal amount of \$16,795,000 (the “Tranche 3 Bonds”). These bonds were the first “Green Liberty Bonds” – a major effort by the Green Bank to democratize access to retail investors who want to support capital investments in support of the fight against climate change. Unlike prior financings of the Green Bank which have been backed by a SCRf where a project involved the Green Bank financing the construction of a clean energy facility, such as a hydroelectric facility or solar photovoltaic (“PV”) systems for Connecticut state colleges and universities, in the proposed issuance, as is the case with the Tranche 3 Bonds, the “project” is the SHREC program which supports the RSIP noted above. In

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<sup>1</sup> Based on P90 revenue generation estimates provided by an Independent Engineer.

April 22, 2021, the Green Bank successfully issued SCRF-backed taxable municipal bonds in a principal amount of \$24,834,000 (the “Tranche 4 Bonds”).

Under the RSIP, the Green Bank would confer incentives to Connecticut homeowners who purchased solar PV systems for their home and for so-called third-party owners (“TPOs”) who provided these systems under lease agreements or the energy from these systems under power purchase agreements (“PPAs”). In return for these incentives, the Green Bank took title to all environmental attributes (such as energy credits, like SHRECs) and energy attributes (such as forward capacity benefits). Under the SHREC program, once created, SHRECs are sold by the Green Bank to Connecticut’s two investor-owned utility companies, The Connecticut Light and Power Company, d/b/a Eversource Energy (“Eversource”) and United Illuminating Company (“United Illuminating”, and collectively, the “Utilities”) under two Master Purchase Agreements (each, a “Master Purchase Agreement” or “MPA”) for a period of fifteen years, as statutorily required by CGS Section 16-245gg (the “SHREC Statute”). Importantly, pursuant to CGS Section 16-245a, the electric suppliers are required to obtain a specific percentage or amount of energy they generate or sell from renewable sources under Connecticut’s Renewable Portfolio Standard.

### **Initial Issuances of Bonds Secured by SHRECs**

As noted, the SHRECs are generated from solar photovoltaic systems participating in the RSIP. The SHRECs have been aggregated into annual tranches (each a “Tranche”) and are sold to the Utilities at a fixed, predetermined price (the “SHREC Tranche Purchase Price”) over a 15-year period. In April 2019, the Green Bank (through a special purpose entity) issued approximately \$38.6 million in two classes of notes under an asset backed securities (“ABS”) structure (the “SHREC Series 2019-1 Notes”). The SHREC Series 2019-1 Notes were supported by Tranche 1 and Tranche 2 of the SHREC program and were rated by Kroll. Kroll assigned an A- rating to the senior notes and BBB+ rating to the junior notes which were issued without the support of the Green Bank or a SCRF (and these ratings were affirmed on September 24, 2024).<sup>2</sup>

Although the ABS structure resulted in the successful placement of bonds by the Green Bank, in reviewing the results of the placement with our financial advisor at that time, Green Bank concluded that the municipal bond structure supported by the SCRF could be beneficial to the Green Bank in the following ways:

1. Using the SCRF, Green Bank could enhance the rating on bonds issued and achieve a higher advance rate per dollar of SHREC receivables.
2. The enhanced rating would lower the cost of funds the Green Bank could achieve in a similarly collateralized ABS issuance.
3. The higher advance rate would result in higher net proceeds than a similarly collateralized ABS issuance.
4. As demonstrated with similar issuances by NYSEDA (which issued bonds backed by a pool of solar loans), a municipal structure could be more competitively priced by attracting investors that would appreciate the SHREC bonds “green attributes” (Green Bank staff were told by several prospective ABS investors that green attributes were not a material factor in deciding whether to invest in a bond or not and that the over-riding considerations were the credit rating and yield).

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<sup>2</sup> <https://www.kbra.com/publications/ZrhqmvGM/shrec-abs-1-llc-series-2019-1-surveillance-report?format=file>

5. A municipal structure could be issued by the Green Bank with an all in cost of approximately one-third to 40% the cost of an ABS issuance.
6. Finally, to be eligible for an ABS structure (i.e., to appeal to the investor base in these securities) an offering had to be sized at approximately \$40 to \$50 million vs. the municipal structure which has a much lower threshold for offering amounts (as has been demonstrated by NYSERDA and Green Bank).

### **Introducing Green Liberty Bonds**

Consequently, the Green Bank worked with its financial advisor and selected underwriters to pursue a municipal bond structure for its next SHREC-backed bond issuance. On July 29<sup>th</sup>, 2020, the Green Bank issued \$16,795,000 of SHREC Green Liberty Bonds (“2020 GLBs”), supported by Tranche 3. The 2020 GLBs were rated A by S&P, based on the credit support offered by the SCRF (see Exhibit H-1), and widely distributed to both retail and institutional investors. The issuance was a success for the Green Bank due to its (a) efficient structure and low transaction cost with (b) high advance rates and low cost of capital that (c) appeal to a broad array of environmental, social, and governance-focused investors, both retail and institutional. In particular, a key feature of this inaugural issuance of Green Liberty Bonds was their ability to reach retail investors, who could purchase bonds in \$1,000 denominations, furthering the Green Bank’s mission to democratize clean energy investment opportunities as well as deepen our internal expertise in both municipal and smaller denomination bonds, so-called “mini-bonds”. On April 22, 2021, the Green Bank issued \$24,834,000 of SHREC Green Liberty Bonds (“2021 GLBs”), supported by Tranche 4. The 2021 GLBs were rated A by S&P, based on the credit support offered by the SCRF (see Exhibit H-2).

Building off of the success of the Tranche 3 and Tranche 4 bonds, this bond issuance (Connecticut Green Bank SHREC series 2025 Green Liberty Bonds) will be similarly supported by revenues from (a) Tranche 5, comprised of 7,264 solar PV systems with a SHREC Tranche Purchase Price of \$35.00 per SHREC and (b) Tranche 6, comprised of 3501 solar PV systems with a SHREC Tranche Purchase Price of \$34.00 per SHREC. The Green Bank intends to issue bonds in the maximum principal amount consistent with the debt service coverage ratio (DSCR) of 1.15x, with the proceeds (net of cost of issuance) used to (i) reimburse the Green Bank for the cost of the incentives associated with the systems comprising Tranche 5 and Tranche 6, plus the carrying costs of those incentives, (ii) fund the future incentives the Green Bank is obligated to pay with respect to such systems, (iii) recover the administrative expenses of the Green Bank incurred in originating the Tranche 5 and Tranche 6 SHRECs allocable to Tranche 5 and Tranche 6 and (iv) other costs associated with the RSIP, to the extent proceeds are available for such other costs.

### **Revenue Generation - SHREC Creation and Sale Process**

On a quarterly basis, the Green Bank downloads the electricity generation data from SHREC eligible, tranchised residential solar PV systems. The Green Bank accesses the data via a webhosted platform called Locus that receives generation data every 15 minutes from meters located on the platform. Certain residential rooftop solar systems affected by the shutdown of 3G networks which were used by these systems to report data to the Green Bank were no longer capable of reporting to the Green Bank due to the 3G network shutdown. To gather generation from these affected systems, the Green Bank used a predictive model, using actual performance data of nearby reporting systems, to estimate the generation of these affected systems. This allows the Green Bank

to create certificates in the NEPOOL GIS. This estimation methodology was approved for use on a permanent basis by the NEPOOL GIS effective May 6, 2025, and allows the Green Bank to create certificates for systems that stop communicating for a variety of reasons. To convert the downloaded and estimated electricity generation data to SHRECs, the Green Bank submits the data to the NEPOOL GIS. There is a time lag of one calendar quarter between when the electricity was generated and when the data is submitted to NEPOOL GIS and the SHRECs created:

<b>Electricity generated (Calendar Quarter)</b>	<b>Green Bank submits electricity generation data to NEPOOL GIS (date)</b>	<b>SHRECs created by NEPOOL GIS (date)</b>	<b>SHRECs Payment by Utilities (date)</b>
1. (Jan 1—Mar 31)	July 10	July 15	August 31
2. (Apr 1—Jun 30)	October 10	October 15	November 30
3. (Jul 1—Sep 30)	January 10	January 15	February 28
4. (Oct 1—Dec 31)	April 10	April 15	May 31

NEPOOL GIS creates SHRECs on a one for one basis, i.e., one SHREC created for one megawatt hour of electricity generated.

On the day they are created, the SHRECs are sold to the Utilities and automatically transferred from the Green Bank’s NEPOOL GIS account to the NEPOOL GIS accounts of the Utilities. Under the terms of the Master Purchase Agreements, there is an 80%/20% split in this automatic transfer, with 80% of the SHRECs being transferred to Eversource’s account and 20% to United Illuminating’s account. Title to the SHRECs passes from the Green Bank to each respective Utility upon this transfer, and the Green Bank is able to invoice the Utilities for the sale over a 15 year period in accordance with the provisions of the MPAs noted above. Payment from the Utilities is due on the last business day of the month following the month during which such SHRECs were delivered (see table above for payment dates).

### **SHREC Eligibility**

Green Bank staff have certified that systems are SHREC eligible through the Green Bank process for reviewing all systems for which an incentive application and subsequent completion paperwork is submitted to the program. While the RSIP was active, Green Bank staff reviewed every solar PV system incentive application in detail, including the sales or lease/PPA contract, the customer’s electric bill, the solar PV system one-line electrical diagram, shade report, and site plan. After systems were installed, all eligible solar PV systems had to pass municipal inspection with local officials (e.g., building and/or electrical officials) and received utility approval to energize (which may have included a witness test/inspection in UI territory). Upon receiving approval to energize, contractors submitted completion paperwork to the Green Bank (via PowerClerk, the online incentive application and document management system) including a project completion form, equipment packing slip, the utility approval to energize document, and a self-inspection report and photos of the system.

As a result of this process, Green Bank staff was able to verify all key SHREC-eligibility information including the utility approval to energize and Green Bank ownership of the SHRECs associated with the system.

As set forth in Connecticut general statutes and as ordered by the Connecticut Public Utility Regulatory Authority (“PURA”), a utility’s obligation to purchase SHRECs are as follows:

- a. A SHREC system must receive regulatory approval and all necessary corporate approvals. A system must first become certified as a Class I renewable energy source in CT. This is done by the Green Bank submitting an application to PURA to receive Class 1 certification for that facility (done on a batch basis). Systems that have received this certification are eligible to be put in a SHREC tranche.
- b. There needs to be an executed Tranche Confirmation. Following receipt from PURA of Class 1 certification for the SHREC systems, the Green Bank can create a SHREC tranche by executing a Transaction Confirmation Agreement with the utilities that contains a list of facilities that are Class I certified but have not been included in a previous tranche. Once this agreement is executed, facility generation can be input into the NEPOOL GIS system, which then allows for RECs to be created on a quarterly basis over the 15-year life of the tranche. The NEPOOL GIS process to create a REC takes one quarter plus 15 days after generation has occurred (e.g., generation for Q1 2025 would result in Green Bank submitting data on July 10 and REC creation on July 15, 2025).
- c. Each quarter, the Green Bank certifies that quarter’s generation, the Tranche Purchase Price, and that the systems meet the other eligibility criteria (e.g., Class I renewable energy source that has received a Green Bank incentive).

These conditions to purchase are specified in the MPA and readily achievable in the ordinary course of business by the Green Bank completing the SHREC minting process. The Green Bank has completed and invoiced on a quarterly basis since the first Tranche in 2017 and the Utilities have paid each invoice for all tranches without issue.

### **Use of Bond Proceeds – SHREC Cost Recovery and Future Expenses**

In addition to recovering the cost of bond issuance, proceeds from bond issuance will enable the Green Bank to recover previous RSIP expenses (including substantial incentive payments) which will allow the Green Bank to invest in future deployment of clean energy throughout the state as well as provide for future incentive payments and administrative costs for legacy RSIP-SHREC activities and monitoring (see table below). Below is the expected use of funds from the issuance.

	<b>T5</b>	<b>T6</b>	<b>Total</b>
Total EPBBs paid	5,878,153.00	3,962,514.25	9,840,667.25
Total PBIs paid	4,665,840.20	1,330,283.07	5,996,123.27
<b>Total Paid</b>	<b>10,543,993.20</b>	<b>5,292,797.32</b>	<b>15,836,790.52</b>
Remaining EPBB	-	-	-
Remaining PBI	5,307,872.34	2,334,077.66	7,641,950.00
<b>Total Remaining</b>	<b>5,307,872.34</b>	<b>2,334,077.66</b>	<b>7,641,950.00</b>

<b>Use of Funds / Cost Recovery</b>	
<u>RSIP Incentives (Tranche 5 &amp; 6)</u>	
Paid	\$15,836,791
To Be Paid	\$7,641,950
Total RSIP Incentives	\$23,478,741
<u>SHREC Payments Received (Tranche 5 &amp; 6)</u>	
Received and Applied to RSIP Incentives	\$11,878,583
Bond Proceeds to be applied to RSIP Incentives (A)	\$11,600,158
<u>Fund Deposits</u>	
SCRF Reserve Account (B)	\$2,170,503
<u>Financing Costs</u>	
Warehouse Fees and Expenses	\$425,000
Cost of Issuance - to CGB	\$375,000
Underwriters' Discount	\$232,011
Total Financing Costs (C)	\$1,032,011
Administrative (D)	\$3,044,328
Total Use of Funds (A + B + C + D)	<b>\$17,847,000</b>

### **Bond Structure**

Green Bank has engaged the underwriting services of Ramirez & Co., Inc. (“Ramirez” or the “Underwriters”) to structure and price the Bonds. The principal amount issued is projected to be between \$15,000,000 and \$20,000,000, with the final sizing to be determined based on market conditions at pricing. To the extent interest cost is lower (or, conversely, higher) than projected, the issuance amount may be increased (or, conversely, decreased) so long as the DSCR is not less than 1.15x under an assumed probability of system generation of P90 (P90 means that for each year, 90% of the time generation is expected to be above the generation forecast and 10% of the time generation is expected to be below the generation forecast for such year of their expected production as confirmed by the Green Bank’s independent engineer: DNV GL).

In order to maximize advance rate and minimize cost of capital, secure ‘AA-’ category bond ratings from S&P (the present General Obligation rating for the State of Connecticut), and achieve the widest possible retail distribution in Connecticut through the use of lower (\$1,000) denomination

bonds, the Green Bank proposes using a SCRF as a credit enhancement in the municipal structure. Ramirez's preliminary structure based on backing by a SCRF follows below:<sup>3</sup>

Bond Component	Maturity Date	Amount
Serial Bonds:		
	11/15/2026	1,098,000
	11/15/2027	1,283,000
	11/15/2028	1,324,000
	11/15/2029	1,366,000
	11/15/2030	1,410,000
	11/15/2031	1,458,000
	11/15/2032	1,514,000
	11/15/2033	1,575,000
	11/15/2034	1,641,000
	11/15/2035	1,711,000
	11/15/2036	1,536,000
	11/15/2037	1,931,000
		<b>17,847,000</b>

In addition to the Bond's financial self-sufficiency as presented below (Finding #1), the Green Bank's Board of Directors supports the bond issuance because it aligns with the Green Bank's mandate of fostering the growth, development, and deployment of clean energy sources that serve end-use customers in the State of Connecticut. Moreover, the specific targeting of retail customers with lower denomination bonds enables citizens to participate in Connecticut's green economy. As explained in more detail in Finding #1, the Bonds are supported by 10,749 residential solar PV systems expected to generate approximately 818,000 megawatt hours of electricity (MWh) over a remaining 11-year period of the original 15 year SHREC tranches (Tranche 5 and Tranche 6).<sup>4</sup>

Green Bank statutorily required funding support for the Project's obligations will be documented in the Project Support Commitment and Undertaking (attached as Exhibit E) as was done for the two prior Green Liberty Bond issuances supported by a SCRF.

### **Certain risk factors associated with the Bonds**

The staff has considered various risks to be considered by the Board in approving this offering and entering into the Project Support Agreement. In Exhibit G, Green Bank staff address these risk factors.

<sup>3</sup> While SHREC revenues are received over a 15-year period, revenues from Tranches 5 and 6 of the SHREC program which will support Series 2025 of the SHREC bonds commenced on July 15<sup>th</sup>, 2021, leaving approximately 11 years remaining once the Series 2025 SHREC bonds are issued.

<sup>4</sup> Based on DNV GL projections for the full SHREC period. Expected to generate approximately 818,000 MWh over the life of the bonds.



## **Findings of Self-Sufficiency (“Findings”)**

**Finding 1.** The Project’s revenues, as confirmed by the report of the independent engineer (“IE”), DNV GL (who has performed the duties of IE for Green Bank for the SHREC Series 2019-1 Notes, the Tranche 3 Bonds, the Tranche 4 Bonds and for the bonds to be supported by Tranche 5 and Tranche 6), together with any initial starting cash reserves will be sufficient to pay all associated costs, expenses and debt service for the Bonds. An internationally recognized IE operating in more than 100 countries, DNV GL has provided technical due diligence services for residential solar PV portfolios since 2012, serving many of the top residential solar PV operators in the United States. DNV GL has served as the IE on over 11 securitizations for residential and commercial/industrial solar PV portfolios with a total nameplate capacity of approximately one gigawatt.

The following table shows the Project’s summary projections over the life of the financing. In addition, an annual projection is included in Exhibit B. Projections show that the Bonds will be self-sufficient from Project revenues with respect to the DSCR, which is being structured (by issuance size and interest rate pricing) to be 1.15x, and the other three factors set forth in CGS Section 16-245mm.

Year*	T5 P90	SHREC Receivables**	T6 P90	SHREC Receivables**	Total	Trustee Expense	Annual Revenue
2026	50,655	\$1,655,926	26,722	\$848,577	\$2,504,504	\$12,500	\$2,492,004
2027	50,567	\$1,653,042	26,676	\$847,110	\$2,500,152	\$7,500	\$2,492,652
2028	50,100	\$1,637,777	26,429	\$839,293	\$2,477,069	\$7,500	\$2,469,569
2029	49,611	\$1,621,774	26,162	\$830,801	\$2,452,575	\$7,500	\$2,445,075
2030	49,112	\$1,605,467	25,873	\$821,631	\$2,427,098	\$7,500	\$2,419,598
2031	48,634	\$1,589,843	25,578	\$812,266	\$2,402,109	\$7,500	\$2,394,609
2032	48,203	\$1,575,755	25,320	\$804,073	\$2,379,827	\$7,500	\$2,372,327
2033	47,746	\$1,560,813	25,119	\$797,666	\$2,358,478	\$7,500	\$2,350,978
2034	47,258	\$1,544,878	24,913	\$791,150	\$2,336,027	\$7,500	\$2,328,527
2035	46,756	\$1,528,469	24,684	\$783,856	\$2,312,326	\$7,500	\$2,304,826
2036	37,507	\$1,226,109	24,437	\$776,025	\$2,002,134	\$7,500	\$1,994,634
2037			19,611	\$622,751	\$622,751	\$7,500	\$615,251
Total	526,150	\$17,199,852	301,524	\$9,575,200	\$26,775,052	\$95,000	\$26,680,052

\*Year is from 11/15-11/14, i.e. 2026 is 11/15/25-11/14/26

\*\*P90 figures are multiplied by an availability factor of 93.4% before the purchase price is applied

## BOND SOLUTION

Connecticut Green Bank

SCENARIO1 Solar Home Renewable Energy Credit, Green Liberty Bonds, Series 2025 (P90) (Tranche 5 & 6)

Preliminary Cashflows, Rates as of 7/8/25 COB | PLUS 25 bps

'AA-' rated with 1.15x Coverage and SCRF sized at MADS

CGB P90 Projections

\*\*2037 Final Maturity\*\*

Period Ending	Proposed Principal	Proposed Debt Service	Total Adj Debt Service	Revenue Constraints	Unused Revenues	Debt Service Coverage
11/15/2025						
11/15/2026	1,098,000	2,166,602	2,166,602	2,492,004	325,401	115.02%
11/15/2027	1,283,000	2,166,880	2,166,880	2,492,652	325,772	115.03%
11/15/2028	1,324,000	2,146,976	2,146,976	2,469,569	322,593	115.03%
11/15/2029	1,366,000	2,125,914	2,125,914	2,445,075	319,161	115.01%
11/15/2030	1,410,000	2,103,335	2,103,335	2,419,598	316,263	115.04%
11/15/2031	1,458,000	2,081,907	2,081,907	2,394,609	312,702	115.02%
11/15/2032	1,514,000	2,062,426	2,062,426	2,372,327	309,901	115.03%
11/15/2033	1,575,000	2,044,289	2,044,289	2,350,978	306,689	115.00%
11/15/2034	1,641,000	2,024,373	2,024,373	2,328,527	304,155	115.02%
11/15/2035	1,711,000	2,004,036	2,004,036	2,304,826	300,790	115.01%
11/15/2036	1,536,000	1,733,990	1,733,990	1,994,634	260,644	115.03%
11/15/2037	1,931,000	2,042,129	2,042,129	2,349,241	307,112	115.04%
	<b>17,847,000</b>	<b>24,702,857</b>	<b>24,702,857</b>	<b>28,414,042</b>	<b>3,711,185</b>	

These projections assume:

- A total of \$17,847,000 financed through taxable municipal bonds;
- Special capital reserve account equal to maximum annual debt service (estimated \$2,166,880) funded at close from bond proceeds, and used to pay the final bond payments in 2037.
- A weighted average taxable coupon rate of 5.42% based on interest rates assumed by the Underwriter on July 8, 2025, plus 25 basis points.
- Reasonable energy production projections from an independent engineer retained by the Green Bank (see Finding #4);
  - Generation estimates are typically stated on a “P50” or “P90” basis. These P-measures are a statistical estimate of how often, given variances in weather and system performance, solar projects will exceed that value. P50 means that for each year, 50% of the time generation is expected to be above the generation forecast and 50% of the time generation is expected to be below the generation forecast for such year. P90 means that for each year, 90% of the time generation is expected to be above the generation forecast and 10% of the time generation is expected to be below the generation forecast for such year. Base case generation assumptions use P90 values and “degradation rates”<sup>5</sup> as provided by the independent engineer.

<sup>5</sup> The term “degradation rate” means the rate at which the output of electrical energy from the solar PV system declines over time. Standard solar panel warranties provide for a specified level of degradation over the life of the solar PV panels, typically 25 years.

Moreover, the bond structure is able to support generation under the more stringent P99 scenario while still retaining a DSCR of more than 100%.

- Tranche 1 and Tranche 2 SHRECs, which support the SHREC Series 2019-1 Notes (non-SCRF supported ABS issuance) have yielded generation and revenues for the first six years of that bond series equal to 98.6% of P90 projections confirmed by the independent engineer using a similar diligence process prior to issuance of that bond series. The past two years of production from these tranches was 103.4% of P90 estimates. Tranche 3, which supports the 2020 GLB Issuance, has yielded generation for the first five years equal to 101.8% of P90 projections confirmed by the Independent Engineer. Tranche 4, which supports the 2021 GLB Issuance, has yielded generation for the first four years equal to 102.1% of P90 projections confirmed by the Independent Engineer. The Green Bank also compared Tranche 5 and 6 generation to the P90 production figures estimated by the Independent Engineer. The Green Bank applied, in reverse, the degradation factor used by the Independent Engineer to generate P90 estimates for prior years. The two tranches have together produced 117.3% of P90 figures over their first 12 (T6) or 16 (T5) quarters.

### Tranche 1-2 SHREC Generation (P90)

Quarter Ended	Tranche 1	Tranche 2	Total Estimated	Tranche 1	Tranche 2	Total Actual	% to P90	Cumulative
3/31/2019	8,925	11,493	20,418	9,120	11,421	20,541	100.6%	100.6%
6/30/2019	15,422	19,565	34,987	15,106	18,848	33,954	97.0%	98.4%
9/30/2019	14,897	18,928	33,825	16,004	20,079	36,083	106.7%	101.5%
12/31/2019	6,782	8,747	15,529	6,261	7,926	14,187	91.4%	100.0%
3/31/2020	8,806	11,341	20,147	9,039	11,102	20,141	100.0%	100.0%
6/30/2020	15,215	19,305	34,520	15,832	20,151	35,983	104.2%	100.9%
9/30/2020	14,696	18,677	33,373	13,889	17,897	31,786	95.2%	99.9%
12/31/2020	6,692	8,631	15,323	5,985	7,743	13,728	89.6%	99.2%
3/31/2021	8,689	11,191	19,880	7,891	10,120	18,011	90.6%	98.4%
6/30/2021	15,011	19,048	34,059	14,296	17,792	32,088	94.2%	97.9%
9/30/2021	14,498	18,429	32,927	11,453	14,320	25,773	78.3%	95.7%
12/31/2021	6,603	8,517	15,120	8,061	8,477	16,538	109.4%	96.4%
3/31/2022	8,573	11,043	19,616	6,962	9,003	15,965	81.4%	95.5%
6/30/2022	14,809	18,795	33,605	14,092	17,734	31,826	94.7%	95.4%
9/30/2022	14,302	18,185	32,487	14,295	18,464	32,759	100.8%	95.8%
12/31/2022	6,516	8,404	14,919	7,209	9,093	16,302	109.3%	96.3%
3/31/2023	8,458	10,897	19,355	8,546	10,446	18,992	98.1%	96.4%
6/30/2023	14,611	18,546	33,156	16,901	20,676	37,577	113.3%	97.6%
9/30/2023	14,109	17,944	32,053	14,081	17,235	31,316	97.7%	97.6%
12/31/2023	6,429	8,292	14,721	6,838	8,576	15,414	104.7%	97.8%
3/31/2024	8,346	10,753	19,098	7,698	9,616	17,314	90.7%	97.6%
6/30/2024	14,414	18,299	32,714	15,344	18,801	34,145	104.4%	98.0%

9/30/2024	13,919	17,706	31,625	14,000	17,182	31,182	98.6%	98.0%
12/31/2024	6,344	8,182	14,526	8,027	9,966	17,993	123.9%	98.6%

### Tranche 3 SHREC Generation (P90)

Quarter Ended	Estimated	Actual	% to P90	Cumulative
3/31/2020	7,214	7,525	104.3%	104.3%
6/30/2020	12,780	13,544	106.0%	105.4%
9/30/2020	12,342	12,246	99.2%	103.0%
12/31/2020	5,434	5,494	101.1%	102.8%
3/31/2021	7,160	7,310	102.1%	102.6%
6/30/2021	12,684	12,826	101.1%	102.3%
9/30/2021	12,249	10,183	83.1%	98.9%
12/31/2021	5,434	5,321	97.9%	98.9%
3/31/2022	7,105	6,896	97.1%	98.7%
6/30/2022	12,586	13,684	108.7%	100.0%
9/30/2022	12,154	12,935	106.4%	100.8%
12/31/2022	5,392	6,286	116.6%	101.5%
3/31/2023	7,047	7,032	99.8%	101.4%
6/30/2023	12,483	13,293	106.5%	101.9%
9/30/2023	12,055	11,477	95.2%	101.3%
12/31/2023	5,348	5,857	109.5%	101.6%
3/31/2024	6,987	6,727	96.3%	101.4%
6/30/2024	12,378	12,540	101.3%	101.4%
9/30/2024	11,953	11,467	95.9%	101.0%
12/31/2024	5,303	6,725	126.8%	101.8%

### Tranche 4 SHREC Generation (P90)

Quarter Ended	Estimated	Actual	% to P90	Cumulative
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3/31/2021	10,724	10,876	101.4%	101.4%
6/30/2021	18,998	19,185	101.0%	101.1%
9/30/2021	18,346	14,426	78.6%	92.6%
12/31/2021	8,076	8,356	103.5%	94.1%
3/31/2022	10,641	10,416	97.9%	94.7%
6/30/2022	18,851	20,763	110.1%	98.1%
9/30/2022	18,204	19,343	106.3%	99.5%
12/31/2022	8,076	9,554	118.3%	100.9%
3/31/2023	10,550	10,791	102.3%	101.0%
6/30/2023	18,689	20,416	109.2%	102.1%
9/30/2023	18,048	17,543	97.2%	101.5%
12/31/2023	8,007	8,892	111.1%	102.0%
3/31/2024	10,450	10,155	97.2%	101.7%
6/30/2024	18,512	19,075	103.0%	101.8%
9/30/2024	17,876	17,449	97.6%	101.5%
12/31/2024	7,930	10,156	128.1%	102.4%

## Tranche 5-6 SHREC Generation (P90)

Quarter Ended	Tranche 5	Tranche 6	Total Estimated	Tranche 5	Tranche 6	Total Actual	% to P90	Cumulative
3/31/2021	10,119		10,119	11,348		11,348	112.2%	112.2%
6/30/2021	17,924		17,924	19,860		19,860	110.8%	111.3%
9/30/2021	17,309		17,309	16,422		16,422	94.9%	105.0%
12/31/2021	7,681		7,681	8,943		8,943	116.4%	106.7%
3/31/2022	10,026	5,288	15,314	11,327	5,286	16,613	108.5%	107.1%
6/30/2022	17,760	9,366	27,126	22,524	10,871	33,395	123.1%	111.6%
9/30/2022	17,151	9,045	26,196	21,216	10,897	32,113	122.6%	114.0%
12/31/2022	7,611	4,014	11,624	10,482	5,462	15,944	137.2%	116.0%
3/31/2023	9,935	5,240	15,174	11,669	5,967	17,636	116.2%	116.0%
6/30/2023	17,598	9,282	26,879	21,824	11,159	32,983	122.7%	117.1%
9/30/2023	16,994	8,963	25,957	19,051	9,649	28,700	110.6%	116.2%
12/31/2023	7,541	3,977	11,519	9,700	4,916	14,616	126.9%	116.8%
3/31/2024	9,844	5,192	15,036	10,993	5,661	16,654	110.8%	116.4%
6/30/2024	17,437	9,197	26,635	20,590	10,783	31,373	117.8%	116.5%
9/30/2024	16,839	8,882	25,721	18,887	9,914	28,801	112.0%	116.1%
12/31/2024	7,472	3,941	11,414	11,021	5,717	16,738	146.6%	117.3%

- A fixed contract price of \$35.00 per SHREC for Tranche 5 and \$34.00 per SHREC for Tranche 6 over 15 years of generation, paid by the Utilities quarterly. This obligation is

required under statute, enables full cost recovery by the Utilities and has been approved by PURA.

- Projected administrative costs for the management of the SHREC program following the origination of the six Tranches issued.

*As noted above, these projections assume a bond issuance amount sized to a minimum DSCR ratio of 1.15x given the other assumptions. Market conditions at the time the bonds are priced and other factors (such as the ultimate credit rating from S&P) will dictate the actual issuance amount. There could therefore be some variation in the final bond par amount and structure. Regardless, the final bond issuance amount will be sized so as to result in all cases with a minimum DSCR ratio of 1.15x using projected generation assumptions under the P90 scenario.*

These assumptions are in keeping with established practice in the municipal bond industry for evaluating the economic viability of projects to be financed. The projections support the finding that SHREC revenues from Tranche 5 and Tranche 6 generation will allow for self-sufficient coverage of all Project expenses and annual Bond principal and interest payments.

**Finding 2.** The Utilities, on whose statutory and contractual compliance the financial results of the Bonds depend, are both regulated electricity distribution companies under the supervision of PURA. This oversight relationship is an important consideration in assessing the limited likelihood of counterparty failure. Under the SHREC program, the Utilities are statutorily mandated to enter into 15-year contracts with the Green Bank to purchase the SHREC Tranches generated by solar PV systems receiving the RSIP incentive and the purchase of these SHREC fulfills their statutory requirement under CGS Section 16-245a to obtain a specific percentage or amount of energy they generate or sell from renewable sources under Connecticut's Renewable Portfolio Standard. The agreement is governed by the MPAs, which were jointly filed with and approved by the Connecticut Public Utilities Regulatory Authority on February 7, 2017, whose approval included approval of the full cost recovery of the SHREC program.

- The Connecticut Light and Power Company d/b/a Eversource Energy is a publicly traded utility company. Headquartered in Hartford, CT, it is a regulated utility that serves residential, commercial, and industrial customers in 149 cities and towns throughout the State of Connecticut. Connecticut Light and Power is rated A- / A3 /A- by S&P, Moody's and Fitch, respectively (corporate credit rating).

### EVERSOURCE SYSTEM CREDIT RATINGS AS OF December 9, 2024

Company/Security	S&P current (outlook)	Moody's current (outlook)	Fitch current (outlook)
<b>EVERSOURCE Parent</b>			
Corporate Credit Rating	BBB+ (Stable)	Baa2 (Negative)	BBB (Stable)
Senior Unsecured Debt	BBB (Stable)	Baa2	BBB
Commercial Paper	A-2	P-2	F-3
<b>NSTAR Electric</b>			
Corporate Credit Rating	A- (Stable)	A2 (Negative)	A- (Stable)
Senior Unsecured Debt	A- (Stable)	A2	A
Commercial Paper	A-2	P-1	F-1
Preferred Stock	BBB (Stable)	Baa1	BBB+
<b>CL&amp;P</b>			
Corporate Credit Rating	A- (Stable)	A3 (Negative)	A- (Stable)
Senior Secured Debt	A (Stable)	A1	A+
Senior Unsecured Debt			A
Preferred Stock	BBB (Stable)	Baa2	BBB+

- United Illuminating is a subsidiary of Avangrid, Inc., a publicly traded energy services holding company doing business in the regulated energy distribution industry. Founded in 1899 and headquartered in New Haven, CT, United Illuminating is engaged in the purchase, transmission, distribution and sale of electricity in southwestern Connecticut. United Illuminating is rated A- / Baa1 / A- by S&P, Moody's and Fitch, respectively.

LT Issuer/Default Rating (Outlook)	S&P	Moody's	Fitch
<b>AVANGRID</b>	<b>BBB+ (Stable)</b> A-2 CP BBB Sr. Unsecured	<b>Baa2 (Stable)</b> P-2 CP Baa2 Sr. Unsecured	<b>BBB+ (Stable)</b> F-2 CP BBB+ Sr. Unsecured
<i>AVANGRID Downgrade Thresholds</i>	<i>FFO/Debt &lt; 17%<sup>(b)</sup></i>	<i>CFO pre-WC/Debt &lt; 13%</i>	<i>FFO Leverage &gt; 5.5x</i>
<b>NYSEG</b>	<b>A- (Stable)</b> A- Sr. Unsecured	<b>Baa1 (Stable)</b> Baa1 Sr. Unsecured	<b>BBB+ (Negative)</b> A- Sr. Unsecured
<b>RG&amp;E</b>	<b>A- (Stable)</b> A Secured A- Sr. Unsecured	<b>Baa1 (Stable)</b> A2 Secured	<b>BBB+ (Stable)</b> A Secured A- Sr. Unsecured
<b>CMP</b>	<b>A (Stable)</b> A Sr. Unsecured	<b>A2 (Stable)</b> A2 Sr. Unsecured	<b>BBB+ (Stable)</b> A Secured A- Sr. Unsecured
<b>UI</b>	<b>A- (Negative)</b> A- Sr. Unsecured	<b>Baa1 (Stable)</b>	<b>A- (Negative)</b> A Sr. Unsecured
<b>CNG</b>	<b>A (Negative)</b> A Sr. Unsecured	<b>A2 (Stable)</b> A2 Sr. Unsecured	<b>A- (Stable)</b> A Sr. Unsecured
<b>SCG</b>	<b>A- (Developing)</b> A Secured	<b>A3 (Stable)</b> A1 Secured	<b>A- (Stable)</b> A+ Secured
<b>BGC</b>	<b>BBB+ (Stable)</b>	<b>A3 (Stable)</b>	<b>A- (Stable)</b> A Sr. Unsecured

**Finding 3.** Production risk from system degradation (as defined in footnote 3) or failure is mitigated through a system of operation and maintenance agreements as well as insurance coverage. The homeowner or TPO is responsible for maintenance and repairs, however the Green Bank has a platform on the Locus Energy system, a solar monitoring and data analytics platform provider for the solar PV market, through which Green Bank staff access production data for the fleet of systems incentivized through RSIP. Locus Energy and the Green Bank also have a contract by which Locus provides a robust active monitoring program for the RSIP fleet which includes



daily review of alerts that flag monitoring issues, weekly review of estimated production losses, and quarterly review of fleet production.

If production is lower than expected (for reasons other than variation in weather or solar insolation), the Green Bank has the ability to notify the system owner to resolve the reason for the lower production. It is in the interest of system owners, whether homeowners or TPOs to resolve causes of lower than expected production. Homeowners gain more value with higher production from their solar PV system through higher displacement of their use of grid electricity. TPOs are motivated to sustain production in order to earn the PBI incentive paid quarterly for six years based on system production. Even after the 6<sup>th</sup> year, TPOs are motivated to maintain their brand reputation in the marketplace. TPOs usually have production guarantees built into lease/PPA contracts that require them to compensate homeowners if production is lower than expected.

In addition, as a contractor qualified under the RSIP program rules, all contractors agree to provide at minimum a five-year workmanship warranty that covers all components of the system against breakdown or degradation in electrical output of more than 10% from the original rated output. The warranty must also cover full costs of labor for repair or replacement of any defective solar PV system components. Many contractors provide customers with workmanship warranties longer than five years. If there is an issue related to workmanship after the 5-year (or longer) warranty period and if the customer is also the owner of the solar PV system, the customer may be required to pay the labor costs depending upon the warranty provisions for the particular equipment or their agreement with the installing contractor. Additionally, solar PV panels usually have 20- to 25-year warranties and inverters have 10- to 20-year warranties.

Systems owned by the homeowner are typically insured under the homeowner's property and casualty insurance policy. TPOs (approximately 72.41% of the systems in Tranches 5 and 6) can be expected to be required by their financing counterparties to have adequate liability and property and casualty insurance. In order to receive approval to energize, Eversource and UI require that every homeowner having a solar PV system installed has homeowner's liability insurance coverage. The Green Bank, while not required, also typically obtains a parametric risk policy for the Tranches to cover losses as a result of windstorms or hurricanes (e.g., direct or indirect damage, business interruption). If such an event were to occur, proceeds from this policy would be available under the Project Support Commitment and Undertaking noted earlier, less any amounts pledged to the holders of the SHREC Series 2019-1 Notes. The insurance covers "actual losses" from reduced production in the event of such storms. Payout is determined based a sliding scale of exceedance of pre-agreed wind speeds and the incurrence of actual losses. While it is theoretically possible for solar PV systems to *not* be repaired or replaced whether due to malfunction or casualty loss, in the Green Bank's experience, the decommission rate for residential solar systems is very low. Out of 46,265 RSIP projects completed since 2012, as far as the Green Bank has been notified, all but 233 are presumed to still be in operation as of June 2025, a lost rate of .5% over 13 years.

**Finding 4.** The IE conducted technical due diligence on the tranches (Tranche 5 and Tranche 6) that will support the Bonds. The IE examined historical performance, conducted an equipment review, and created a production forecast. The IE findings were incorporated into the Bond cash flow model. The Green Bank applied seasonal variation to the IEs annual production forecasts to create quarterly forecasted electricity production. Quarterly MWH production was then multiplied by the applicable SHREC price to create forecasted quarterly cashflows. The cashflow model also



accounts for the time lag between when a quarter ends and when the associated invoice is paid by the utilities.

As a mitigating factor against underproduction in the cash flow analysis, the Underwriters will structure the Bonds based on a minimum debt service of 1.15x, using a P90 production scenario. And under the P99 production scenario, there is adequate coverage with a minimum projected DSCR of 1.08x. In both scenarios, there is sufficient cash flow to cover debt service, trustee fees, and Green Bank Tranche 5 and Tranche 6 administrative expenses.

Year	Annual Net Revenue			Projected Annual Debt Service	Annual Coverage		
	Expected Net SHREC Receivables (P50)	Expected Net SHREC Receivables (P90)	Expected Net SHREC Receivables (P99)		Expected P50 Debt Service	Expected P90 Debt Service	Expected P99 Debt Service
11/15/2026	2,653,878	2,492,004	2,360,010	2,166,602	1.22x	1.15x	1.09x
11/15/2027	2,654,585	2,492,652	2,360,600	2,166,880	1.23x	1.15x	1.09x
11/15/2028	2,631,834	2,469,569	2,337,173	2,146,976	1.23x	1.15x	1.09x
11/15/2029	2,607,841	2,445,075	2,312,155	2,125,914	1.23x	1.15x	1.09x
11/15/2030	2,583,053	2,419,598	2,285,959	2,103,335	1.23x	1.15x	1.09x
11/15/2031	2,559,036	2,394,609	2,259,981	2,081,907	1.23x	1.15x	1.09x
11/15/2032	2,538,160	2,372,327	2,236,317	2,062,426	1.23x	1.15x	1.08x
11/15/2033	2,518,531	2,350,978	2,213,290	2,044,289	1.23x	1.15x	1.08x
11/15/2034	2,497,969	2,328,527	2,188,994	2,024,373	1.23x	1.15x	1.08x
11/15/2035	2,476,295	2,304,826	2,163,302	2,004,036	1.24x	1.15x	1.08x
11/15/2036	2,146,476	1,994,634	1,869,056	1,733,990	1.24x	1.15x	1.08x
11/15/2037	664,743	615,251	574,277	2,042,129	N/A**	N/A**	N/A**
	28,532,403	26,680,052	25,161,112	24,702,857			

\* Expected SHREC Receivables based on various production levels for both Tranche 5 and Tranche 6. P-measures are a statistical estimate of how often, given variances in weather and system performance, solar projects will exceed that value.

P50 means that for each year, 50% of the time generation is expected to be above the generation forecast and 50% of the time generation is expected to be below the generation forecast for such year;

Expected Net SHREC Receivables are net of Trustee fees, charges and expenses.

\*\* The final year of debt service is paid by the Special Capital Reserve Fund release net of trustee fees, charges and expenses.

**Finding 5.** The Bonds contemplated under this transaction will be supported by the Green Bank through a Project Support Commitment and Undertaking (“PSCU” – attached as Exhibit E), which will enable sources external to the economics and cash flows of the Project to provide adequate assurances that funds will be made available by Green Bank so that the likelihood of a draw upon the Special Capital Reserve Fund is remote. In addition to the statutorily mandated MPAs with the utilities for payment to the Green Bank for the SHRECS (which payments have been pledged to bondholders pursuant to the indenture), the following sources of Green Bank funds, while not pledged to bondholders, will support the undertakings by Green Bank pursuant to the PSCU:

- **Systems Benefit Charge:** As its main source of capitalization, the Green Bank through C.G.S. § 16-245n(b) receives a 1 mill surcharge from customers of Eversource Energy and United Illuminating. The fund has been in existence since Connecticut deregulated its electric industry in the late 1990s. On average, this surcharge generates about \$26 million a year to support the programs and initiatives of the Green Bank.
- **Regional Greenhouse Gas Emission Allowance Proceeds:** As a result of the Regulations of Connecticut State Agencies CGS Section 22a-174-31(f)(6)(B), the Green Bank receives

a portion of Connecticut's Regional Greenhouse Gas Initiative (RGGI) funds for renewable energy (approximately \$3 million to \$5 million annually).

- **Proceeds from Loans, Investments and Other Sources:** The Green Bank has a portfolio of approximately \$200 million in loans and investments (including investments in the Treasurer's Short Term Investments Fund or "STIF") that produces income and return of principal approximating \$8 to \$10 million annually. Moreover, the Green Bank obtains revenues from other activities, including, but not limited to, the sale of renewable energy credits.

As of June 30, 2024, the Green Bank had a net asset position of \$166.1 million.<sup>6</sup> On an unaudited basis, as of June 30, 2025, the Green Bank had a net asset position of around \$194 million.

### **DETERMINATION**

The Board of Directors of the Green Bank is of the opinion and determines that, provided the final bond issuance amount is sized so as to result in all cases with a minimum DSCR of 1.15x using projected generation assumptions under the P90 scenario, Project revenues will be sufficient to:

- (1) pay the principal of and interest on the bonds issued to finance the project,*
- (2) establish, increase and maintain any reserves deemed by the Green Bank to be advisable to secure the payment of the principal of and interest on such bonds,*
- (3) pay the cost of maintaining the project in good repair and keeping it properly insured, and*
- (4) pay such other costs of the project as may be required.*

Attached hereto as Exhibit A<sup>7</sup> is a copy of a letter from the Green Bank's financial advisor (NW Financial Group, LLC) relating to these Findings (that is, Findings #1 - #5, inclusive, contained herein). Attached as Exhibit B are the Project's projected revenues, expenses, debt service for the Bonds and coverage ratios. Attached as Exhibit C<sup>7</sup> is the report of Green Bank's independent engineer. Attached as Exhibit D is a copy of a structural diagram for the SHRECs. Attached as Exhibit E<sup>7</sup> is the Project Support Commitment and Undertaking. Attached as Exhibit F is a copy of the Preliminary Official Statement for the Bonds. Attached as Exhibit G<sup>7</sup> is the Green Bank's assessment of certain risk factors associated with the Bonds as set forth in the Preliminary Official Statement. Attached as Exhibits H-1 and H-2<sup>7</sup> are S&P Global Ratings Service Rating Action Reports.

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<sup>6</sup> Audited figure Connecticut Green Bank Comprehensive Annual Financial Report (p 5).

<sup>7</sup> NOTE – this attachment will be updated once received in final form by Green Bank – Tranche 5&6 bond information provided.

**Exhibit A**  
LETTER FROM NW Financial Group, LLC



NW FINANCIAL GROUP, LLC  
*Exceeding Expectations*

522 Broad Street  
Bloomfield, NJ 07003

Tel (201) 656-0115  
Fax (201) 656-4905  
www.nwfinancial.com

**Exhibit A**  
LETTER FROM NW Financial Group, LLC

July 28, 2025

Mr. Bert Hunter  
EVP and Chief Investment Officer  
Connecticut Green Bank  
845 Brook Street  
Rocky Hill, CT 06067

Bert,

NW Financial Group, LLC ("NW") is serving as financial advisor to the Connecticut Green Bank ("CGB", or "Green Bank") and has reviewed the financing documents and financial analysis in connection with the Solar Home Renewable Energy Credit ("SHREC") transaction with Eversource and United Illuminating for SHREC Tranche 5 and 6. The project will sell SHRECs to the utilities, representing approximately 93,400 kW of rooftop solar capacity over 15 years. The project is being financed with taxable bonds in the public markets. The taxable bond issue is expected to produce a total of \$17 – 18 million in proceeds to reimburse the Green Bank for advances made and to fund future incentive obligations and administrative expenses associated with the project. The range in proceeds is market dependent, with lower interest costs leading to a higher bond proceeds yield at the same debt service coverage ratio.

**The Findings**

There are five findings made by the Board in connection with seeking approval for SCRF backing:

1. The project is affordable. The bonds are backed by SHREC payments from the utilities, the per MWH rate is fixed for the first 15 years, which is the term of the financing. CGB is funding the DSRF in full for maximum annual debt service in addition to the protections being provided through the Project Support Agreement.
2. The Green Bank's counterparties are Eversource and United Illuminating for the SHRECs, both investment grade entities. All the key documentation has been in place through existing agreements, so there is no expected issue in any of the documentation.
3. The homeowners who are putting rooftop solar on their homes represent a very low default risk. In addition, the Equipment has warranties on the solar panels that last for



over 20 years, and on the inverters that last between 10 – 20 years. All of the installers are RSIP qualified by the Green Bank. The cashflow from SHREC generation estimates is further supported by actual performance of the solar program in other financings and represents a 0.3% loss rate over 9 years on the installations. As a result, we believe that the production risk is well managed and estimates are achievable.

4. The generation assumptions for the SHREC revenues are reviewed by an independent engineer. They have reviewed prior SHREC portfolios for the Green Bank, and their projections have been realized within a 1% variance. We have sized the bond issue to have 1.15X revenue coverage on the P90 expectation, which is conservative. For all prior SHREC transactions, the 1.15X revenue to debt coverage has proved sufficient to provide for debt payments.
5. CGB will provide additional support using the Project Support Agreement (PSA). All revenues that are free to pledge in the PSA are available to the Green Bank to provide support if project revenues are insufficient in any period.

NW has reviewed the documentation and exercised diligence in several conversations with the CGB and agrees with the findings presented to the Board.

#### **Rationale for Self-Sufficiency Finding**

The security for the bond issue is the sale of SHRECs to the utilities, who have agreed to a fixed price unit rates for each MWH of solar generated power. Passive solar sales produce a reliable SHREC revenue stream, even though the power production is seasonal. History shows that over a full year that the expectation for power production has been achieved. Thus, even with occasional issues on SHREC production in isolated cases in the portfolio, the expectation is that the revenue production will be covered within the expected tolerances that have been designed into the financing. In addition, to the extent that any debt service shortfalls develop, the CGB is providing additional security through its Project Support Agreement (PSA). The PSA is supported by all of the CGB revenues from the System Benefit Charge, RGGI funding, loan repayments, investment income, and the sale of investment credits. Further, there will be a Debt Service Reserve Fund established in the SHREC Indenture at Maximum Annual Debt Service, which will be funded at closing and will provide support to the transaction and allow the SCRF mechanism to work if needed.

The bonds are structured around the projected available revenues (which accounts for seasonality as well as the aging of the solar cells over time) and provide in every year a projected debt service coverage ratio of at least 1.15x. The debt service is fixed. The proceeds will be dependent on the taxable market conditions at the time of the sale. The SHREC revenues are expected to

cover all debt service costs, without the need for the PSA. However, the PSA will support these SHREC bonds before any demand is made upon the State to refill a SCRF reserve fund. The projections suggest that the CGB will not need to provide additional support as the project is expected to be self-sufficient.

Thus, NW believes that the strategic support that will be available through the Project Support Agreement, when combined with all the other remedies that CGB has built into their agreements strongly supports the Finding of Self-Sufficiency as required to use SRCF credit support.

Yours truly,

A handwritten signature in blue ink, appearing to read 'RAL', with a long horizontal flourish extending to the right.

---

Robert A. Lamb  
Managing Director

## **Exhibit B**

### **Cash Flow and Bond P&I Projections**

#### **SOURCES AND USES OF FUNDS**

Connecticut Green Bank

SCENARIO1 Solar Home Renewable Energy Credit, Green Liberty Bonds, Series 2025 (P90) (Tranche 5 & 6)

Preliminary Cashflows, Rates as of 7/8/25 COB | PLUS 25 bps

'AA-' rated with 1.15x Coverage and SCRF sized at MADS

CGB P90 Projections

**\*\*2037 Final Maturity\*\***

Dated Date 09/24/2025

Delivery Date 09/24/2025

#### **Sources:**

Bond Proceeds:	
Par Amount	17,847,000.00
	<b>17,847,000.00</b>

#### **Uses:**

Project Fund Deposits:	
Project Fund	15,073,108.98
Other Fund Deposits:	
Special Capital Reserve Fund	2,166,880.02
Delivery Date Expenses:	
Cost of Issuance	375,000.00
Underwriter's Discount	232,011.00
	<b>607,011.00</b>
	<b>17,847,000.00</b>

## BOND SUMMARY STATISTICS

Connecticut Green Bank

SCENARIO1 Solar Home Renewable Energy Credit, Green Liberty Bonds, Series 2025 (P90) (Tranche 5 & 6)

Preliminary Cashflows, Rates as of 7/8/25 COB | PLUS 25 bps

'AA-' rated with 1.15x Coverage and SCRF sized at MADS

CGB P90 Projections

\*\*2037 Final Maturity\*\*

Dated Date	09/24/2025
Delivery Date	09/24/2025
First Coupon	05/15/2026
Last Maturity	11/15/2037
Arbitrage Yield	5.392308%
True Interest Cost (TIC)	5.624968%
Net Interest Cost (NIC)	5.599900%
All-In TIC	6.010502%
Average Coupon	5.416596%
Average Life (years)	7.092
Weighted Average Maturity (years)	7.092
Duration of Issue (years)	5.766
Par Amount	17,847,000.00
Bond Proceeds	17,847,000.00
Total Interest	6,855,856.91
Net Interest	7,087,867.91
Total Debt Service	24,702,856.91
Maximum Annual Debt Service	2,166,880.02
Average Annual Debt Service	2,034,552.39
Underwriter's Fees (per \$1000)	
Average Takedown	
Other Fee	13.000000
Total Underwriter's Discount	13.000000
Bid Price	98.700000

Bond Component	Par Value	Price	Average Coupon	Average Life	Duration	PV of 1 bp change
Serial Bonds	17,847,000.00	100.000	5.41659563%	7.092	5.792	9,977.49
	17,847,000.00			7.092		9,977.49



## BOND PRICING

Connecticut Green Bank

SCENARIO1 Solar Home Renewable Energy Credit, Green Liberty Bonds, Series 2025 (P90) (Tranche 5 & 6)

Preliminary Cashflows, Rates as of 7/8/25 COB | PLUS 25 bps

'AA-' rated with 1.15x Coverage and SCRF sized at MADS

CGB P90 Projections

\*\*2037 Final Maturity\*\*

Bond Component	Maturity Date	Amount	Rate	Yield	Price
Serial Bonds:					
	11/15/2026	1,098,000	4.747%	4.747%	100.000
	11/15/2027	1,283,000	4.747%	4.747%	100.000
	11/15/2028	1,324,000	4.763%	4.763%	100.000
	11/15/2029	1,366,000	4.874%	4.874%	100.000
	11/15/2030	1,410,000	4.924%	4.924%	100.000
	11/15/2031	1,458,000	5.177%	5.177%	100.000
	11/15/2032	1,514,000	5.227%	5.227%	100.000
	11/15/2033	1,575,000	5.455%	5.455%	100.000
	11/15/2034	1,641,000	5.505%	5.505%	100.000
	11/15/2035	1,711,000	5.555%	5.555%	100.000
	11/15/2036	1,536,000	5.655%	5.655%	100.000
	11/15/2037	1,931,000	5.755%	5.755%	100.000
		<b>17,847,000</b>			

Dated Date	09/24/2025	
Delivery Date	09/24/2025	
First Coupon	05/15/2026	
Par Amount	17,847,000.00	
Original Issue Discount		
Production	17,847,000.00	100.000000%
Underwriter's Discount	-232,011.00	-1.300000%
Purchase Price	17,614,989.00	98.700000%
Accrued Interest		
Net Proceeds	17,614,989.00	



## BOND SOLUTION

Connecticut Green Bank

SCENARIO1 Solar Home Renewable Energy Credit, Green Liberty Bonds, Series 2025 (P90) (Tranche 5 & 6)

Preliminary Cashflows, Rates as of 7/8/25 COB | PLUS 25 bps

'AA-' rated with 1.15x Coverage and SCRF sized at MADS

CGB P90 Projections

\*\*2037 Final Maturity\*\*

Period Ending	Proposed Principal	Proposed Debt Service	Total Adj Debt Service	Revenue Constraints	Unused Revenues	Debt Service Coverage
11/15/2025						
11/15/2026	1,098,000	2,166,602	2,166,602	2,492,004	325,401	115.02%
11/15/2027	1,283,000	2,166,880	2,166,880	2,492,652	325,772	115.03%
11/15/2028	1,324,000	2,146,976	2,146,976	2,469,569	322,593	115.03%
11/15/2029	1,366,000	2,125,914	2,125,914	2,445,075	319,161	115.01%
11/15/2030	1,410,000	2,103,335	2,103,335	2,419,598	316,263	115.04%
11/15/2031	1,458,000	2,081,907	2,081,907	2,394,609	312,702	115.02%
11/15/2032	1,514,000	2,062,426	2,062,426	2,372,327	309,901	115.03%
11/15/2033	1,575,000	2,044,289	2,044,289	2,350,978	306,689	115.00%
11/15/2034	1,641,000	2,024,373	2,024,373	2,328,527	304,155	115.02%
11/15/2035	1,711,000	2,004,036	2,004,036	2,304,826	300,790	115.01%
11/15/2036	1,536,000	1,733,990	1,733,990	1,994,634	260,644	115.03%
11/15/2037	1,931,000	2,042,129	2,042,129	2,349,241	307,112	115.04%
	<b>17,847,000</b>	<b>24,702,857</b>	<b>24,702,857</b>	<b>28,414,042</b>	<b>3,711,185</b>	

**Exhibit C**

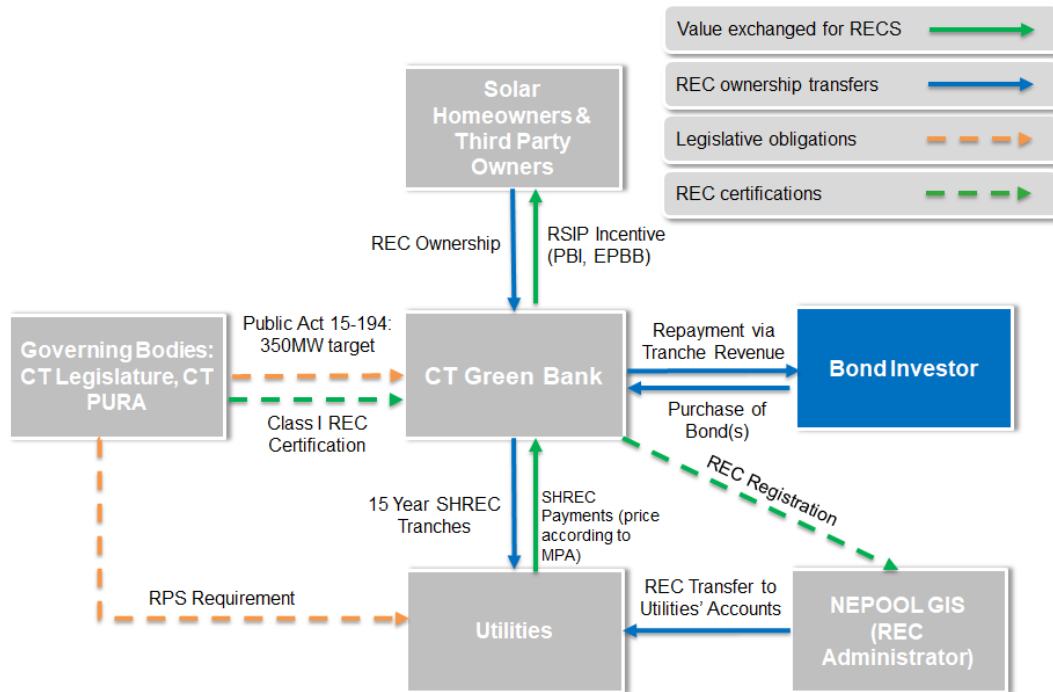
Independent Engineer Report Snapshot

Attached separately

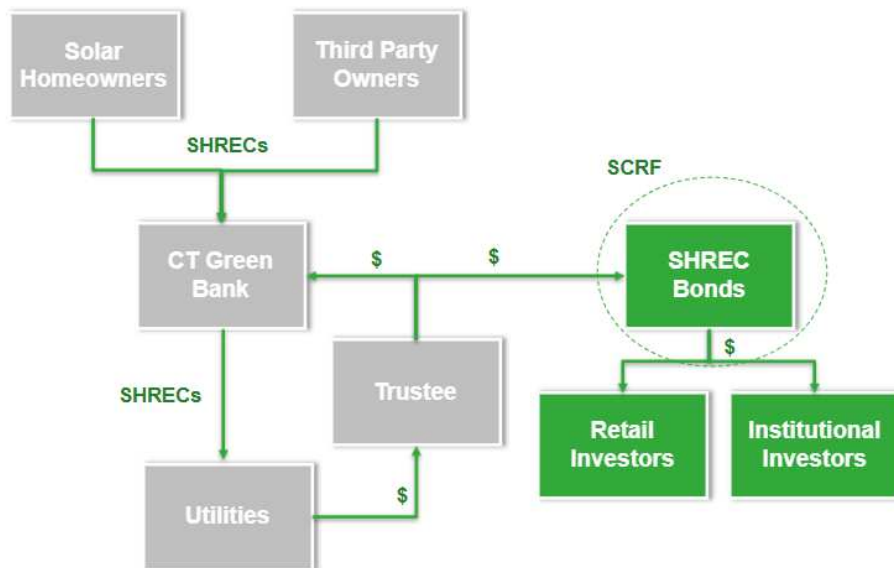
## Exhibit D

### Structural diagram for the SHRECs

## SHREC Creation Process



## SHREC 2025 Transaction Diagram



## **Exhibit E**

### **Project Support Commitment and Undertaking**

Attached separately

## **Exhibit F**

### **Preliminary Official Statement for the Bonds**

Attached separately

## **Exhibit G**

### **Green Bank's assessment of certain risk factors associated with the Bonds as set forth in the Preliminary Official Statement<sup>8</sup>**

Pursuant to regulations of Securities and Exchange Commission, issuers of bonds and other securities are required to disclose to all potential investors information about certain risk factors that are important in making a decision about investing in the bonds. The following represents the investment considerations disclosed in the Preliminary Official Statement for the Bonds. Following each identified risk factor, Green Bank staff provides additional context for the risk factors.

#### **INVESTMENT CONSIDERATIONS**

*The following investment considerations describe certain risk factors of an investment in the Series 2025 Bonds. Additional investment considerations relating to an investment in the Series 2025 Bonds are described throughout this Official Statement, whether or not specifically designated as investment considerations. Investors should consider such investment considerations in deciding whether to purchase any of the Series 2025 Bonds. There can be no assurance that other investment considerations will not become material in the future. In the event of a shortfall of Revenues, material delays in payments of principal or interest, or losses, on the Series 2025 Bonds could result and could materially reduce the value of the Series 2025 Bonds. These and other factors could result in a loss of marketability, or of market value, of the Series 2025 Bonds even if no such payment delay or loss occurs.*

#### **Reliance on State of Connecticut Rating**

The Series 2025 Bonds are supported by the State of Connecticut through a special capital reserve fund (see the caption "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2025 BONDS—The Special Capital Reserve Fund" herein) and the Green Bank is advised by the rating agency that its State of Connecticut supported revenue bonds, including the Series 2025 Bonds, are rated based upon the creditworthiness of the State of Connecticut. See Part II of this Official Statement and the appendices thereto for a discussion of the State of Connecticut. To the extent that the Green Bank is unable to pay the interest on and principal of the Series 2025 Bonds from the SHREC Receivables, owners of the Series 2025 Bonds will be relying upon the State of Connecticut to fund the Special Capital Reserve Fund. [In addition, due to the 15 year limitation on payments required pursuant to the Master Purchase Agreements, there will be not be sufficient SHREC Receivables available to make the interest payments on May 15, 2037 and November 15, 2037, and the principal amount of the Series 2025 Bonds maturing on November 15, 2037, which will be paid from amounts on deposit in the Special Capital Reserve Fund. See the caption "The Expected Source of the Repayment is the Potential Stream of Payments Made Under the Master Purchase Agreements" below.

#### **General Economic Conditions.**

Worsening economic conditions within the State of Connecticut could have a negative impact on State of Connecticut's ability to cure a deficiency in the Special Capital Reserve Fund maintained to meet payments of debt service on Series 2025 Bonds. The State of Connecticut's financial results could be

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<sup>8</sup> Green Bank staff has addressed these risk factors in an appendix for ease of tracking comments. If preferred by OTT once the findings have been finalized, staff can bring the final version of risk factors into the body of the memo.

harmful by a national or localized outbreak of a highly contagious or epidemic disease or other macroeconomic events that have a negative impact on state revenues or require a higher level of state spending. The effect of these factors, including the effect on the timing and amount of available funds to cure a deficiency in the Special Capital Reserve Fund, is impossible to predict.

The ability of the Utilities' customers who are generating SHRECs to keep systems operational may be affected by a variety of social and economic factors. Economic factors include interest rates, unemployment levels, upward adjustments in monthly mortgage payments, utility rate structures and the rate of inflation and consumer perceptions of economic conditions generally. Economic conditions may also be affected by localized natural disasters. The Green Bank is unable to determine and has no basis to predict to what extent social or economic factors will affect the Trust Estate and the Green Bank's ability to receive SHREC Receivables.

SHREC systems are installed on residential rooftops of participating households throughout the State. These SHREC systems may be owned outright by households, subject to an equipment lien if households have financed the purchase of the SHREC system, or owned by a third-party owner pursuant to power purchase agreement ("PPA") arrangements where the third-party owner collects revenues from the households in return for the energy supplied by the SHREC systems. While the generation of SHRECs are not dependent upon payment by these households against any such financing or PPAs, the financing counterparties or third-party owners could, in the event of a default in payment by a household subject to economic distress as a result of an economic recession or other circumstances, remove or disable the SHREC systems from defaulting households. Such removal or disabling of SHREC systems could result in a temporary or permanent disruption in the production of energy from the SHREC systems and as a consequence would impair Green Bank's ability to generate SHRECs from such defaulted systems. The Green Bank's experience to date is that these circumstances have not resulted in any material disruption in the production of SHRECs.

The generation of SHRECs are not dependent upon payment by Households and third-party system owners. However, macroeconomic conditions including higher interest rates or a recession among others may impair their ability to pay for necessary system maintenance or repairs. To date SHREC production has not been materially affected by rising interest rates or the COVID-19 pandemic and ensuing economic downturn.

**The Capacities of the SHREC Projects in the Portfolio are Estimates and Averages Only, Based on Assumptions, and Production May Not Meet These Estimates**

The Green Bank has relied upon certain assumptions of the average capacity across the SHREC Tranche 5 and 6 portfolio in estimating what the SHREC Projects can be expected to generate in MWh of electricity.

The Green Bank has also relied upon estimates and assumptions concerning the annual rate of degradation over the 15-year term of SHREC Tranche 5 and 6. These assumptions and estimates may not accurately predict the actual MWh of electricity the SHREC Projects actually produce and that the Utilities are required to purchase under the Master Purchase Agreements. Under the Master Purchase Agreements, the Utilities are required to pay for only the SHRECs that are delivered by the Green Bank in the preceding quarter to the respective Utility's NEPOOL GIS account. Any decrease in the anticipated amount of such SHRECs generated by the SHREC Projects within SHREC Tranche 5 and 6 would result in reduced cash flow from the Utilities to the Green Bank. This would impair the Green Bank's ability to pay the principal and interest on the Series 2025 Bonds from the SHREC Receivables. These estimates of potential SHREC Project capacity are estimates of production only, and no guarantee of ultimate performance is offered, granted, suggested or implied. See the caption "THE TRUST ESTATE—SHREC Tranche 5 and 6" herein.

**Green Bank context:** Estimates of production of electricity for the SHREC Systems used to determine the projected debt service coverage ratios (DSCRs) in the finding have been confirmed by the Green Bank's independent engineer that has extensive experience with the performance of solar PV systems as well as performing as an independent engineer for several capital markets securitizations. While it is true that assumptions and estimates may not accurately predict the output of electricity the SHREC Systems will actually produce, the assumed generation estimates for the "base case" (or "P90 case") assumes generation estimates will be exceeded by actual generation 90% of the time, yet only a 10% chance of being below the estimate. This forecast results in a DSCR of 115%. In addition, the independent engineer for the "stress case" (or "P99 case") assumes generation estimates will be exceeded by actual generation 99% of the time. This forecast results in a DSCR of >100% (but below 115%). In a similar manner, the independent engineer confirmed similar estimate for the Tranche 1 and Tranche 2 SHRECs, which support the SHREC Series 2019-1 Notes. The Tranche 1 and Tranche 2 portfolios have yielded generation and revenues for the first twenty-three quarters of that bond series equal to 98.6% of P90 estimates. Tranche 3, which supports the 2020 GLB Issuance, has yielded generation for the first twenty quarters equal to 101.4% of P90 projections confirmed by the Independent Engineer. Accordingly, the Green Bank is of the view that the estimates confirmed by the independent engineer offer a sound basis for Finding 1.

## **Reliance on Metering**

Solar PV systems installed through the RSIP have meters that collect, store, and dispatch system performance data, including the production of SHRECs, which data is transmitted via wireless internet networks to the Green Bank, which uses this data in the production of SHRECs. These are mechanical and electronic metering devices that may break down or fail, and not all of such breakdowns or failures are promptly recognized by homeowners, the Green Bank or the Utilities. The occurrence of mechanical or equipment breakdown or other mishaps or events would have previously prevented or delayed potential SHRECs from entering the NEPOOL GIS and being accounted for and recognized and billed for under the Master Purchase Agreements. However, after a large portion of RSIP residential rooftop solar systems were affected by the shutdown of 3G networks which were used by these systems to report data to the Green Bank, the Green Bank used a predictive model, using actual performance data of nearby reporting systems, to estimate the generation of these affected systems. This allowed the Green Bank to create certificates in the NEPOOL GIS. The Green Bank has since replaced more than four thousand 3G meters (with TPOs replacing significantly more), and the estimation methodology continues to be utilized to create certificates for general meter failures. The methodology was approved for use on a permanent basis by the NEPOOL GIS effective May 6, 2025.

**Green Bank context:** The Green Bank has more than a decade of experience with solar PV generation metering systems and tracking platforms. The actual incidence of non-reporting is, unless affected by a large scale action like the shutdown of 3G networks, at any one time, less than 1% based on information collected by the Green Bank's Residential Solar Investment Program. And as with estimates of production of electricity for the SHREC Systems, overall "System Availability" for Tranche 5 and 6 has been analyzed by the independent engineer and factored into the cash flows. In addition, the Green Bank has



*provided supporting evidence of the accuracy of the estimation methodology, which was approved for permanent use by the NEPOOL GIS market committee without opposition.*

### **Impact of Natural Disasters, Weather Events, Man-Made Disasters**

The occurrence of natural disasters, including hurricanes, floods, earthquakes, tornadoes, fires, blizzards, explosions, pandemic disease and man-made disasters, including acts of terrorism and military actions, could adversely affect the functioning of any one or more of the SHREC Projects, the NEPOOL GIS, the Utilities' ability to make the requisite payments under the Master Purchase Agreements, and the Green Bank's ability to pay the principal and interest on the Series 2025 Bonds from the SHREC Receivables.

### **The Expected Source of the Repayment is the Potential Stream of Payments Made Under the Master Purchase Agreements**

The periodic payments of principal and interest due on the Series 2025 Bonds initially rely on the payments made under the Master Purchase Agreements by the Utilities to the Green Bank in respect of SHRECs transferred to the Utilities from the Green Bank via the NEPOOL GIS. Under the Master Purchase Agreements, the Utilities are required to deliver payment for the SHRECs with respect to any SHREC Tranches exclusively to the Green Bank, and promise that the Utilities shall not sell, divert, grant, transfer or assign any such payment for SHRECs to any person other than the Green Bank during and following the relevant SHREC Tranche Delivery Term. The transfer of SHRECs occurs via the NEPOOL GIS from the Green Bank's NEPOOL GIS account to the Utilities' NEPOOL GIS accounts. The Green Bank invoices the Utilities for the value of the SHRECs transferred via the NEPOOL GIS. The payment of the amounts due on the Series 2025 Bonds is therefore reliant upon the Utilities' ability to pay the amounts due under the Master Purchase Agreements for the SHRECs transferred to the Utilities via NEPOOL GIS.

If an event of default occurs under the Master Purchase Agreements, the Utilities have the right to withhold payments thereunder up to the amount of its damages, terminate the Master Purchase Agreements, or suspend performance with respect to the transfer of SHRECs thereunder until such event of default is cured. Events of default under the Master Purchase Agreements include uncured breaches of representations and warranties, representations and warranties proving false, or the bankruptcy of any party thereto. See the caption "THE TRUST ESTATE—The Master Purchase Agreements—*Events of Default and Remedies Under the Master Purchase Agreements*" herein. Upon an event of default under the Master Purchase Agreements one or both of the Utilities could suspend performance or terminate the related Master Purchase Agreement, in which case SHREC Receivables would not be made available to the Green Bank for deposit into the Revenue Fund. Such an event would adversely affect the yield of the Series 2025 Bonds.

The Green Bank is statutorily required to sell SHRECs to the Utilities at the SHREC Tranche Purchase Prices determined pursuant to the Master Purchase Agreements, as described in this Official Statement under the caption "THE TRUST ESTATE—The Master Purchase Agreements—*SHREC Tranche Purchase Price*". Therefore, even if the Green Bank could obtain a better price from a third-party purchaser, the Green Bank is required to sell SHRECs to the Utilities at the applicable SHREC Tranche Purchase Price. This will limit the amount of SHREC Receivables available to make payments on the Series 2025 Bonds.

To the extent that there are insufficient amounts on deposit in the Special Capital Reserve Fund, the holders of the Series 2025 Bonds will rely solely on the State's obligation to replenish the Special Capital Reserve Fund. If there are sufficient amounts on deposit in the Special Capital Reserve Fund to pay the interest payments on May 15, 2037 and November 15, 2037, and the principal amount of the Series 2025 Bonds maturing on November 15, 2037, once the interest and principal payments due on

November 15, 2037, have been fully funded, it is likely that the Green Bank will redeem the Series 2025 Bonds maturing on November 15, 2037, prior to their final maturity date. See the captions “SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2025 BONDS—Covenants as to Special Capital Reserve Fund” and “DESCRIPTION OF THE INDENTURE—Special Capital Reserve Fund” herein.

**The Utilities’ Power Generation Capacity, Revenues, Costs and Results of Operations are Significantly Influenced by Weather Conditions and Seasonal Variations that are Not Within their Control**

Electricity consumption is seasonal and is mainly affected by weather conditions. In Connecticut, electricity consumption is generally higher during the autumn and winter months, and the Utilities generally experience higher demand during the colder months of October through March and lower demand during the warmer months of April through September. As a result of these seasonal patterns, the Utilities’ sales and results of operations are higher in the first and fourth quarters and lower in the second and third quarters. Sales and results of operations for all of the Utilities’ energy operations can be negatively affected by periods of unseasonably warm weather during the autumn and winter months.

**Political, Economic or Other Factors that are Beyond the Green Bank’s Control May Have an Adverse Effect on the Utilities’ Business, Results of Operation and Cash Flows**

The Utilities are dependent on domestic, regional and market conditions. Their performance, growth, and market demand for energy may be adversely affected by an economic downturn in the local, regional or global economies. The Utilities’ growth is affected by various factors, including Connecticut and New England energy consumption. Consequently, any future slowdown in Connecticut’s or the New England region’s economy could harm the Utilities’ business, results of operations, cash flows and financial condition.

**Impact of Bankruptcy of Utilities**

There can be no assurance that one or both of the Utilities will not become insolvent and/or file a voluntary petition, or that an involuntary petition will not be filed against either or both of the Utilities under the United States Bankruptcy Code, 11 U.S.C. Section 101, et seq., as amended (the “Bankruptcy Code”), or any similar applicable state law (collectively, with the Bankruptcy Code, the “Insolvency Laws”). Both debt risk and revenue risk can be contributing factors in a Utility bankruptcy. Utilities tend to have high credit ratings at all times, even when leading up to a bankruptcy, making the risk of a utility bankruptcy appear lower than the actual risk levels. As of the date of this Official Statement, Eversource is rated [BBB+/Baa2] (S&P/Moody’s) and United Illuminating is rated [A-/A3] (S&P/Moody’s). These high credit ratings imply a low risk of default, but for utilities this can be a misleading representation of credit worthiness. Further, despite the fact that utilities provide an important and irreplaceable product, they still face the effects of economic downturns as economic activity is highly cyclical.

Neither of the Utilities is a special purpose bankruptcy remote entity. Both Eversource and United Illuminating are engaged in other business activities, in addition to being obligated under the Master Purchase Agreements to make payments to the Green Bank through the purchase of the SHRECs through the NEPOOL GIS. As a consequence, either or both of the Utilities may be the subject of a voluntary or involuntary petition for relief by or against either or both Utilities under the Bankruptcy Code or other applicable insolvency laws.

In a case under Chapter 11 of the Bankruptcy Code, assuming that the Master Purchase Agreements are considered to be executory contracts, a Utility’s bankruptcy trustee, or the Utility as a debtor-in-possession (as to either, the “bankruptcy trustee”) will have the opportunity to assume or reject the Master

Purchase Agreement, and the decision may not be made until the time of a confirmation hearing on a final plan of reorganization. If the Master Purchase Agreement is not assumed or rejected at any time before confirmation of a plan of reorganization, the Green Bank will be obligated to continue performing under the applicable Master Purchase Agreement, without receiving return performance from the bankruptcy trustee, unless on request of the Green Bank and after notice and a hearing, the bankruptcy court orders the bankruptcy trustee to assume or reject the Master Purchase Agreement, or in the interim period before assumption or rejection, the bankruptcy court grants an order allowing such return performance, in whole or in part, as an administrative expense, or directs the payment of monies due under the Master Purchase Agreement (the return performance), or both.

The suspension of payments of amounts due to the Green Bank under the Master Purchase Agreement during the period after commencement of the Chapter 11 case, or the failure of the trustee in bankruptcy to resume making payments due to the Green Bank under the Master Purchase Agreement thereafter, could result in delays or reductions in SHREC Receivables.

If one or both of the Utilities were to become a debtor under the Bankruptcy Code, there can be no assurance that the Utilities will be able to successfully reorganize their businesses, and it is possible that the Utilities may be forced to sell their assets, otherwise liquidate or seek modifications to their obligations, including the obligation to purchase SHRECs pursuant to the applicable Master Purchase Agreement.

### **Risks Associated with the Green Bank**

The Green Bank performs certain functions with respect to the SHRECs, including the purchase and sale of SHRECs in accordance with the Master Purchase Agreements and critical functions regarding protection of the Trust Estate and the security interest in the Trust Estate. An investor must rely on the Green Bank to perform all of the necessary management functions for minting the SHRECs and selling the SHRECs to the Utilities under the Master Purchase Agreements and maintaining the payment streams and the Trust Estate for the Series 2025 Bonds.

The Green Bank is a public instrumentality and political subdivision of the State of Connecticut established and created for the performance of an essential public and governmental function. The Green Bank is reliant on public sources of funding to maintain its sophisticated operations. The Green Bank employees participate in the employee benefits programs and retirement programs offered by the State of Connecticut. Although payments of the amounts due under the Series 2025 Bonds do not rely on any of the State of Connecticut (other than the Special Capital Reserve Fund) or the Green Bank (as the Series 2025 Bonds are without recourse to the Green Bank), the obligations of the Green Bank rely on the continued performance of its workforce. As the State of Connecticut is faced with economic and budgeting pressures, the Green Bank's sources of funding may be reduced. These funding sources may be affected by a variety of political and economic factors outside of the Green Bank's control. Reduced funding could negatively affect the Green Bank's ongoing operations and ability to maintain the staff it needs to support the management function. See the caption "General Economic Conditions" above.

As the Green Bank was established and created by the State of Connecticut pursuant to the Green Bank Statute, the State of Connecticut would have the sole power and authority to discontinue the Green Bank's existence. However, under the terms of subsection (h) of the Green Bank Statute, the State of Connecticut pledges and agrees

“with any person with whom the Connecticut Green Bank may enter into contracts pursuant to the provisions of this section that the state will not limit or alter the rights hereby vested in said bank until such contracts and the obligations thereunder are fully met and performed on the part of said bank, provided nothing herein contained shall preclude such limitation

or alteration if adequate provision shall be made by law for the protection of such persons entering into contracts with said bank.”

***Green Bank context:*** *The Green Bank had a net asset position of \$166.1 million as of June 30, 2024. Since a majority of funding for the Green Bank was “swept” by the legislature in the 2017 session, Green Bank staff has taken numerous measures to ensure the organization was self-sustainable should funding be “swept” again. The Green Bank has more than \$300 million of earning assets, interest payments from which are sufficient to fully cover annual operating expenses. The Green Bank is therefore confident that the organization could continue operations if ratepayer or state funds were no longer available.*

### **Failure of the Green Bank to Remove Ineligible SHRECs When Required Will Reduce Funds Available to Make Payments on the Series 2025 Bonds**

None of the SHRECs is insured or guaranteed by the State of Connecticut or any governmental agency or instrumentality. Pursuant to the Indenture, the Green Bank will be obligated to remove any Ineligible SHREC pledged by the Green Bank to the Trustee under the Indenture by depositing an amount, established by the Green Bank, equal to the fair market value equivalent of the Ineligible SHREC originally pledged. Upon such deposit, the Green Bank may remove the related Ineligible SHREC from the Trust Estate.

The Green Bank is the sole warranting party in respect of the SHRECs pledged under the Indenture. In the event the Green Bank fails to fulfill its obligations, an investor could experience cash flow disruptions or losses on the Series 2025 Bonds. The Green Bank cannot assure an investor that the Green Bank will effect such a payment and removal. In addition, the Green Bank may have various legal defenses available to it in connection with a removal obligation. Except for the foregoing obligations with respect to Ineligible SHRECs, the Green Bank will not have any payment or removal obligations in respect of the SHRECs.

### **Bankruptcy of the Green Bank May Adversely Affect Payments on the Series 2025 Bonds**

The Green Bank cannot file for bankruptcy under the U.S. Bankruptcy Code (the “Bankruptcy Code”). Chapter 9 of the Bankruptcy Code allows a municipality to file a petition for bankruptcy under certain conditions. Under Chapter 9, a “municipality” is defined as a political subdivision or public agency or instrumentality of a state, and can also include revenue-producing bodies that provide services that are paid for by users rather than general taxes. The Green Bank falls within the Bankruptcy Code’s definition of “municipality” because Section 16-245n of the Connecticut General Statutes defines Green Bank as “a body politic and corporate, constituting a public instrumentality and political subdivision of the State of Connecticut established and created for the performance of an essential public and governmental function.” The Green Bank does not have the traditional powers associated with a “municipality,” such as taxing power, police powers or eminent domain powers.

The Bankruptcy Code also requires a municipality to be specifically authorized to file for Chapter 9 bankruptcy by either state law, or a governmental officer or organization empowered to provide such authorization by state law. With regard to a “municipality,” as that term is defined under Connecticut state law, Section 7-566 of the Connecticut General Statutes authorizes a Chapter 9 filing by a “municipality” only upon obtaining the Governor’s express prior written consent. The definition of “municipality” under this statute only applies to entities traditionally considered state municipalities—any town, city, borough,

metropolitan district, fire, sewer or other district—and any political subdivision of the State of Connecticut having the power to levy taxes and to issue bonds, notes or other obligations (Section 7-560 of the Connecticut General Statutes). Although the Green Bank has the power to issue bonds, notes or other obligations, because the Green Bank is not a town, city, borough, metropolitan district, fire, sewer or other district, and is not authorized to levy taxes, it does not meet the definition of “municipality” under Section 7-566 of the Connecticut General Statutes, and therefore is not authorized to file for Chapter 9 bankruptcy under that state law, as presently codified. The State could amend the Connecticut General Statutes to include the Green Bank in its definition of “municipality” and thereby authorize it to file for Chapter 9 bankruptcy (with the Governor’s express prior written consent), but such amendment has not been introduced and is not anticipated as of the date of this Official Statement.

***Green Bank context:*** *The Green Bank had a net asset position of \$166.1 million as of June 30, 2024. The Green Bank has more than \$300 million of earning assets, interest payments from which are sufficient to fully cover annual operating expenses. The Green Bank is therefore confident that the organization could continue operations if ratepayer or state funds were no longer available.*

### **The Series 2025 Bonds May Not Be Accelerated**

The Series 2025 Bonds may not be accelerated following an Event of Default under the Indenture. The Bondholders sole remedy upon an Event of Default is to enforce the Green Bank’s performance under the Indenture. See the caption “Defaults; Remedies on Default—*Remedies Upon Default*” in “APPENDIX I-A—FORM OF THE INDENTURE” hereto.

### **Political and State Risks**

The Green Bank is reliant on public sources and federal and state energy and environmental infrastructure policy to achieve its operational goals. These funding sources and policies may be affected by a variety of political and economic factors. The Green Bank is unable to determine and has no basis to predict to what extent political or economic factors will affect the Green Bank’s ongoing operations.

***Green Bank context:*** *The Green Bank had a net asset position of \$166.1 million as of June 30, 2024. The Green Bank has more than \$300 million of earning assets, interest payments from which are sufficient to fully cover annual operating expenses. The Green Bank has succeeded through many public policy changes at the state and federal levels over the course of its nearly 15-year history. Those changes have been both helpful and detrimental to Green Bank goals.*

### **Combination or “Layering” of Multiple Risks May Significantly Increase Risk of Loss**

Although the various risks discussed in this Official Statement are generally described separately, prospective Bondholders should consider the potential effects on the Series 2025 Bonds of the interplay of multiple risk factors. Where more than one significant risk factor is present, the risk of loss to Bondholders may be significantly increased. There are many circumstances in which layering of multiple risks with respect to the Trust Estate and the Series 2025 Bonds may magnify the effect of those risks. In considering the potential effects of layered risks, prospective investors should carefully review the descriptions of the Trust Estate and the Series 2025 Bonds.

### **The Rating of the Series 2025 Bonds is Not a Recommendation to Purchase and may Change**

It is a condition to the issuance of the Series 2025 Bonds that they be rated as described under the caption “SUMMARY OF TERMS—Rating” herein. The rating is based on the creditworthiness of the State of Connecticut, the amount of the Special Capital Reserve Fund Requirement and the legal structure of the transaction. The rating is not a recommendation to purchase, hold or sell the Series 2025 Bonds inasmuch as the rating does not comment as to the market price or suitability for any investor. The ratings may be increased, lowered or withdrawn by the rating agency if in the rating agency’s judgment circumstances so warrant. A downgrade in the rating of the Series 2025 Bonds is likely to decrease the price a subsequent purchaser will be willing to pay for the Series 2025 Bonds. The rating of the Series 2025 Bonds will not address the market liquidity of the Series 2025 Bonds.

## Exhibit H-1

Example of S&P ratings summary from a previous SHREC Green Liberty Bond Issuance

**S&P Global**  
Ratings

**RatingsDirect®**

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### **Summary:**

## **Connecticut Green Bank; General Obligation Equivalent Security**

### **Primary Credit Analyst:**

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## Summary:

# Connecticut Green Bank; General Obligation Equivalent Security

### Credit Profile

US\$15.435 mil solar home renewable energy credit green liberty bonds (Climate Bond Certified) ser 2020 due 11/15/2030

Long Term Rating

A/Stable

New

### Rating Action

S&P Global Ratings assigned its 'A' long-term rating to the Connecticut Green Bank's Solar Home Renewable Energy Credit (SHREC) series 2020-1 Green Liberty bonds. The outlook is stable.

The Green Bank is issuing approximately \$15.4 million of bonds to refinance expenditures of the bank to its Residential Solar Incentive Program (RSIP) and fund a special capital reserve fund (SCRF). The bonds are secured by revenues received under the indenture, including SHREC receivables, funds on deposit in the SCRF.

We base the rating on the security provided by the SCRF and application of our "Issue Credit Ratings Linked To U.S. Public Finance Obligors' Creditworthiness" criteria (published Jan. 22, 2018, on RatingsDirect). We consider this a general operating pledge and in accordance with our criteria, generally rate these obligations on par with our view of the obligor's general creditworthiness, in this case, the state of Connecticut.

The reserve fund is the ultimate layer of security and will only be accessed if the revenues received under the indenture are insufficient to meet debt service requirements. This reserve fund, which is required to equal maximum annual debt service (MADS), is funded from bond proceeds. According to the terms of the indenture, the reserve fund is held by the trustee. If the reserve fund is depleted to pay debt service, funding from the state is "deemed to be appropriated" to restore the reserve to MADS. Appropriation and payment of these funds are not subject to further legislative approval, according to bond counsel. As a result, S&P Global Ratings has historically rated SCRF-enhanced issues on par with its GO rating on Connecticut. The Green Bank's obligation to fund debt service is absolute and unconditional.

The Green Bank is a quasi-public organization created in 2011 as a successor to the Connecticut Clean Energy Fund with a focus on financing clean energy initiatives, including renewable energy, energy efficiency, energy storage, alternative fuel vehicles, and infrastructure. It is not a department, institution or agency of the state, but the state treasurer serves as an ex-officio board member.

### Credit overview

Through the RSIP, the Green Bank offers incentives to homeowners and third-party owners to install solar panels. In exchange for its incentives, the Green Bank receives all rights and title to SHRECs generated and sells the SHRECs generated to the state's two investor-owned utilities (Eversource and United Illuminating) under a master purchase



agreement at a predetermined price over a 15-year tranche lifetime. Eversource must purchase 80% of SHRECs and United Illuminating 20% within each tranche. The utilities' obligation to purchase future tranches ends no later than the earlier of the Green Banks deployment of 350 megawatts of qualifying residential solar photovoltaic installations (in which case the Green Bank must notify the utilities that goal has been met) or Dec. 31, 2022 (maximum of six tranche delivery terms).

The SHRECs supporting this bond issuance (Tranche 3) will be generated from 4,818 systems with a SHREC purchase price of \$48 per SHREC with projected revenues of approximately \$25.6 million over the life of bonds.

While the Green Bank is not dissolvable through bankruptcy, SHREC payments are made by the utilities, and not customers or third-party owners. While the utilities have a greater likelihood to make SHREC payments to the Green Bank, there can be no assurance that one or both of the utilities will not become insolvent as neither utility is bankruptcy remote. Additional risk exists if customer defaults on payments to the utilities increase, affecting the financial performance of the utilities, or performance of residential systems generating the SHRECs and consequently expected revenues are worse than projected. The Green Bank also relies on public sources of funding to maintain operations and may be affected by a variety of political and economic factors.

If underlying risks of the transaction were to mount, and the Green Bank received insufficient payments to meet debt service requirements from the transaction or its public sources of funding, we expect the state's SCRF backing will be sufficient to remedy any deficiencies. Pursuant to Connecticut General Statutes (16-245mm), the aggregate amount of Green Bank bonds secured by SCRF may not exceed \$100 million and, in our opinion, limit the state's contingent liability exposure from the Green Bank. As of Feb. 1, 2020, Connecticut had \$5.1 billion of SCRF-secured debt outstanding, \$4.5 billion of which was issued by the Connecticut Housing Finance Authority. In our opinion, the state has not exhibited any political or administrative risks to suggest it would not support SCRF-backed obligations if needed.

#### **Environmental, social, and governance factors**

S&P Global Ratings considers health and safety a social risk under our view of environmental, social, and governance (ESG) factors. Absent the social risks of COVID-19, we consider Connecticut to have elevated social risks compared to the sector given its older population and higher cost of living. These demographic trends could present long-term credit risks to the state's economic and budgetary performance. However, we believe Connecticut's historically strong management and policy framework will help manage this risk. Environmental risks are considered above those of other states due to its 618 miles of coastline along Long Island Sound. Its shoreline roads and communities are at risk from rising sea levels. However, we recognize the state's commitment to renewable energy installation and energy efficiency, as evidenced by the creation of the Green Bank and this transaction. We view the state's governance risks as being in line with the sector and it has historically maintained a strong management and policy framework to respond to developing risks.

#### **Stable Outlook**

The outlook on the bonds reflects that of the state of Connecticut. Generally, our rating outlook timeframe is up to two years. Given the current uncertainty around the pandemic, our view of the credit risks to Connecticut and its

obligations centers on the more immediate budget effects in 2020 and is subject to change.

#### **Downside scenario**

Should a significant structural gap emerge and the state no longer continues making required pension contributions, uses significant one-time budgetary maneuvers (including deficit bonds), or sees its reserves deteriorate to low levels as they were before bond covenants were imposed, we may lower the rating. We also note that the state's three-year average pension funding ratio is close to our threshold of 40%, and may result in further downward rating action if pension funding levels deteriorate. We recognize that state governments across the nation will face unprecedented challenges in the near term. The duration and severity of recent events affecting the state's fiscal profile may result in faster deterioration of its credit quality as economic conditions change.

#### **Upside scenario**

If the state is able to weather the economic recession, maintaining good reserve balances and demonstrating a moderating debt burden, we may consider a higher rating. We currently estimate that the majority of our debt ratios will remain at least one-third higher than the threshold triggering our one-notch lower rating over our outlook horizon. This threshold was first triggered at the end of fiscal 2017.

### **Credit Opinion**

Connecticut released updated consensus revenue forecasts at the end of April, projecting a \$934.0 million deficit (4.8% of expenditures) in the general fund for fiscal 2020. To balance the budget this year, the state will use all of its expected volatility cap transfer to the reserve fund (\$318.3 million) and a draw from its rainy day fund (\$615.7 million). Prior to the COVID-19 pandemic, it was on track to increase reserve levels to over 15% during the biennium. The strong position of the state entering into fiscal 2020 is likely to weaken, with reserve balances at 12.9% of appropriations expected to decline to 9.4% following the drawdown for this year's deficit.

The projections also forecast a \$2.2 billion deficit (10.7% of expenditures) for fiscal 2021 that the state will need to address through some combination of expenditure and revenue changes or continued use of reserves. The level of reserves at the end of fiscal 2020 is expected to be \$1.9 billion and is insufficient to make up all of the projected deficit for fiscal 2021. The state has begun considering how to address the fiscal 2021 shortfall with revenue changes and other expenditure adjustments. However, the significance of the shortfall will likely result in some reserve use. During the last recession, the state issued nine-year deficit bonds to close its shortfall.

Despite these challenges, Connecticut enters the current recession in a significantly better position than in the past, with reserves at historically high levels. Bond covenants allow reserve drawdowns on a supermajority legislative vote, which the majority party holds at present. Previously, Connecticut had a history of carrying low reserves and ended fiscal 2017 with a reserve balance of only 1.1% of expenditures.

Further pressuring the state's finances during the recession are its extremely high fixed costs. An estimated 50% of fiscal 2020 budgeted expenditures constitute debt service, required pension and retiree health care benefit contributions, the state share of Medicaid costs, and other entitlements. The state also enacted an annual GO bond allocation cap of \$2 billion and an issuance cap of \$1.9 billion (with certain exclusions such as UConn 2000 bonds), but



the state has self-imposed a GO issuance limit of \$1.6 billion in fiscal years 2020 and 2021. Bond allocations are determined by the state's Bond Commission, whose agenda is controlled by the governor. During calendar year 2019, GO bond allocations by the Bond Commission totaled \$1.2 billion, well below the 2011 through 2018 bond allocation average of \$1.975 billion. Connecticut remains the only state with a high enough debt load to trigger a one-notch downward override rating adjustment under our state rating methodology. The bond bill authorizations are in line with prior years and we do not expect the debt profile to significantly moderate in the near term.

Based on the analytic factors we evaluate for states, on a scale of '1.0' (strongest) to '4.0' (weakest), we have assigned a composite score of '2.2' to Connecticut, an anchor of the 'AA-' rating. However, we also calculate that a majority of Connecticut's debt ratios in our state scoring criteria may lie more than one-third above the level necessary to score a '4', which triggers a one-notch rating override under our state scoring criteria. We are further using our discretionary ability to rate one notch below the anchor rating and overriding factors to maintain our 'A' rating due to our view of the state's high fixed-cost burden and lagging economic growth compared to peers

For more information on the state's general creditworthiness, see our full analysis on Connecticut, published May 15, 2020 on RatingsDirect.

## Related Research

- Through The ESG Lens 2.0: A Deeper Dive Into U.S. Public Finance Credit Factors, April 28, 2020

Certain terms used in this report, particularly certain adjectives used to express our view on rating relevant factors, have specific meanings ascribed to them in our criteria, and should therefore be read in conjunction with such criteria. Please see Ratings Criteria at [www.standardandpoors.com](http://www.standardandpoors.com) for further information. Complete ratings information is available to subscribers of RatingsDirect at [www.capitaliq.com](http://www.capitaliq.com). All ratings affected by this rating action can be found on S&P Global Ratings' public website at [www.standardandpoors.com](http://www.standardandpoors.com). Use the Ratings search box located in the left column.

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**CONNECTICUT GREEN BANK  
STATE SUPPORTED SOLAR HOME RENEWABLE ENERGY CREDIT,  
GREEN LIBERTY BONDS, SERIES 2025  
(FEDERALLY TAXABLE)  
(GREEN BONDS - CLIMATE BOND CERTIFIED)**

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**BOND PURCHASE AGREEMENT**

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**September [30], 2025**

Connecticut Green Bank  
75 Charter Oak Avenue, Suite 1-103  
Hartford, CT 06106

Ladies and Gentlemen:

Ramirez & Co., Inc. (the “Underwriter” and “Ramirez”), offers to enter into the following agreement with the Connecticut Green Bank (the “Green Bank”), which, upon acceptance of this Bond Purchase Agreement (this “Bond Purchase Agreement”) by the Green Bank, will be binding upon the Green Bank and the Underwriter. This offer is made subject to acceptance of this Bond Purchase Agreement by the Green Bank on or before 4:00 p.m., New York time, on the date hereof, and if not so accepted, will be subject to withdrawal by the Underwriter upon notice delivered to your offices, at any time prior to the acceptance hereof by the Green Bank. Terms used in this Bond Purchase Agreement, but not defined herein, shall have the meanings assigned to them in the Indenture (as hereinafter defined).

**1. Background.** The Green Bank proposes to issue \$[\_\_\_\_\_] aggregate principal amount of its State Supported Solar Home Renewable Energy Credit, Green Liberty Bonds, Series 2025 (Federally Taxable) (Green Bonds - Climate Bond Certified) (the “Series 2025 Bonds”), to refinance expenditures of the Green Bank related to its Residential Solar Incentive Program for Solar Home Renewable Credits relating to SHREC Systems, fund a Special Capital Reserve Fund and pay the costs of issuing the Series 2025 Bonds. The Series 2025 Bonds shall be as described in Exhibit A hereto.

The Series 2025 Bonds shall be issued under and secured by an Indenture of Trust, dated as of [October 1], 2025 (the “Indenture”), between the Green Bank and The Bank of New York Mellon Trust

Company, N.A., as trustee (the “Trustee”). The pledge set forth in the Indenture will include, among other things, all right, title and interest in and to the SHREC Receivables, the RECs related to SHREC Tranche 5 and 6, the Funds and Accounts established pursuant to the Indenture, including the Special Capital Reserve Fund and any amounts deemed appropriated by the State of Connecticut (the “State”) for deposit therein, and the Green Bank’s rights to the revenues under the Master Purchase Agreements described below relating to the SHREC Receivables (collectively, the “Trust Estate”). Pursuant to the Indenture, the Trust Estate will be pledged and assigned to the Trustee on behalf of the owners of the Series 2025 Bonds (the “Bondholders”). On the Closing Date (as defined in Section 5 hereof), the Green Bank and the State will execute Rule 15c2-12(b)(5) Undertakings, dated as of the Closing Date relating to the Series 2025 Bonds (the “Disclosure Undertakings”).

The SHREC Receivables consist of revenues received from The Connecticut Light and Power Company, d/b/a Eversource Energy and United Illuminating (collectively, the “Utilities”) pursuant to separate Master Purchase Agreements (each, a “Master Purchase Agreement” and collectively, the “Master Purchase Agreements”), statutorily required by Section 16-245gg of the Connecticut General Statutes, as amended (the “SHREC Statute”), between the Green Bank and each of the Utilities.

**2. Purchase and Sale of Series 2025 Bonds.** Subject to the terms and conditions of this Bond Purchase Agreement, on the Closing Date, the Underwriter will purchase the Series 2025 Bonds from the Green Bank at a price of \$[ ] (equal to the principal amount of the Series 2025 Bonds, less an underwriting discount of \$[ ]) upon the issuance of the Series 2025 Bonds (the “Closing”). The Underwriter agrees to purchase from the Green Bank, and the Green Bank agrees to sell to the Underwriter, all (but not less than all) of the Series 2025 Bonds, on the terms set forth in this Bond Purchase Agreement. The purchase will be made by the delivery of immediately available funds through the facilities of The Depository Trust Company (“DTC”).

The Underwriter intends to make a bona fide initial public offering of all the Series 2025 Bonds at prices no higher than, or yields not lower than, those shown in the Official Statement. The Underwriter reserves the right to lower such initial offering prices as they deem necessary in connection with the marketing of the Series 2025 Bonds. The Underwriter may offer and sell the Series 2025 Bonds to certain dealers (including dealers depositing the Series 2025 Bonds into investment trusts) and others at prices lower than the initial public offering price or prices set forth in the Official Statement. The Underwriter also reserves the right to: (i) over-allot or effect transactions which stabilize or maintain the market price of the Series 2025 Bonds at levels above those that might otherwise prevail in the open market and (ii) discontinue such stabilizing, if commenced, at any time without prior notice.

The Underwriter further agrees that no offers or sales of the Series 2025 Bonds will be made by them in any jurisdiction unless the Series 2025 Bonds are offered or sold in full compliance with the laws of any such jurisdiction. The Underwriter also agrees to comply with all applicable rules, regulations and laws of any jurisdiction where the Series 2025 Bonds are offered or sold. The agreements of the Underwriter contained in this paragraph shall remain operative after the delivery and payment for the Series 2025 Bonds hereunder.

**3. Preliminary Official Statement, Official Statement and Compliance with Rule 15c2-12.** The Preliminary Official Statement, dated September [15], 2025 (the “Preliminary Official Statement”), has been prepared by the Green Bank for use by the Underwriter in connection with the public offering, sale and distribution of the Series 2025 Bonds. The Green Bank hereby represents and warrants that the Green Bank has reviewed and approved the information in the Preliminary Official Statement and

hereby ratifies the Underwriter's use prior to the date hereof of the Preliminary Official Statement and authorizes the Underwriter's use of the Official Statement, each in connection with the public offering and the sale of the Series 2025 Bonds.

The Green Bank deemed the Preliminary Official Statement to be final (except for the interest rate, selling compensation, delivery date and other terms of the Series 2025 Bonds depending on such matters) as of its date within the meaning of Rule 15c2-12 ("Rule 15c2-12") promulgated by the Securities and Exchange Commission (the "Commission") under the Exchange Act of 1934, as amended (the "Exchange Act"). The Green Bank agrees to provide the Underwriter with sufficient quantities, at the sole expense of the Green Bank, of the Official Statement, in such form as may be agreed to by the Green Bank and the Underwriter, dated the date hereof, in substantially the form of the Preliminary Official Statement, with only such changes therein as shall have been agreed to by the Green Bank and the Underwriter (such Official Statement hereinafter called the "Official Statement") within seven (7) business days after the date of this Bond Purchase Agreement and in sufficient time to accompany any confirmation of sale of the Series 2025 Bonds.

During the period ending on the 25th day after the End of the Underwriting Period (or such other period as may be agreed to by the Green Bank and Ramirez), the Green Bank (i) shall not supplement or amend the Official Statement or cause the Official Statement to be supplemented or amended without the prior written consent of Ramirez and (ii) shall notify Ramirez promptly if any event shall occur, or information comes to the attention of the Green Bank, that is reasonably likely to cause the Official Statement (whether or not previously supplemented or amended) to contain any untrue statement of a material fact or to omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. If, in the reasonable opinion of Ramirez, such event requires the preparation and distribution of a supplement or amendment to the Official Statement, the Green Bank shall prepare and furnish to Ramirez, at the Green Bank's expense, such number of copies of the supplement or amendment to the Official Statement, in form and substance mutually agreed upon by the Green Bank and Ramirez, as Ramirez may reasonably request. If such notification shall be given subsequent to the Closing Date, the Green Bank also shall furnish, or cause to be furnished, such additional legal opinions, certificates, instruments and other documents as Ramirez may reasonably deem necessary to evidence the accuracy of any such supplement or amendment to the Official Statement.

For purposes of this Bond Purchase Agreement, the "End of the Underwriting Period" is used as defined in Rule 15c2-12 and shall occur on the later of (A) the Closing Date or (B) when the Underwriter no longer retains an unsold balance of the Series 2025 Bonds; unless otherwise advised in writing by Ramirez on or prior to the Closing Date, or otherwise agreed to by the Green Bank and Ramirez, the Green Bank may assume that the End of the Underwriting Period is the Closing Date.

The Underwriter shall submit the Official Statement in accordance with MSRB Rule G-32 to EMMA (as such term is defined in MSRB Rule G-32) within one business day after receipt of the Official Statement from the Green Bank or its designee, but by no later than the Closing Date. In addition, the Underwriter will take any and all other actions required of underwriters necessary to comply with applicable Securities and Exchange Commission and MSRB rules, and the applicable rules, regulations and laws of any other jurisdiction where the Series 2025 Bonds are offered or sold, governing the offering, sale and delivery of the Series 2025 Bonds to the ultimate purchasers. The covenants of the Underwriter contained in this paragraph shall remain operative after the delivery and payment for the Series 2025 Bonds.

The Green Bank hereby authorizes the Indenture, the Preliminary Official Statement, the Official Statement, the Investor Presentation relating to the Series 2025 Bonds released on September [15], 2025 (the “Investor Presentation”), the Green Bank Documents (defined below) and the information therein to be used by the Underwriter. In addition, the Green Bank has engaged in certain marketing efforts, including, but not limited to, through the use of press releases, webinars, Facebook and LinkedIn posts, e-mail blasts, direct mail postcards and television, radio and print adds (collectively with the Investor Presentation, the “Marketing Materials”) and is solely responsible for the information contained therein; provided, the Green Bank acknowledges that the Underwriter has not reviewed the Marketing Materials in accordance with, and as part of, its responsibilities to investors under the federal securities laws or the applicable rules, regulations and laws of any jurisdiction, and therefore the Underwriter disclaims any responsibility for the contents and distribution of such Marketing Materials.

**4. Representations, Warranties, Covenants and Agreements of the Green Bank.** The Green Bank, by its acceptance hereof, represents, warrants, covenants and agrees with the Underwriter as follows:

- (a) The Green Bank is a quasi-public entity of the State created under Sections 16-245n and 16-245kk through 16-245mm of the Connecticut General Statutes, as amended from time to time (the “Act”), and is authorized by the provisions of the Act (i) to offer, issue, sell and deliver the Series 2025 Bonds for the purposes specified in the Indenture, (ii) to secure the Series 2025 Bonds by pledging and assigning to the Trustee the rights, titles and interests in the Trust Estate and (iii) to enter into and perform its obligations under this Bond Purchase Agreement, the Series 2025 Bonds, the Indenture, the Master Purchase Agreements, the Disclosure Undertaking and any other instrument or agreement to which the Green Bank is a party and which has been executed in connection with the transactions contemplated by the foregoing documents in order to accomplish the foregoing actions (together, the “Green Bank Documents”).
- (b) The Green Bank has full power and authority to execute and deliver, to take all actions required or permitted to be taken by the Green Bank by or under, and to perform and observe the covenants and agreements on its part contained in, the Green Bank Documents, and the Green Bank has complied with all provisions of applicable law, including the Act, in all matters related to such actions.
- (c) The Green Bank has, on or before the date hereof, duly taken or will, prior to the Closing Date, duly take all action necessary to be taken by it or on its behalf prior to such date for: (i) the offering, sale and delivery of the Series 2025 Bonds upon the terms and conditions and for the purposes described herein and in the Official Statement, (ii) the execution, delivery and performance of the Green Bank Documents, (iii) the approval, execution, delivery and distribution of the Official Statement, and (iv) the carrying out, giving effect to, consummation and performance of the transactions and obligations contemplated hereby and by the Official Statement, except for such approvals, consents and orders as may be required under the Blue Sky or securities laws of any jurisdiction in connection with the offering and sale of the Series 2025 Bonds.
- (d) This Bond Purchase Agreement has been duly executed and delivered by the Green Bank. The Green Bank Documents, when duly executed and delivered by the parties thereto, will constitute valid and binding obligations of the Green Bank enforceable against the Green Bank in accordance with their respective terms, except as the enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or other laws relating to or



affecting the enforcement of creditors' rights or contractual obligations generally or by principles of equity or judicial discretion.

- (e) The delivery of the Official Statement and the Marketing Materials, and the execution, delivery and performance by the Green Bank of the Green Bank Documents, the compliance with the terms, conditions or provisions hereof and thereof, and the consummation of the transactions herein and therein contemplated do not and will not conflict with or constitute a breach of or a default under or result in a violation of (i) the Act, (ii) any agreement or other instrument to which the Green Bank is a party or by which the Green Bank or any of its properties is bound, or (iii) any constitutional or statutory provision or order, rule, regulation, decree or ordinance of any court, government or governmental authority having jurisdiction over the Green Bank or any of its properties.
- (f) On and as of the Closing Date, all authorizations, consents and approvals of, notices to, registrations or filings with, or actions in respect of any governmental body, agency or other instrumentality or court required to be obtained, given or taken on behalf of the Green Bank in connection with the execution, delivery and performance by the Green Bank of the Green Bank Documents will have been obtained, given or taken and will be in full force and effect, provided that no representation is made with respect to compliance with the securities or "Blue Sky" laws of the various states of the United States.
- (g) There is no action, suit, proceeding, inquiry or investigation before or by any court, public board or body pending or, to the best knowledge of the Green Bank, threatened against or affecting the Green Bank wherein an unfavorable decision, ruling or finding would adversely affect the validity or enforceability of, or the authority or ability of the Green Bank to perform its obligations under, the Green Bank Documents.
- (h) On the Closing Date, the Series 2025 Bonds will be duly authorized, executed, issued and delivered and constitute valid and binding limited obligations of the Green Bank enforceable in accordance with their terms and the terms of the Indenture and entitled to the benefits and security of the Green Bank Documents and the Act, except as the enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or other laws relating to or affecting the enforcement of creditors' rights or contractual obligations generally or by principles of equity or judicial discretion.
- (i) Immediately prior to the pledge of the Trust Estate to the Trustee pursuant to the Indenture, the Green Bank will have good and marketable title to the Trust Estate, free and clear of any lien.
- (j) On and as of the Closing Date, the Series 2025 Bonds will be secured by the assignment and pledge described in the granting clauses of the Indenture.
- (k) The Green Bank will furnish such information, execute such instruments and take such other action in cooperation with the Underwriter as the Underwriter may reasonably request to qualify the Series 2025 Bonds for offer and sale under the Blue Sky and other securities laws or regulations of such states and other jurisdictions of the United States as the Underwriter may designate; provided, that the Green Bank shall not be required to execute a general or special consent to service of process or qualify to do business in another jurisdiction in connection with any such undertaking and provided further, that any such undertaking shall not be at the expense of the Green Bank.

- (l) The Green Bank is not in default in the payment of principal of, premium, if any, or interest on any bonds or notes and, other than the Indenture, the Green Bank has not entered into any contract or arrangement of any kind which might give rise to any lien or encumbrance on the assets, funds and interests pledged pursuant to, or subject to the lien of, the Indenture.
- (m) Part I of the Preliminary Official Statement, as of its date, did not and, as of the date hereof, does not and the Official Statement, as of its date, does not, and, as of the Closing Date, will not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; and, as of the Closing, there will have been no material adverse change to the information contained in Part I of the Official Statement as it may be amended or supplemented; *provided, however*, that this representation and warranty shall not apply to information included under the captions “THE SERIES 2025 BONDS—Securities Depository” and “UNDERWRITING” therein (the “Excluded Sections”).
- (n) Any certificate signed by any authorized official or officials of the Green Bank and delivered to the Underwriter in connection with the issuance of the Series 2025 Bonds shall be deemed a representation by the Green Bank to the Underwriter as to the statements made therein.
- (o) The Green Bank will take or cause to be taken such other action as may reasonably be required on its part to consummate the transactions contemplated by the Green Bank Documents.
- (p) For any period during which any of the Series 2025 Bonds are held by non-affiliates of the Green Bank, if applicable, the Green Bank shall file Form ABS-15G as required by Rule 15Ga-1 promulgated under the Exchange Act.
- (q) Any report and all reports generated by a third-party to provide due diligence services obtained in connection with the Series 2025 Bonds, if any, within the meaning of Section 15E(s)(4)(A) of the Exchange Act (collectively the “Third-Party Diligence Report”) for purposes of this Bond Purchase Agreement shall be deemed obtained by the Green Bank and all legal obligations of the Green Bank with respect to such Third-Party Diligence Report have been timely complied with;
- (r) Other than the DNV GL engineer’s report regarding SHREC Tranche 5 and 6 (the “DNV GL Diligence Report”), the Green Bank has not requested (and has not caused any person to request) any Third-Party Diligence Report related to the Series 2025 Bonds, and, to the extent the Green Bank has requested any Third-Party Diligence Report, including the DNV GL Diligence Report, the Green Bank has made publicly available a summary of such report or portion thereof on its website;
- (s) The Green Bank is a “public instrumentality” of the State that is exempt from the registration requirements of the Securities Act of 1933, as amended (the “Securities Act”), by reason of Section 3(a)(2) of the Securities Act.
- (t) [Except as disclosed in the Official Statement, the Green Bank has been in material compliance during the previous five years with its continuing disclosure obligations in accordance with Rule 15c2-12.]

- (u) Prior to the Closing Date, except as otherwise contemplated by the Official Statement, the Green Bank shall not create, assume or guarantee any indebtedness payable from, or pledge or otherwise encumber, the Trust Estate or other assets, properties, funds or interests that will be pledged as security or be available as a source of payment for the Series 2025 Bonds pursuant to the Indenture.

**5. Closing.** At 12:00 p.m. (Noon), New York time, on [October 15], 2025, or on such other date as shall be agreed upon in writing by the Green Bank and Ramirez (the “Closing Date”), the Green Bank will instruct DTC to credit the Series 2025 Bonds to the account of, or as otherwise instructed by, the Underwriter and upon receipt of the other documents hereinafter mentioned, the Underwriter will accept such delivery and pay the purchase price of the Series 2025 Bonds as set forth in Section 2 hereof, by wire transfer of immediately available funds as provided in the Indenture. Acceptance of each delivery and payment as aforesaid shall be made at the office of Shipman & Goodwin LLP, One Constitution Plaza Hartford, CT 06103. The Series 2025 Bonds shall be in definitive form, bearing CUSIP numbers and shall be registered in the name of Cede & Co.

**6. Conditions of Closing.** The obligation of the Underwriter to purchase and pay for the Series 2025 Bonds on the Closing Date shall be subject to the due performance by the Green Bank of its obligations to be performed under this Bond Purchase Agreement prior to or concurrently with the Closing, and the accuracy of the respective representations and warranties of the Green Bank contained herein, as of the date hereof and as of the Closing Date, and shall also be subject to the following additional conditions:

- (a) The Official Statement and the Green Bank Documents shall have been duly authorized, executed and delivered, and each of the foregoing shall be in full force and effect and shall not have been amended, modified or supplemented except as may have been agreed to by the Green Bank and the Underwriter.
- (b) Subsequent to the acceptance of this Bond Purchase Agreement by the Green Bank:
  - (i) There shall not have occurred any material event in or affecting particularly the business or properties of the Green Bank which, in the reasonable judgment of Ramirez, materially impairs the investment quality of the Series 2025 Bonds;
  - (ii) The marketability of the Series 2025 Bonds or the market price thereof shall not, in the reasonable judgment of Ramirez, have been materially and adversely affected by reason of:
    - (A) legislation introduced in or passed by the House of Representatives or the Senate of the Congress of the United States, or recommended to the Congress of the United States for passage by the President of the United States or favorably reported for passage to either the House of Representatives or the Senate by any committee of either such body to which such legislation has been referred for consideration;
    - (B) a decision rendered by a court established under Article III of the Constitution of the United States;
    - (C) a general suspension of trading in securities on the New York Stock Exchange, the establishment of minimum prices on either such exchange, the establishment of material restrictions (not in force as of the date hereof)

upon trading securities generally, or a general banking moratorium declared by federal or State officials authorized to do so;

- (D) the New York Stock Exchange or other national securities exchange or any governmental authority, shall impose, as to the Series 2025 Bonds or as to obligations of the general character of the Series 2025 Bonds, any material restrictions not now in force, or increase materially those now in force, with respect to the extension of credit by, or the charge to the net capital requirements of, an Underwriter; or
  - (E) there shall have occurred any (1) new material outbreak of hostilities involving the United States (including, without limitation, an act of terrorism), or escalation of such event that existed prior to the date hereof, or (2) new material other national or international calamity or crisis (including, without limitation, a pandemic), or escalation of such event that existed prior to the date hereof, or (3) material financial crisis or adverse change in the financial or economic conditions affecting the United States government or the securities markets in the United States.
- (iii) The purchase of and payment for the Series 2025 Bonds by the Underwriter, or the resale of the Series 2025 Bonds by the Underwriter, on the terms and conditions herein provided shall not be prohibited by any applicable law, governmental authority, board, agency.
  - (iv) Any state blue sky or securities commission or other governmental agency or body shall not have withheld registration, exemption or clearance of the offering of the Series 2025 Bonds as described herein, or issued a stop order or similar ruling relating thereto.
  - (v) no event shall occur, or information become known which, in the reasonable judgment of the Underwriter, makes untrue in any material respect any statement or information contained in the Official Statement, or has the effect that the Official Statement contains any untrue statement of material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.
  - (vi) S&P Global Ratings (“S&P”) shall not have issued an adverse credit report or publicly announced that it has under surveillance or review, with possible negative implications, its rating of the Series 2025 Bonds.
  - (vii) No order, decree or injunction of any court of competent jurisdiction, nor any order, ruling, regulation or administrative proceeding by the Commission or any other governmental body or board, shall have been issued or commenced, nor shall any legislation have been enacted, to the effect that the offering, sale or delivery of the Series 2025 Bonds as contemplated hereby or by the Official Statement is or would be in violation of any provision of the Securities Act, the Exchange Act or the Trust Indenture Act of 1939, as amended, or with the purpose or effect of prohibiting the offering or sale of the Series 2025 Bonds as contemplated hereby or by the Official Statement or of obligations of the general character of the Series

2025 Bonds, or the execution or performance of the Indenture or the Disclosure Undertakings, in accordance with their respective terms.

- (viii) No legislation, ordinance, rule or regulation shall have been introduced in, or enacted by, any governmental body, department or agency in the State, nor shall a decision by any court of competent jurisdiction within the State have been rendered, nor shall any Federal or State or municipal executive order have been issued, which, in the reasonable opinion of the Underwriter, would have a material adverse effect on the market price of the Series 2025 Bonds.
- (c) At or prior to the Closing, the Underwriter, shall have received the following documents, in each case satisfactory in form and substance to Ramirez and to its counsel:
- (i) A copy of the Official Statement;
  - (ii) Executed counterparts, or certified executed copies, of the Green Bank Documents;
  - (iii) A certificate of the Green Bank, dated the Closing Date, signed by an authorized officer of the Green Bank, in a form acceptable to Bond Counsel and counsel to the Underwriter, to the effect that (A) each of the representations and warranties of the Green Bank contained in Section 4 hereof is true and correct on and as of the Closing Date as if such representations and warranties had been made on and as of the Closing Date, (B) the Green Bank has complied with all the terms of the Green Bank Documents to be complied with by it prior to or concurrently with the Closing and (C) the Green Bank is aware of no event of default that has occurred and is continuing under the Green Bank Documents;
  - (iv) (A) a Bond Opinion of Shipman & Goodwin LLP, Bond Counsel, dated the Closing Date, addressed to the Green Bank and in substantially the form attached as Appendix I-B to the Official Statement, and (B) a Supplemental Bond Opinion of Shipman & Goodwin LLP, Bond Counsel, dated the Closing Date, and addressed to the Underwriter in a form acceptable to the Underwriter and its counsel, in substantially the form attached hereto as Appendix A;
  - (v) A Certificate of the State, dated the Closing Date, covering Part II of the Official Statement in a form acceptable to the Underwriter and its counsel.
  - (vi) An Opinion of Day Pitney LLP, dated the Closing Date, covering Part II of the Official Statement, addressed to the Underwriter in a form acceptable to the Underwriter and its counsel, in substantially the form attached hereto as Appendix B;
  - (vii) An opinion, dated the Closing Date, addressed to the Underwriter, of Robinson & Cole LLP, as counsel for the Underwriter, with respect to such matters as the Underwriter may require, in substantially the form attached hereto as Appendix C;
  - (viii) An opinion from Kestrel that the Series 2025 Bonds conform to the relevant requirements of the Climate Bonds Standard, in substantially the form attached hereto as Appendix D;

- (ix) A letter from S&P verifying its rating of the Series 2025 Bonds as “\_\_\_\_\_” or such other evidence of the rating as is deemed acceptable by the Underwriter; and
- (x) Such additional certificates, proceedings, opinions, instruments or documents as the Underwriter or counsel to the Underwriter may reasonably request in connection with the transactions contemplated by this Bond Purchase Agreement.
- (d) On or prior to the Closing Date, the Green Bank shall have delivered to the Underwriter, by wire transfer of immediately available funds, the amounts representing the underwriting commission specified in Section 2 in connection with the offering and sale of the Series 2025 Bonds.

Delivery of the aforesaid documents shall be made at the offices of Shipman & Goodwin LLP, One Constitution Plaza Hartford, CT 06103. If the Green Bank shall be unable to satisfy the conditions to the obligations of the Underwriter contained in this Bond Purchase Agreement, or if the obligations of the Underwriter shall be terminated for any reason permitted by this Bond Purchase Agreement, the Underwriter may cancel this Bond Purchase Agreement. Upon any such cancellation, neither the Underwriter nor the Green Bank shall be under further obligation hereunder except as provided in Section 8 hereof.

**7. Acknowledgements.** The Green Bank acknowledges and agrees that (i) the primary role of Ramirez, as Underwriter, is to purchase securities, for resale to investors, in an arm’s length commercial transaction between the Green Bank and the Underwriter has financial and other interests that differ from those of the Green Bank, (ii) the Underwriter is acting solely as principals and are not acting as municipal advisors, financing advisors or fiduciaries to the Green Bank and have not assumed any advisory or fiduciary responsibility to the Green Bank with respect to the transaction contemplated hereby and the discussions, undertakings and procedures leading thereto (irrespective of whether the Underwriter has provided other services or is currently providing other services to the Green Bank on other matters), (iii) the only obligations the Underwriter has to the Green Bank with respect to the transaction contemplated hereby expressly are set forth in this Bond Purchase Agreement and (iv) the Green Bank has consulted its own financial and/or municipal, legal, accounting, tax, financial and other advisors, as applicable, to the extent it has deemed appropriate. The Green Bank has engaged Lamont Financial Services Corporation as its Municipal Advisor with respect to the Series 2025 Bonds.

**8. Expenses.** The Underwriter shall be under no obligation to pay, and the Green Bank shall pay, any expenses incident to the performance of the obligations of the Green Bank under and relating to this Bond Purchase Agreement and to the sale and delivery of the Series 2025 Bonds to the Underwriter, including, but not limited to: (a) the cost of the preparation and printing of the Green Bank Documents, the Preliminary Official Statement, the Official Statement and any supplements or amendments to either thereof, the Series 2025 Bonds, and all other agreement and documents contemplated hereby, (b) the reasonable fees and disbursements of Bond Counsel, (c) any fees and disbursements of the Trustee, including the reasonable fees and disbursements of counsel to the Trustee, (d) the fees and expenses of the State and its counsel, Day Pitney LLP and (e) Green Bank meals and travel paid for by the Underwriter. In the event the Series 2025 Bonds are not purchased by the Underwriter, the Green Bank shall pay the reasonable fees and expenses of Robinson & Cole LLP, counsel to the Underwriter, the fees and expenses of the State and its counsel, Day Pitney LLP and Shipman & Goodwin LLP, Bond Counsel. The Underwriter shall pay (i) the fees and expenses of Robinson & Cole LLP, Underwriter’s counsel, from its underwriting discount and (ii) all other expenses incurred by them in connection with the offering and distribution of the Series 2025 Bonds.

**9. Notices.** Any notice or other communication to be given to the Green Bank under this Bond Purchase Agreement may be given by delivering the same in writing at such party’s address set forth above,

in the case of the Green Bank, to the attention of the President and CEO, Connecticut Green Bank, 75 Charter Oak Avenue, Suite 1-103, Hartford, CT 06106, and any notice or other communication to be given to Ramirez under this Bond Purchase Agreement may be given by delivering the same in writing to Ramirez & Co., Inc., 14 East 52nd Street, New York, NY 10022, Attention: Eric McKean, Managing Director.

**10. Parties in Interest; Survival of Representations and Warranties.** This Bond Purchase Agreement is made solely for the benefit of the Green Bank and the Underwriter (including the successors or assigns of the Underwriter) and no other person shall acquire or have any right hereunder or by virtue hereof. All the representations, warranties and agreements of the parties hereto contained in this Bond Purchase Agreement shall remain operative and in full force and effect, regardless of (a) any investigations made by or on behalf of the Underwriter or the Green Bank, (b) delivery of and payment for the Series 2025 Bonds hereunder and (c) any termination of this Bond Purchase Agreement.

**11. Governing Law.** This Bond Purchase Agreement shall be governed by and construed in accordance with the domestic law of the State.

**12. Headings.** The headings of the sections of this Bond Purchase Agreement are inserted for convenience only and shall not be deemed to be a part hereof.

**13. Counterparts.** This Bond Purchase Agreement may be executed in several counterparts, each of which shall be regarded as an original and all of which shall constitute one and the same document. If you agree with the foregoing, please sign the enclosed counterpart of this Bond Purchase Agreement return it to the Underwriter, whereupon this Bond Purchase Agreement shall become a binding agreement between the Green Bank and the Underwriters.

**RAMIREZ & CO., INC.,** as Underwriter

By \_\_\_\_\_  
Name: Eric McKean  
Title: Managing Director

The foregoing Bond Purchase Agreement is hereby accepted as of \_\_:\_\_\_.m., New York Time, on the date first above written

**CONNECTICUT GREEN BANK**

By \_\_\_\_\_  
Name: Bryan Garcia  
Title: President and CEO

## EXHIBIT A

### TERMS OF THE SERIES 2025 BONDS

Interest on the Series 2025 Bonds will be payable on May 15 and November 15 of each year, commencing on May 15, 2026.

<b><u>Maturity (November 15)</u></b>	<b><u>Principal Amount</u></b>	<b><u>Interest Rate</u></b>	<b><u>Price</u></b>
2026	\$	%	%
2027			
2028			
2029			
2030			
2031			
2032			
2033			
2034			
2035			
2036			
2037			

*[Optional Redemption.* The Series 2025 Bonds are subject to optional redemption prior to maturity at the option of the Green Bank, on or after November 15, [\_\_\_\_], at any time, in whole or in part, in such amounts as the Green Bank may determine, at a redemption price equal to one hundred percent (100%) of the principal amount of the Series 2025 Bonds to be redeemed, plus interest accrued and unpaid to the redemption date.]



## APPENDIX A

### FORM OF SUPPLEMENTAL OPINION OF BOND COUNSEL

[October 15], 2025

Ramirez & Co., Inc.  
(the “Underwriter”)  
14 East 52nd Street  
New York, NY 10022

Re: Connecticut Green Bank \$[ ] State Supported Solar Home Renewable Energy Credit, Green Liberty Bonds, Series 2025 (Federally Taxable) (Green Bonds - Climate Bond Certified)

Ladies and Gentlemen:

We have acted as Bond Counsel to the Connecticut Green Bank (“Green Bank”) of the State of Connecticut (the “State”) with respect to the issuance of \$[ ] State Supported Solar Home Renewable Energy Credit, Green Liberty Bonds, Series 2025 (Federally Taxable) (Green Bonds - Climate Bond Certified) of Green Bank dated as of the date hereof (the “Series 2025 Bonds”). We deliver to the Underwriter named above herewith a copy of our approving opinion with respect to the Series 2025 Bonds and advise you that you are entitled to rely on the opinion as though it were addressed to you.

We have examined a certain Bond Purchase Agreement dated September [30], 2025 (the “Purchase Contract”) among Green Bank and the Underwriter relating to the sale by Green Bank and the purchase by the Underwriter of the Series 2025 Bonds. For purposes hereof, we have assumed that the Purchase Contract has been duly authorized and executed and is binding upon the parties thereto other than Green Bank. The Series 2025 Bonds were sold pursuant to the Purchase Contract.

Reference is made to the Preliminary Official Statement of Green Bank dated September [15], 2025 (the “Preliminary Official Statement”) and the final Official Statement of Green Bank dated September [30], 2025 (the “Official Statement”), relating to the Series 2025 Bonds. As Bond Counsel to Green Bank, we have examined the Preliminary Official Statement and an executed copy of the Official Statement (collectively, the “Offering Documents”).

In rendering this opinion, we have also examined and relied upon originals or copies, certified or otherwise identified to our satisfaction, of the following documents:

- (a) Sections 16-245n and 16-245kk through 16-245mm of the General Statutes of Connecticut;
- (b) the proceedings of the Green Bank Board of Directors authorizing the issuance of the Series 2025 Bonds;
- (c) the Purchase Contract; and
- (d) the statements contained in the Offering Documents under the captions “SUMMARY OF TERMS”, “SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2025 BONDS”, “THE SERIES 2025 BONDS” (excluding “Securities Depository”),

“DESCRIPTION OF THE INDENTURE”, “Bankruptcy of the Green Bank May Adversely Affect Payments on the Series 2025 Bonds” under the caption “INVESTMENT CONSIDERATIONS”, “TAX MATTERS”, and in Appendix I-B.

As to questions of fact material to our opinions, we have relied upon representations of Green Bank, including the certifications received from Green Bank in connection with the issuance and delivery of the Series 2025 Bonds and the opinions of counsel delivered with respect thereto, without undertaking to verify the same by independent investigation. In addition, we have examined and relied upon originals or copies, certified or otherwise identified to our satisfaction, of such other records and instruments of Green Bank and such other instruments and certificates of officers and representatives of Green Bank, and we have made such investigations of law, as we have deemed appropriate as a basis for the opinions hereinafter expressed.

Based upon the foregoing, we are of the opinion that:

- (i) the Purchase Contract has been duly authorized, executed and delivered by Green Bank, and constitutes a valid and binding obligation of Green Bank enforceable against Green Bank in accordance with its terms with respect to the Series 2025 Bonds;
- (ii) the Series 2025 Bonds constitute exempted securities within the meaning of Section 3(a)(2) of the Securities Act of 1933, as amended, and Section 304(a)(4) of the Trust Indenture Act of 1939, as amended, and it is not necessary, in connection with the public offering and sale of the Series 2025 Bonds, to register the Series 2025 Bonds under such Securities Act or to qualify any indenture under such Trust Indenture Act; and
- (iii) the statements contained in the Offering Documents under the captions “SUMMARY OF TERMS”, “SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2025 BONDS”, “THE SERIES 2025 BONDS” (excluding “Securities Depository”), “DESCRIPTION OF THE INDENTURE”, “Bankruptcy of the Green Bank May Adversely Affect Payments on the Series 2025 Bonds” under the caption “INVESTMENT CONSIDERATIONS”, “TAX MATTERS”, and in Appendix I-B are correct insofar as the statements contained under such captions and such Appendix purport to summarize provisions of the Series 2025 Bonds, existing provisions of State law relating to the Series 2025 Bonds, existing statutes and court decisions relating to federal income taxes, and existing statutes relating to taxes imposed by the State, and present a fair summary of such provisions.

In accordance with our understanding with Green Bank, we rendered legal advice and assistance to Green Bank in the course of the preparation of the Offering Documents. Rendering such assistance involved, among other things, discussions and inquiries concerning various legal and related subjects and participation in conferences with representatives of Green Bank, the financial advisor to Green Bank, the Underwriter and counsel to the Underwriter, during which the contents of the Offering Documents and related matters were discussed and reviewed. The purpose of our engagement as Bond Counsel was not to establish or to confirm factual matters set forth in the Offering Documents, and we have not undertaken to verify independently any of such factual matters. Moreover, many of the determinations required to be made in the preparation of the Offering Documents involve matters of a non-legal nature.

Other than as provided in subdivision (iii) of our opinion above, we do not assume any responsibility for the accuracy, completeness or fairness of the statements contained in the Offering Documents, and we do not express any belief with respect to the financial statements or other financial, statistical, or accounting data or information or assessments of or reports on the performance of the SHREC systems contained in or omitted from the Offering Documents.

Without having undertaken to determine independently the accuracy, completeness or fairness of the statements contained in the Offering Documents, no facts have come to our attention that would lead us to believe that either of the Offering Documents, as of its respective date and as of the date hereof, contained or contains any untrue statement of a material fact or omitted or omits to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading in any material respect.

We note that we are admitted to practice in the State and we offer no opinion or advice with regard to any compliance of any of the Offering Documents with the laws of any jurisdiction other than the State and the federal laws of the United States.

This letter is being furnished by us to you, is solely for your benefit in your capacity as the Underwriter for the Series 2025 Bonds and may not be used, quoted, relied upon or otherwise referred to for any other purpose or by any other person (including but not limited to any person purchasing any of the Series 2025 Bonds from you).

Very truly yours,

Shipman & Goodwin LLP

## **APPENDIX B**

### **FORM OF OPINION OF COUNSEL TO THE STATE**

The Honorable Erick Russell  
Treasurer, State of Connecticut  
Hartford, Connecticut

Ramirez & Co., Inc.  
(the “Underwriter”)  
14 East 52nd Street  
New York, NY 10022

Ladies and Gentlemen:

We have served as counsel to the State of Connecticut (the “State”) in connection with the issuance by the Connecticut Green Bank of \$[ ] Connecticut Green Bank State Supported Solar Home Renewable Energy Credit, Green Liberty Bonds, Series 2025 (Federally Taxable) (Green Bonds - Climate Bond Certified) (the “Bonds”), which are being delivered today pursuant to a Bond Purchase Agreement dated September [30], 2025 between the Connecticut Green Bank and the Underwriter named therein (the “Bond Purchase Agreement”).

We have reviewed the Official Statement of Connecticut Green Bank dated September [30], 2025, relating to the Bonds (the “Official Statement”). In accordance with our understanding with the State, we have rendered certain legal advice and assistance to the State in the course of the preparation of Part II of the Official Statement which is dated [February 15, 2025, and supplemented April 23, 2025], and contains supplementary information as of September [15], 2025 (“Part II of the Official Statement”). Rendering such assistance involved, among other things, discussions and inquiries concerning various legal and related subjects, and review of certain documents and proceedings. We have also participated in conferences with various officials of the State and representatives of the Underwriter during which the contents of Part II of the Official Statement and related matters were discussed and reviewed.

The limitations inherent in the independent verification of factual matters and in our participation in the preparation of Part II of the Official Statement and the character of the determinations involved in the preparation of Part II of the Official Statement are such that we have relied on representations as to factual matters by officials of the State, have necessarily assumed the accuracy, completeness and fairness of and take no responsibility for any of the statements made in Part II of the Official Statement and we make no representation that we have independently verified the accuracy, completeness or fairness of any of such statements.

Based upon our participation in the preparation of Part II of the Official Statement and review and discussion of the contents thereof, as described above, no facts have come to the attention of the lawyers in our firm working on this transaction which cause us to believe that Part II of the Official Statement contained as of its date or contains as of the date hereof any untrue statement of a material fact or omitted as of its date or omits as of the date hereof to state any material fact necessary to make the statements therein, in the light of the circumstances under which they are made, not misleading in any material respect. We do not

express any view as to any information which is not in Part II of the Official Statement, the information contained in Appendices II-C, II-D and II-E to the Official Statement and references to such information in the Official Statement and any financial statements and other financial and statistical data included in Part II of the Official Statement.

We are furnishing this letter to you solely for your use with respect to the purchase of the Bonds by the Underwriter. This letter may not be relied upon by anyone other than the addressees without our express prior written consent. This letter is not to be used, circulated, quoted or otherwise referred to for any other purpose, except that reference may be made to it in the Bond Purchase Agreement or in any list of closing documents pertaining to the Bonds.

The above advice is limited solely to the matters expressly set forth above. No opinions are intended nor should they be inferred from this letter.

Very truly yours,

Day Pitney LLP

## APPENDIX C

### FORM OF OPINION OF UNDERWRITER'S COUNSEL

Ramirez & Co., Inc.  
(the "Underwriter")  
14 East 52nd Street  
New York, NY 10022

Re: \$[ ] Connecticut Green Bank State Supported Solar Home Renewable  
Energy Credit, Green Liberty Bonds, Series 2025 (Federally Taxable) (Green  
Bonds - Climate Bond Certified)

We have acted as counsel to Ramirez & Co., Inc. (the "Underwriter"), in connection with its purchase of the above-captioned bonds (the "Bonds"), pursuant to a Bond Purchase Agreement, dated September [30], 2025 (the "Bond Purchase Agreement"), by and between the Connecticut Green Bank (the "Issuer") and the Underwriter. Unless otherwise defined herein, capitalized terms have the meanings ascribed to them in the Bond Purchase Agreement.

In connection with our engagement, we have examined originals or copies, certified or otherwise identified to our satisfaction as being true copies, of the documents delivered on the Closing Date pursuant to the Bond Purchase Agreement, including the Preliminary Official Statement dated September [15], 2025 (the "Preliminary Official Statement"), the Official Statement dated September [30], 2025 (the "Official Statement") relating to the Bonds, and such other matters and law as we deemed necessary. We have also reviewed, and believe the Underwriter may reasonably rely upon, the opinions delivered to the Underwriter today pursuant to the Bond Purchase Agreement.

Based upon the foregoing, we are of the opinion that:

1. The offer and sale of the Bonds is exempt from registration under the Securities Act of 1933, as amended, and the Indenture is not required to be qualified under the Trust Indenture Act of 1939, as amended.
2. The Disclosure Undertakings comply with the requirements of paragraph (b)(5) of Rule 15c2-12 promulgated pursuant to the Securities Exchange Act of 1934, as amended, in effect as of the date hereof.

We are not passing upon and do not assume any responsibility for the accuracy, completeness or fairness of any of the statements in the Preliminary Official Statement and the Official Statement and make no representation that we have independently verified the accuracy, completeness or fairness of any such statements. However, to assist the Underwriter in its investigation concerning the Preliminary Official Statement and the Official Statement, certain of our lawyers responsible for this matter have reviewed certain documents and have participated in conferences in which the contents of the Preliminary Official Statement and the Official Statement and related matters were discussed. During the course of our work on this matter, nothing has come to our attention that leads us to believe that the Preliminary Official Statement, as of its date or as of the date of the Bond Purchase Agreement, or the Official Statement, as of its date or as of this date, contained or contains any untrue statement of a material fact or omitted or omits to state any material fact necessary in order to make the statements made in the Preliminary Official Statement or the Official Statement, in the light of the circumstances under which they were made, not misleading; provided, however, we express no belief or view as to (a) offering price, selling compensation, aggregate principal amount,

principal amortization, principal amounts per maturity and delivery date omitted from the Preliminary Official Statement, (b) expressions of opinion, assumptions, projections, financial statements, or other financial, numerical, economic, demographic, statistical or accounting data, or information or assessments of or reports on the effectiveness of internal control over financial reporting contained in the Preliminary Official Statement and the Official Statement including in any Appendices thereto, (c) any information or statements relating to the book-entry-only system and The Depository Trust Company, (d) any information contained in the Preliminary Official Statement and the Official Statement concerning the Kestrel opinion including its report set forth in Appendix I-E, and (e) any information concerning the State of Connecticut set forth in Part II and Appendices II-A through II-E.

Reference in this letter to “our lawyers responsible for this matter” refers only to those lawyers now with this firm who rendered legal services in connection with our representation of the Underwriter in this matter.

We are furnishing this letter to the Underwriter solely for its benefit. We disclaim any obligation to update this letter. This letter is not to be used, circulated, quoted or otherwise referred to or relied upon for any other purpose or by any other person. This letter is not intended to, and may not, be relied upon by holders of the Bonds or any party who is not one of the Underwriter.

Respectfully,

**APPENDIX D**

**FORM OF OPINION OF KESTREL**



**PROJECT SUPPORT COMMITMENT AND UNDERTAKING**

This PROJECT SUPPORT COMMITMENT AND UNDERTAKING (the “Undertaking”), dated and effective as of October \_\_, 2025 (the “Effective Date”), is made by the CONNECTICUT GREEN BANK (“Green Bank”), a quasi-public agency of the State of Connecticut, acting as administrator of the Clean Energy Fund pursuant to Section 16-245n of the Connecticut General Statutes, with an address of 75 Charter Oak Avenue, Suite 1-103, Hartford, CT 06106, solely for the benefit of the State of Connecticut (the “State”).

**RECITALS**

WHEREAS, pursuant to Sections 16-245n and 16-245kk through 16-245mm of the Connecticut General Statutes (the “Act”), Green Bank is authorized to support financing or other expenditures that promote investment in clean energy sources, and to enter into contracts with private sources to raise capital for such purposes; and

WHEREAS, pursuant to the Act, Green Bank’s Board of Directors (the “Board”) has approved a bond authorization in an amount not to exceed \$20,000,000 to fund its cost recovery under the Residential Solar Incentive Program (“RSIP”) for Solar Home Renewable Energy Credits (“SHRECs”) by selling its bonds secured by the SHRECs related to SHREC Systems that were aggregated into a tranche in 2021 (the “SHREC Tranche 5”) and SHRECs related to SHREC Systems that were aggregated into a tranche in 2022 (the “SHREC Tranche 6”, together with SHREC Tranche 5, the “SHREC Tranche 5 and 6”), which bonds shall be secured by amounts receivable (the “SHREC Receivables”) under Master Purchase Agreements between Green Bank and Eversource Energy and The United Illuminating Company (the “Master Purchase Agreements”); and

WHEREAS, pursuant to the Act, Green Bank is authorized from time to time to issue negotiable bonds for any corporate purpose, as shall be authorized by resolution of the members of the Board, which resolution may contain provisions for Green Bank to pledge all or any part of the revenues from the SHREC Receivables or any revenue-producing contract or contracts to secure the payment of the bonds; and

WHEREAS, pursuant to the Act, at the discretion of Green Bank, any bonds may be secured by a trust agreement by and between Green Bank and a corporate trustee, which trust agreement may secure said bonds by a pledge or assignment of any revenues to be received, any contract or proceeds of any contract, or any other property, revenues, moneys or funds available to Green Bank for such purpose; and

WHEREAS, Green Bank has determined to issue its \$ \_\_\_\_\_ State Supported Solar Home Renewable Energy Credit, Green Liberty Bonds, Series 2025 (Federally Taxable) (Climate Bond Certified) (the “Bonds”) and to use the proceeds derived from the sale thereof to reimburse Green Bank for funds previously advanced and to otherwise terminate any Green Bank obligations previously incurred and that remain outstanding in order to release the SHREC Receivables from such obligations, and to otherwise carry out its corporate purposes under the Act and the Connecticut General Statutes; and

WHEREAS, Green Bank has determined that the Bonds shall be secured, in part, by a pledge to the Trustee under an Indenture of Trust between Green Bank and The Bank of New York Mellon Trust Company, N.A., as Trustee (the “Indenture”) of all of Green Bank’s interests in the SHREC Receivables and other revenues therefrom; and

WHEREAS, the structure of the Bonds provides that the Trustee transfer the revenues from the SHREC Receivables into the Debt Service Fund as defined in and as set forth in the Indenture to provide for the timely payment of principal and interest on the Bonds; and

WHEREAS, as additional security for the Bonds, Green Bank will establish and fund the Special Capital Reserve Fund established pursuant to the Indenture, which will be supported by the State as provided in the Act and the Indenture; and

WHEREAS, as a condition of any issuance of the Bonds secured by the Special Capital Reserve Fund, Green Bank must obtain the approval of the Special Capital Reserve Fund by the Secretary of the Office of Policy and Management and the State Treasurer; and

WHEREAS, in order to obtain the approval of the Secretary of the Office of Policy and Management and the State Treasurer of the Special Capital Reserve Fund, this Undertaking must provide adequate assurances that funds will be made available by Green Bank so that the likelihood of a draw upon the Special Capital Reserve Fund is remote; and

WHEREAS, Green Bank desires to obtain the approval of the Special Capital Reserve Fund through, among other things, the terms and conditions of this Undertaking.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Green Bank hereby commits and undertakes as follows:

## **1. DEFINITIONS**

The following terms used in this Undertaking shall have the following meanings unless the context otherwise requires. Capitalized terms not defined herein shall have the meanings provided in the Indenture.

“Effective Date” has the meaning set forth in the introductory paragraph hereof.

“Project Support Debt Service Amount” has the meaning set forth in Section 2.1(a) hereof.

“Person” means any individual, firm, partnership, joint venture, corporation, limited liability company, association, business enterprise, trust, governmental body or other entity.

“Special Capital Reserve Fund Requirement” shall mean as of any date of calculation, an amount equal to the maximum amount of any Interest Payment and Principal Payment becoming due in the calendar year in which such computation is made or in any single succeeding calendar year, under the Indenture.

“Support Termination Date” means the earlier of November 15, 2037 or the date upon which all of Green Bank’s obligations under the Indenture have been paid and satisfied in full (or otherwise terminated).

## **2. PROJECT SUPPORT.**

### **2.1 Project Support Obligations.**

- a) Green Bank, in accordance with the procedures set forth in this Undertaking, will pay to the Trustee (i) on the fifth (5<sup>th</sup>) business day of November and May in each year, beginning on May 5, 2026, for deposit into the Interest Account within the Debt Service Fund, the amount necessary to make the next succeeding Interest Payment, less any amounts in the Interest Account at each date of deposit; and (ii) on the fifth (5<sup>th</sup>) business day of November of each year, commencing in November 2026, for deposit into the Principal Account within the Debt Service Fund, the amount necessary to make the next succeeding Principal Payment, less any amounts in the Principal Account at each date of deposit (collectively, the "Project Support Debt Service Amount").
- b) Green Bank’s commitment to pay in full the Project Support Debt Service Amount, as and when the same become due: (i) will be effective on the Effective Date and will remain in effect through the Support Termination Date; (ii) will be continuing, absolute, unconditional and irrevocable; and (iii) will not be subject to termination by Green Bank for any reason, including without limitation:
  - a. the bankruptcy or insolvency of Green Bank;
  - b. any default by Green Bank under any financing agreement; or
  - c. any reduction or elimination of State funding for Green Bank.
- c) Green Bank shall maintain sufficient funds to make timely payment of the Project Support Debt Service Amounts due and payable under this Undertaking.
- d) Green Bank shall maintain sufficient funds to make timely payment of the amounts to be deposited into the Special Capital Reserve Fund as required under Section 206(b)(iii) of the Indenture.

**2.2 Payment of Funds** Green Bank shall make the payments due under this Undertaking directly to the Trustee under the Indenture.

**2.3 Project Contributions.** All payments made by or on behalf of Green Bank to the Trustee pursuant to this Undertaking shall be made in support of Green Bank’s obligations under the Indenture with no right of repayment.

**2.4 Special Capital Reserve Fund Payments.** In addition to its obligations hereunder, Green Bank shall pay to the Trustee, for deposit into the Special Capital Reserve Fund, any moneys allotted and paid to Green Bank by the State for the purpose of restoring the Special Capital Reserve Fund to the amount of the Special Capital Reserve Fund Requirement.

### **3. GREEN BANK'S REPRESENTATIONS AND WARRANTIES.**

Green Bank hereby makes the following representations and warranties:

- a) Green Bank is a body politic and corporate, constituting a public instrumentality and political subdivision of the State of Connecticut; and has full power and authority to enter into this Undertaking and to carry out the terms and conditions contained herein;
- b) no approval of, or consent from, any governmental authority is required for the execution, delivery or performance by Green Bank of this Undertaking; and
- c) the execution, delivery and performance by Green Bank of this Undertaking and the transactions contemplated hereby (A) do not contravene any provisions of law applicable to Green Bank, and (B) do not conflict and are not inconsistent with, and will not result (with or without the giving of notice or passage of time or both) in the breach of or constitute a default or require any consent under any credit agreement, indenture, mortgage, purchase agreement, deed of trust, security agreement, lease, guarantee or other instrument to which Green Bank is a party, by which Green Bank may be bound, or which Green Bank or its property may be subject, including Green Bank's enabling legislation and Green Bank's bylaws.

### **4. MISCELLANEOUS PROVISIONS.**

4.1 Notices. Except as otherwise specifically provided herein, all notices, requests, consents, demands, waivers and other communications hereunder shall be in writing and shall be delivered in person or sent by certified mail, return receipt requested, or by courier service (with evidence of receipt) to the address of the other party set forth in the introduction of this Undertaking or to such other address as such party shall have designated in writing by proper notice. Notices shall be deemed given upon actual receipt or when delivery is refused.

4.2 Modification, Waiver or Release. This Undertaking may not be modified, nor may any provision hereof be waived or released prior to the Support Termination Date without the prior written consent of the State.

4.3 References; Headings; Plurals. Section and article references are to the sections and articles of this Undertaking unless otherwise indicated. Headings used in this Undertaking are for convenience only and shall not be used in connection with the interpretation of any of its provisions. Unless the context otherwise requires, words in the singular number include the plural, and words in the plural include the singular.

4.6 Entire Undertaking. This Undertaking embodies the entire commitments, undertakings and obligations of Green Bank with respect to the subject matter hereof.

4.7 Assignment. Green Bank may not assign or transfer any of its rights or delegate any of its obligations under this Undertaking without the prior written consent of the State except as may occur by operation of law.

4.8 Governing Law. Green Bank hereto irrevocably consents to the jurisdiction of the courts of the State of Connecticut in the matters set forth in this Undertaking.

[SIGNATURE PAGE FOLLOWS]

**IN WITNESS WHEREOF**, the Green Bank has executed this Undertaking as of the date first above written.

**CONNECTICUT GREEN BANK**

BY: \_\_\_\_\_

Name: Bryan Garcia

Title: President and Chief Executive Officer

## PRELIMINARY OFFICIAL STATEMENT DATED SEPTEMBER 15, 2025

## NEW ISSUE — BOOK-ENTRY-ONLY

S&P Global Ratings: “[ ]”  
(See “RATING” herein)

*In the opinion of Bond Counsel, under existing statutes and regulations, interest on the Series 2025 Bonds is included in gross income for federal income tax purposes pursuant to the Internal Revenue Code of 1986, as amended. In the opinion of Bond Counsel, under existing statutes, interest on the Series 2025 Bonds is excludable from Connecticut taxable income for purposes of the Connecticut income tax on individuals, trusts and estates and is excludable from amounts on which the net Connecticut minimum tax is based in the case of individuals, trusts and estates required to pay the federal alternative minimum tax. See “APPENDIX I-B—FORM OF LEGAL OPINION OF BOND COUNSEL AND TAX STATUS”.*



**\$18,173,000\***  
**CONNECTICUT GREEN BANK**  
**State Supported Solar Home Renewable Energy**  
**Credit, Green Liberty Bonds, Series 2025**  
**(Federally Taxable)**  
**(Green Bonds - Climate Bond Certified)**

**Dated: Date of Delivery****Due: As shown herein or on inside cover page**

The Connecticut Green Bank (the “Green Bank”) is offering its State Supported Solar Home Renewable Energy Credit, Green Liberty Bonds, Series 2025 (the “Series 2025 Bonds”), in the aggregate principal amount set forth above.

The Series 2025 Bonds will be limited obligations of the Green Bank, payable solely from and secured by the Trust Estate established pursuant to the Indenture of Trust, dated as of October 1, 2025 (the “Indenture”), between the Green Bank and The Bank of New York Mellon Trust Company, N.A., as trustee (the “Trustee”). The Trust Estate consists primarily of the revenues from the sale of a pool of renewable energy credits generated under the Green Bank’s Residential Solar Incentive Program and related environmental attributes (as described herein), and the Funds and Accounts established pursuant to the Indenture, including the Special Capital Reserve Fund. Amounts are deemed to be appropriated to the Special Capital Reserve Fund from the State of Connecticut general fund in accordance with the Green Bank’s enabling legislation in amounts necessary to maintain the balance therein at the Special Capital Reserve Fund Requirement. The Special Capital Reserve Fund Requirement will be established at the maximum amount of principal and interest becoming due on the Series 2025 Bonds by reason of maturity or required sinking fund payment in any single succeeding calendar year. See the caption “SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2025 BONDS” herein.

**THE SERIES 2025 BONDS SHALL NOT BE DEEMED TO CONSTITUTE A DEBT OR LIABILITY OF THE STATE OR OF ANY POLITICAL SUBDIVISION THEREOF OR A PLEDGE OF THE FULL FAITH AND CREDIT OF THE STATE OR ANY SUCH POLITICAL SUBDIVISION THEREOF (OTHER THAN THE GREEN BANK), BUT SHALL BE PAYABLE SOLELY FROM THE TRUST ESTATE AND OTHER RECEIPTS, FUNDS OR MONEYS PLEDGED THEREFOR PURSUANT TO THE INDENTURE. THE STATE SHALL NOT BE OBLIGATED TO PAY THE SERIES 2025 BONDS OR THE INTEREST THEREON, NOR SHALL THE GREEN BANK BE OBLIGATED TO PAY THE SERIES 2025 BONDS OR THE INTEREST THEREON EXCEPT FROM THE REVENUES AND OTHER RECEIPTS, FUNDS AND MONEYS PLEDGED THEREFOR. NEITHER THE FULL FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OR OF ANY POLITICAL SUBDIVISION THEREOF (INCLUDING, FOR PURPOSES OF THIS SENTENCE, THE GREEN BANK) IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL, INTEREST, OR PREMIUM, IF ANY, ON THE SERIES 2025 BONDS. THE GREEN BANK HAS NO TAXING POWER. THE ISSUANCE OF THE SERIES 2025 BONDS SHALL NOT DIRECTLY OR INDIRECTLY OR CONTINGENTLY OBLIGATE THE STATE OR ANY POLITICAL SUBDIVISION THEREOF TO LEVY OR TO PLEDGE ANY FORM OF TAXATION WHATEVER THEREFOR OR TO MAKE ANY APPROPRIATIONS FOR THEIR PAYMENT, EXCEPT AS PROVIDED IN THE INDENTURE.**

The Series 2025 Bonds have been certified as “Green Bonds - Climate Bond Certified” as described under the captions “USE OF PROCEEDS—Climate Bond Certified” and “USE OF PROCEEDS—Green Bonds Designation” herein. See “APPENDIX I-E—UPDATE LETTER: GREEN BONDS – CLIMATE BOND CERTIFIED” for more information.

Interest on the Series 2025 Bonds will be payable on May 15 and November 15 of each year, commencing on May 15, 2026.

**MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES, PRICES AND CUSIPS ARE SHOWN ON INSIDE COVER.**

The Series 2025 Bonds are subject to redemption prior to their stated maturity date. See the caption “THE SERIES 2025 BONDS—Redemption” herein.

See the caption “INVESTMENT CONSIDERATIONS” herein for a discussion of certain factors that investors should consider in making an informed investment decision.

The Series 2025 Bonds will be issued only as fully registered bonds, without coupons, and will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York (“DTC”). DTC will act as the Securities Depository (as hereinafter defined) for the Series 2025 Bonds. Beneficial interests in the Series 2025 Bonds may be purchased in book-entry-only form, in minimum denominations of \$1,000 or in any integral multiple thereof. See the caption “THE SERIES 2025 BONDS—Securities Depository” herein.

The Series 2025 Bonds are offered subject to prior sale, when, as and if issued by the Green Bank and accepted by the Underwriter, subject to the approval of legality by Shipman & Goodwin LLP, Hartford, Connecticut, Bond Counsel to the Green Bank. Certain other legal matters will be passed upon for the Underwriter by Robinson & Cole LLP, Hartford, Connecticut, counsel to the Underwriter. It is expected that delivery of the Series 2025 Bonds against payment therefor will be made on or about October [15], 2025 in New York, New York.

**RAMIREZ & CO., INC.**

Dated: September \_\_, 2025

\* Preliminary; subject to change.

**\$18,173,000\***  
**CONNECTICUT GREEN BANK**  
**State Supported Solar Home Renewable Energy Credit, Green Liberty Bonds, Series 2025**  
**(Federally Taxable)**  
**(Green Bonds - Climate Bond Certified)**

Serial Series 2025 Bonds: \$ \_\_\_\_\_ \*

<b><u>Maturity</u></b> <b><u>(November 15)</u></b>		<b><u>Principal</u></b> <b><u>Amount*</u></b>	<b><u>Interest Rate</u></b>	<b><u>Price</u></b>	<b><u>CUSIP†</u></b>
2026	\$	1,189,000	%		
2027		1,318,000			
2028		1,357,000			
2029		1,397,000			
2030		1,439,000			
2031		1,483,000			
2032		1,536,000			
2033		1,594,000			
2034		1,657,000			
2035		1,723,000			
2036		1,544,000			
2037		1,936,000			

\$ \_\_\_\_\_ \* \_\_\_\_% Term Series 2025 Bonds due November 15, 20\_\_\_\_ Price: \_\_\_\_% CUSIP† number: \_\_\_\_

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\* Preliminary; subject to change.

† CUSIP numbers have been assigned by an independent company not affiliated with the Green Bank and are included solely for the convenience of the owners of the offered bonds. Neither the Green Bank nor the Underwriter are responsible for the selection or uses of these CUSIP numbers and no representation is made to their correctness on the offered bonds or as indicated above. The CUSIP number for a specific maturity is subject to being changed after the issuance of the offered bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of such maturity or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the offered bonds.



This Official Statement is not to be construed as a contract or agreement between the Green Bank and the purchaser or owners of any of the Series 2025 Bonds. Any statements in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended as such and not as representations of fact. No representation is made that any of such statements will be realized. All quotations from and summaries and explanations of provisions of laws of the State of Connecticut (the “State”) contained in this Official Statement do not purport to be complete and are qualified in their entirety by reference to the official compilations thereof. All references to the Series 2025 Bonds and the proceedings and agreements relating thereto are qualified in their entirety by reference to the definitive forms of the Series 2025 Bonds and such proceedings and agreements. This Official Statement is submitted only in connection with the sale of the Series 2025 Bonds by the Green Bank and may not be reproduced or used in whole or in part for any other purpose, except as specifically authorized by the Green Bank. Any electronic reproduction of this Official Statement may contain computer-generated errors or other deviations from the printed Official Statement. In any such case, the printed version controls.

This Official Statement contains forecasts, projections and estimates that are based on expectations and assumptions which existed at the time such forecasts, projections and estimates were prepared. The inclusion of such forecasts, projections and estimates should not be regarded as a representation by the Green Bank or the Underwriter that such forecasts, projections and estimates will occur. Such forecasts, projections and estimates are not intended as representation of fact or guarantees of results. If and when included in this Official Statement the words “expects,” “forecasts,” “intends,” “anticipates,” “estimates” and analogous expressions are intended to identify forward-looking statements and any such statements inherently are subjected to a variety of risks and uncertainties that could cause actual results to differ materially from those projected. Such risks and uncertainties include, among others, general economic and business conditions, changes in political, social and economic conditions, regulatory initiatives and compliance with governmental regulations, litigation and various other events, conditions and circumstances, many of which are beyond the control of the Green Bank. These forward-looking statements speak only as of the date they were prepared. The Green Bank disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained herein (except as required by law) to reflect any change in the Green Bank’s expectations with regards thereto or any change in events, conditions or circumstances on which any such statement is based.

The order and placement of material in this Official Statement, including the appendices, are not to be deemed a determination of relevance, materiality or importance. All material in this Official Statement, including its appendices, must be considered in its entirety.

The Underwriter may offer and sell Series 2025 Bonds to certain dealers (including dealers depositing Series 2025 Bonds into investment trusts) and others at prices lower than the offering prices stated on the inside cover page of this Official Statement. After the initial public offering, the Underwriter may change the price at which the Underwriter offers the Series 2025 Bonds for sale from time to time.

In connection with the offering, the Underwriter may engage in transactions that stabilize, maintain or otherwise affect the price of the Series 2025 Bonds. Specifically, the Underwriter may over allot the offering, creating a syndicate short position. The Underwriter may bid for and purchase Series 2025 Bonds in the open market to cover such syndicate short position or to stabilize the price of Series 2025 Bonds. Those activities may stabilize or maintain the market price of the Series 2025 Bonds above independent market levels. The Underwriter is not required to engage in these activities and may end any of these activities at any time.

The Underwriter has provided the following sentence for inclusion in this Official Statement. The Underwriter has reviewed the information in the Official Statement in accordance with, and as a part of, their responsibilities to investors under the Federal securities laws as applied to the facts and circumstances

of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

Other than matters expressly set forth in “APPENDIX I-B—FORM OF LEGAL OPINION OF BOND COUNSEL AND TAX STATUS” hereto, Bond Counsel is not passing on and does not assume any responsibility to the accuracy or adequacy of the statement made in this Official Statement and makes no representation that it has independently verified the same.

IN MAKING AN INVESTMENT DECISION INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE GREEN BANK, THE STATE AND THE TERMS OF THE OFFERING, INCLUDING THE SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2025 BONDS AS DESCRIBED HEREIN AND THE MERITS AND RISKS INVOLVED. THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS OFFICIAL STATEMENT.

No person has been authorized to give any information or to make any representations other than those contained in this Official Statement in connection with the offer made hereby, and if given or made, such information or representations must not be relied upon as having been authorized by the Green Bank or the Underwriter. Neither the delivery of this Official Statement nor any sale hereunder shall under any circumstances create any implication that there has been no change in the affairs of the Green Bank or the Residential Solar Incentive Program since the date hereof. This Official Statement does not constitute an offer or solicitation in any jurisdiction in which such offer or solicitation is not authorized, or in which the person making such offer or solicitation is not qualified to do so, or to any person to whom it is unlawful to make such offer or solicitation. The information set forth herein has been obtained from sources believed to be reliable.

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## SUMMARY OF TERMS

The following is qualified in its entirety by reference to the information appearing elsewhere in this Official Statement. Terms used in this Official Statement and not defined herein are defined in “APPENDIX I-A—FORM OF THE INDENTURE” hereto.

Issuer.....	The Connecticut Green Bank (the “Green Bank”) is a quasi-public entity of the State of Connecticut (the “State”) created under Sections 16-245n and 16-245kk through 16-245mm of the Connecticut General Statutes, as amended from time to time (the “Act”).
Securities Offered.....	<p>\$18,173,000* State Supported Solar Home Renewable Energy Credit, Green Liberty Bonds, Series 2025 of the Green Bank (the “Series 2025 Bonds”) are to be issued pursuant to the Indenture of Trust, dated as of October 1, 2025 (the “Indenture”), between the Green Bank and The Bank of New York Mellon Trust Company, N.A., as trustee (the “Trustee”).</p> <p>The Series 2025 Bonds will be limited obligations of the Green Bank, payable solely from and secured by the Trust Estate held by the Trustee, which includes the amounts collected by the Green Bank with respect to the SHREC Receivables, and all interest or other income derived from the investment or deposit of moneys in the Funds and Accounts, including the Special Capital Reserve Fund. The interest payments on May 15, 2037 and November 15, 2037, and the final sinking fund payment on the Series 2025 Bonds maturing on November 15, 2037, are expected to be paid from amounts on deposit in the Special Capital Reserve Fund. See the captions “THE TRUST ESTATE” and “INVESTMENT CONSIDERATIONS—The Expected Source of the Repayment is the Potential Stream of Payments Made Under the Master Purchase Agreements” herein.</p>
Interest and Principal.....	Interest on the Series 2025 Bonds will accrue on the basis of a 360-day year, consisting of twelve 30-day months, from their delivery date at the rates set forth herein and will be payable semiannually on May 15 and November 15 of each year, commencing on May 15, 2026 (each, an “Interest Payment Date”). The record date for payment of interest on the Series 2025 Bonds is the last business day of any calendar month proceeding the

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\* Preliminary; subject to change.



	<p>month in which there occurs an Interest Payment Date.</p> <p>Principal of the Series 2025 Bonds will be due as shown on the inside cover page of this Official Statement.</p>
Optional Redemption.....	<p>The Series 2025 Bonds are subject to optional redemption prior to maturity at the option of the Green Bank, on or after November 15, 20__, at any time, in whole or in part, in such amounts as Green Bank may determine, at a redemption price equal to one hundred percent (100%) of the principal amount of the Series 2025 Bonds to be redeemed, plus interest accrued and unpaid to the redemption date.</p> <p>See the caption “THE SERIES 2025 BONDS—Redemption—<i>Optional Redemption</i>” herein.</p>
Mandatory Sinking Fund Redemption.....	<p>The Term Series 2025 Bonds are subject to mandatory sinking fund redemption prior to maturity, beginning November 15, 20__, at a redemption price equal to one hundred percent (100%) of the principal amount of the Term Series 2025 Bonds to be redeemed, plus interest accrued and unpaid to the redemption date. See the caption “THE SERIES 2025 BONDS—Redemption—Mandatory Sinking Fund Redemption” herein.</p>
Form and Denomination.....	<p>The Series 2025 Bonds will be issued only in fully registered form registered in the name of Cede &amp; Co. as nominee of The Depository Trust Company (“DTC”). The Series 2025 Bonds will be issued in denominations of \$1,000 or in any integral multiple thereof.</p>
The Offering .....	<p>The Series 2025 Bonds are being offered to the public, subject to prior sale, when, as and if issued by the Green Bank and accepted by the Underwriter.</p>
Purpose of Issue .....	<p>The Series 2025 Bonds are being issued to (a) refinance expenditures of the Green Bank related to its Residential Solar Incentive Program (“RSIP”), (b) fund a Special Capital Reserve Fund and (c) pay the costs of issuing the Series 2025 Bonds.</p>
Green Bonds – Climate Bonds Certification.....	<p>The Series 2025 Bonds are certified as “Climate Bonds” by the Climate Bonds Initiative based on the programmatic certification under the Green Bank’s Programmatic Green Bond Framework. See the caption “USE OF PROCEEDS—Climate Bond Certified” herein and “APPENDIX I-E—</p>

	<p>UPDATE LETTER – GREEN BONDS - CLIMATE BOND CERTIFIED” hereto. The Green Bank has designated the Series 2025 Bonds as “Green Bonds” as the proceeds will be applied exclusively for projects and activities that promote renewable energy purposes.</p>
Trustee.....	<p>The Bank of New York Mellon Trust Company, N.A., is the Trustee under the Indenture.</p>
SHRECs .....	<p>A “SHREC” is a renewable energy credit created by the production of one megawatt hour of electricity under the Green Bank’s Solar Home Renewable Energy Credit program, which was approved by the Connecticut State Legislature and signed by the Governor of the State of Connecticut as codified under Section 16-245gg of the Connecticut General Statutes (the “SHREC Statute”) and any related Environmental Attributes (as defined herein).</p> <p>Under two Master Purchase Agreements (each, a “Master Purchase Agreement” and collectively the “Master Purchase Agreements”), statutorily required by the SHREC Statute, between the Green Bank and Connecticut’s two investor-owned utilities (The Connecticut Light and Power Company, d/b/a Eversource Energy and United Illuminating, collectively the “Utilities”), the Green Bank aggregates SHRECs generated from solar photovoltaic systems participating in the RSIP into annual tranches (each a “SHREC Tranche”), and sells those SHREC Tranches to the Utilities at a fixed, predetermined price over a 15-year tranche lifetime. The SHRECs included in the Trust Estate will be SHRECs included in the 2021 SHREC (“SHREC Tranche 5”) and the 2022 SHREC (“SHREC Tranche 6” and together with SHREC Tranche 5, “SHREC Tranche 5 and 6”), and the revenue received from the Utilities for SHRECs within SHREC Tranche 5 and 6 from and after the delivery date of the Series 2025 Bonds is referred to herein as “SHREC Receivables”, as described in this Official Statement. See the caption “THE TRUST ESTATE” herein.</p> <p>The 2017 SHREC Tranche (“SHREC Tranche 1”) and the 2018 SHREC Tranche (“SHREC Tranche 2”) are pledged to the repayment of SHREC Collateralized Notes, Series 2019-1 (the “Series 2019-1 Notes”) issued by SHREC ABS 1, LLC, a direct wholly-owned subsidiary of the Green Bank.</p>

	<p>The 2019 SHREC Tranche (“SCHREC Tranche 3”) is pledged to the repayment of the Green Bank’s State Supported Solar Home Renewable Energy Credit, Green Liberty Bonds, Series 2020 (Federally Taxable) (Climate Bond Certified) (the “Series 2020 Bonds”).</p> <p>The 2020 SHREC Tranche (“SCHREC Tranche 4”) is pledged to the repayment of the Green Bank’s State Supported Solar Home Renewable Energy Credit, Green Liberty Bonds, Series 2021 (Federally Taxable) (Climate Bond Certified) (the “Series 2021 Bonds”).</p>
Ineligible SHRECs and Related Remedies.....	<p>An “Ineligible SHREC” is any SHREC for which (i) one or more eligibility criteria are found to have been breached at the time such SHREC was pledged to the Trust Estate, which breach (in the aggregate) materially and adversely affects the value of such SHREC; or (ii) neither the Green Bank nor the Trustee has a first priority perfected security interest.</p> <p>The Green Bank is required to remove any Ineligible SHREC pledged by the Green Bank to the Trustee under the Indenture by depositing an amount, established by the Green Bank, equal to the fair market value equivalent of the Ineligible SHREC originally pledged. Upon payment for the Ineligible SHREC, the Trustee will release the Ineligible SHREC from the lien of the Indenture (if requested). If the Trustee receives written notice of an Ineligible SHREC, the Trustee is required to give written notice thereof within five (5) Business Days of receipt thereof to the Green Bank.</p>
Special Capital Reserve Fund.....	<p>The Indenture establishes the Special Capital Reserve Fund for the Series 2025 Bonds and provides that it shall be funded in an amount equal to the maximum amount of principal and interest becoming due on the Series 2025 Bonds by reason of maturity or required sinking fund payment in any single succeeding calendar year (the “Special Capital Reserve Fund Requirement”). Amounts are deemed to be appropriated to the Special Capital Reserve Fund from the State of Connecticut general fund in accordance with the Green Bank’s enabling legislation in amounts necessary to maintain the balance therein at the Special Capital Reserve Fund Requirement.</p>
Not Debt of State.....	<p>THE SERIES 2025 BONDS SHALL NOT BE DEEMED TO CONSTITUTE A DEBT OR</p>

LIABILITY OF THE STATE OR OF ANY POLITICAL SUBDIVISION THEREOF OR A PLEDGE OF THE FULL FAITH AND CREDIT OF THE STATE OR ANY SUCH POLITICAL SUBDIVISION THEREOF (OTHER THAN THE GREEN BANK), BUT SHALL BE PAYABLE SOLELY FROM THE TRUST ESTATE AND OTHER RECEIPTS, FUNDS OR MONEYS PLEDGED THEREFOR PURSUANT TO THE INDENTURE. THE STATE SHALL NOT BE OBLIGATED TO PAY THE SERIES 2025 BONDS OR THE INTEREST THEREON, NOR SHALL THE GREEN BANK BE OBLIGATED TO PAY THE SERIES 2025 BONDS OR THE INTEREST THEREON EXCEPT FROM THE REVENUES AND OTHER RECEIPTS, FUNDS AND MONEYS PLEDGED THEREFOR. NEITHER THE FULL FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OR OF ANY POLITICAL SUBDIVISION THEREOF (INCLUDING, FOR PURPOSES OF THIS SENTENCE, THE GREEN BANK) IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL, INTEREST, OR PREMIUM, IF ANY, ON THE SERIES 2025 BONDS. THE GREEN BANK HAS NO TAXING POWER. THE ISSUANCE OF THE SERIES 2025 BONDS SHALL NOT DIRECTLY OR INDIRECTLY OR CONTINGENTLY OBLIGATE THE STATE OR ANY POLITICAL SUBDIVISION THEREOF TO LEVY OR TO PLEDGE ANY FORM OF TAXATION WHATEVER THEREFOR OR TO MAKE ANY APPROPRIATIONS FOR THEIR PAYMENT, EXCEPT AS PROVIDED IN THE INDENTURE.

State Pledge and Agreement.....

Pursuant to the provisions of Section 16-245n of the Act (the “Green Bank Statute”), the State of Connecticut pledges to and agrees with any person with whom the Green Bank may enter into contracts pursuant to the Green Bank Statute that the State will not limit or alter the rights vested in the Green Bank pursuant to the Green Bank Statute until such contracts and the obligations thereunder are fully met and performed on the part of the Green Bank, provided nothing shall preclude such limitation or alteration if adequate provision shall be made by law for the protection of such persons entering into contracts with the Green Bank.

Indenture.....

The Indenture provides for the issuance of the Series 2025 Bonds pursuant to the Act, and the

	Indenture includes the Green Bank’s pledge to the Trustee of the revenues, accounts and statutory and contractual covenants contained therein. The Trustee is authorized to enforce the Indenture and such covenants against the Green Bank. See “APPENDIX I-A—FORM OF THE INDENTURE” hereto.
No Bankruptcy Authorization.....	Under current law, the Green Bank is not authorized to seek protection from its creditors pursuant to the United States Bankruptcy Code.
Tax Matters.....	In the opinion of Shipman & Goodwin LLP, Hartford, Connecticut, Bond Counsel, interest on the Series 2025 Bonds (i) is included in gross income for Federal income tax purposes pursuant to the Internal Revenue Code of 1986, as amended, and (ii) is excludable from Connecticut taxable income for purposes of the Connecticut income tax on individuals, trusts and estates and is excludable from the amounts on which Connecticut minimum tax is based in the case of individuals, trusts and estates required to pay the federal alternative minimum tax. See the caption “TAX MATTERS” herein.
Rating.....	The Series 2025 Bonds have been assigned a rating of “___” by S&P Global Ratings.
Green Bank Contact.....	Office of the General Counsel and Chief Legal Officer, Connecticut Green Bank, 75 Charter Oak Avenue, Suite 1-103, Hartford, CT 06106.

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## **OFFICIAL STATEMENT**

**\$18,173,000\***

### **CONNECTICUT GREEN BANK**

**State Supported Solar Home Renewable Energy Credit,  
Green Liberty Bonds, Series 2025  
(Federally Taxable)  
(Green Bonds - Climate Bond Certified)**

## **PART I**

### **INFORMATION CONCERNING**

### **CONNECTICUT GREEN BANK AND THE SERIES 2025 BONDS**

#### **INTRODUCTORY STATEMENT**

The purpose of this Official Statement (this “Official Statement”), including the cover pages, the Summary of Terms, Part I, Part II and the Appendices hereto, is to set forth certain information concerning Connecticut Green Bank (the “Green Bank”), its Residential Solar Incentive Program (the “RSIP”) and the Green Bank’s \$18,173,000\* State Supported Solar Home Renewable Energy Credit, Green Liberty Bonds, Series 2025 (the “Series 2025 Bonds”). The proceeds of the Series 2025 Bonds are being used to (a) refinance expenditures of the Green Bank related to its Residential Solar Incentive Program (“RSIP”), (b) fund a Special Capital Reserve Fund and (c) pay the costs of issuance. For a more complete description of the Green Bank’s RSIP, see the caption “THE TRUST ESTATE” herein.

The Series 2025 Bonds will be issued under an Indenture of Trust, to be dated as of October 1, 2025 (the “Indenture”), between the Green Bank and The Bank of New York Mellon Trust Company, N.A., as trustee (the “Trustee”), and will be limited obligations of the Green Bank, payable solely from and secured by the Trust Estate established thereunder. The Green Bank will pledge and assign to the Trustee: (i) the SHREC Receivables and RECs related to SHREC Tranche 5 and 6 owned by the Green Bank (other than with respect to any SHRECs that are reassigned to the Green Bank as Ineligible SHRECs following the issuance of the Series 2025 Bonds); (ii) the Revenues and all other property that may in the future be delivered, or by writing of any kind, conveyed, pledged, assigned or transferred to the Green Bank as additional security hereunder for the Series 2025 Bonds; (iii) the Green Bank’s rights to the revenues under the Master Purchase Agreements related to the SHREC Receivables and under all other agreements that may in the future be delivered, or by writing of any kind, conveyed, pledged, assigned or transferred to the Green Bank as additional security hereunder for the Series 2025 Bonds, but specifically reserving all other rights under the Master Purchase Agreements and such other agreements; (iv) the Revenue Fund, the Debt Service Fund, the Redemption Fund and the 2025 SHREC Economic and Energy Security Fund together with any and all receipts, funds or moneys, investments and other property of every kind and nature from time to time hereafter on deposit in or payable to such funds and accounts thereof, including any Project Support Debt Service Amounts paid by the Green Bank for deposit into the Debt Service Fund; and (v) the Special Capital Reserve Fund, including all amounts on deposit in and if necessary certified by the Green Bank as necessary to restore the Special Capital Reserve Fund to the Special Capital Reserve Fund Requirement and deemed appropriated by the State and paid to the Green Bank, together with any and all moneys, investments and other property of every kind and nature from time to time hereafter on deposit in or payable to the Special Capital Reserve Fund, including any amounts paid by the Green Bank for deposit into the Special Capital Reserve Fund (collectively, the “Trust Estate”). The interest payments on May 15, 2037 and November 15, 2037, and the final sinking fund payment on the Series 2025 Bonds maturing on

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\* Preliminary, subject to change.

November 15, 2037 are expected to be paid from amounts on deposit in the Special Capital Reserve Fund as there will not be enough SHREC Receivables available to make such payments due to the 15 year limitation on payments required pursuant to the Master Purchase Agreements. See the captions “THE TRUST ESTATE,” “INVESTMENT CONSIDERATIONS—The Expected Source of the Repayment is the Potential Stream of Payments Made Under the Master Purchase Agreements,” “SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2025 BONDS—Covenants as to Special Capital Reserve Fund” and “DESCRIPTION OF THE INDENTURE—Debt Service Fund” and “—Special Capital Reserve Fund” herein.

There are no significant assets or sources of funds available to pay the Series 2025 Bonds other than the Trust Estate. See the caption “INVESTMENT CONSIDERATIONS” herein.

The factors affecting the Green Bank, the RSIP and the Series 2025 Bonds described throughout this Official Statement are complex and are not intended to be fully described in the preceding Summary of Terms or this Introductory Statement. This Official Statement should be read in its entirety. Brief descriptions of Green Bank, the RSIP, the Series 2025 Bonds, the Indenture and certain related agreements are included in this Official Statement. The descriptions of such documents contained herein do not purport to be comprehensive or definitive and are qualified in their entirety by reference to the entire text of such documents, and references herein to the Series 2025 Bonds are qualified in their entirety by reference to the forms thereof included in the Indenture and the information with respect thereto included in such documents, all of which are available for inspection at the principal corporate trust office of the Trustee in Pittsburgh, Pennsylvania. A summary of the Indenture, together with defined terms used therein and in this Official Statement, is contained in “APPENDIX I-A—FORM OF THE INDENTURE” hereto.

All such descriptions are further qualified in their entirety by the application of bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and similar laws and laws and principles of equity relating to or affecting generally the enforcement of creditors’ rights.

## **CONNECTICUT GREEN BANK**

Connecticut Green Bank (the “Green Bank”) was established by the Governor and the General Assembly of the State of Connecticut on July 1, 2011 through Public Act 11-80. The Green Bank was formed as body politic and corporate, constituting a public instrumentality and political subdivision of the State of Connecticut established and created for the performance of an essential public and governmental function. The Green Bank is not a department, institution or agency of the state. The Green Bank is a quasi-public agency that administers the Connecticut Clean Energy Fund.

As the nation’s first state green bank, the Green Bank was formed with a mission to make green energy more accessible and affordable for all Connecticut citizens and businesses by creating a thriving marketplace to accelerate the growth of green energy. The Green Bank is a recognized leader in Green Finance with a goal of increasing investment in green technology and renewable energy. The Green Bank has set goals to increase annual clean energy investment to \$800 per person, which is the level needed to hold off the worst effects of climate change as identified by the Intergovernmental Panel on Climate Change.

The Green Bank facilitates green energy deployment by leveraging a public-private financing model that uses limited public dollars to attract private capital investments. By partnering with the private sector, the Green Bank creates solutions that result in long-term, affordable financing to increase the number of green energy projects statewide. Since its formation in 2011, the Green Bank has deployed \$6.60 of private investment per dollar of public investment. The Green Bank also relies on interest income and support from foundations, including Program Related Investments. The Green Bank receives State support,



including from a \$0.001/kWh surcharge on electric ratepayer bills (which translates to approximately \$24 million to \$26 million each year) and allowance proceeds from the Regional Greenhouse Gas Initiative in the amount of approximately \$ million to \$10 million each year (for renewable energy). The Green Bank has also received support from the federal government, including from grant programs, such as the American Recovery and Reinvestment Act State Energy Program, and competitive solicitations, such as the SunShot Initiative by the Department of Energy. As of June 30, 2024, the Green Bank's net position was \$166.1 million.

The Green Bank's vision is a planet protected by the love of humanity. The Green Bank's mission is to confront climate change and provide all of society a healthier and more prosperous future by increasing and accelerating the flow of private capital into markets that energize the green economy. To achieve its vision and mission, the Green Bank has established the following three goals:

- To leverage limited public resources to scale up and mobilize private capital investment in the green economy of Connecticut.
- To strengthen Connecticut's communities by making the benefits of the green economy inclusive and accessible to all individuals, families, and businesses.
- To pursue investment strategies that advance market transformation in green investing while supporting the organization's pursuit of financial sustainability.

The vision, mission, and goals support the implementation of Connecticut's clean energy policies be they statutorily required (e.g., C.G.S. § 16-245ff), planning (e.g., Comprehensive Energy Strategy) or regulatory in nature.

The Green Bank is responsible for a variety of green energy solutions, including Smart-E Loans for homeowners and residential contractors in partnership with Energize CT, the RSIP, PosiGen Solar Energy and Energy Efficiency for low-to-moderate homeowners, Commercial Property Assessed Clean Energy ("C-PACE") for building owners, commercial contractors and municipalities, multifamily energy financing programs, the Small Business Energy Advantage ("SBEA") program, Solarize CT and solar power purchase agreements with building owners.

Since its establishment, the Green Bank is estimated to have reduced air pollution in terms of CO<sub>2</sub> by 11.8 million tons, which translates to public health savings of between \$221.3 million and \$500.5 million. The Green Bank has also reduced the energy burden for more than 69,000 families and over 8,500 businesses. Through its investments, the Green Bank has created 29,645 direct, indirect, and induced job-years.

The powers of the Green Bank are vested in and exercised by a Board of Directors that is comprised of 11 voting and one (1) non-voting member, each with knowledge and expertise in matters related to the organization's purpose. The Green Bank Board of Directors and staff are governed through Sections 16-245n and 16-245kk through 16-245mm of the Connecticut General Statutes, as amended from time to time (the "Act"), as well as an Ethics Statement and Ethical Conduct Policy, Resolutions of Purposes, Operating Procedures, Bylaws, and Comprehensive Plan. The following identifies the current Board of Directors of the Green Bank and its executive staff:

## Board of Directors

Lonnie Reed  
Chair of Connecticut Green Bank Board of Directors.....Chair

Dominick Grant  
Director of Investment, Dirt Capital Partners.....Member

Adrienne Farrar Houël  
President/CEO of Greater Bridgeport Community Enterprises, Inc.....Member

Thomas M. Flynn  
Managing Member, Coral Drive Partners LLC.....Member

John Harrity  
Former President, Connecticut State Council of Machinists;  
Chair, Connecticut Roundtable on Climate and Jobs.....Member

Matthew Ranelli  
Partner, Environment, Energy and Land Use Group at Shipman & Goodwin LLP.....Member

Brenda Watson  
Executive Director, The North Hartford Partnership.....Member

Kimberly Mooers  
Assistant Treasurer for Debt Management, Connecticut Treasurer's Office.....*Ex-Officio* Member

Dr. Joanna Wozniak-Brown  
Climate & Infrastructure Policy Development Coordinator, Connecticut Office of Policy &  
Management.....*Ex-Officio* Member

Joseph DeNicola  
Deputy Commissioner of Energy, Connecticut Department of Energy & Environmental Protection  
.....*Ex-Officio* Member

Allison Pincus  
Federal Programs Director, Connecticut Department of Economic & Community Development  
.....*Ex-Officio* Member

Bryan Garcia  
President and CEO, Connecticut Green Bank.....*Ex-Officio* Member (non-voting)

## Executive Staff

Bryan Garcia.....President and CEO

Bert Hunter.....Executive Vice President and Chief Investment Officer

Jane Murphy.....Executive Vice President of Finance and Administration

Eric Shrago.....Vice President of Operations

Brian Farnen.....General Counsel and Chief Legal Officer

Sergio Carrillo.....Director, Incentive Programs

Mackey Dykes.....Executive Vice President of Financing Programs (Officer)

Rudy Sturk.....Director, Marketing & Communication

David Beech.....Senior Manager, Clean Energy Finance

The State of Connecticut pledges to and agrees with any person with whom the Green Bank enters into contracts pursuant to the provisions of the Green Bank Statute that the State will not limit or alter the rights vested in the Green Bank until such contracts and the obligations under them are fully met and performed on the part of the Green Bank. The Green Bank Statute permits the Green Bank to appropriate in each year during the term of such contracts, an amount of money that is, when combined with other Green Bank funds available for such purpose, sufficient to pay such contracts and obligations or meet any contractual covenants or warranties.

## SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2025 BONDS

### General

The Series 2025 Bonds will be limited obligations of the Green Bank, payable solely from and secured by all money, revenues and receipts to be received under the Indenture, including all SHREC Receivables and other Revenues and all interest or other income derived from the investment or deposit of moneys in the Funds and Accounts, including amounts on deposit in the Special Capital Reserve Fund (to which, under certain circumstance described below, amounts may be paid from the State general fund pursuant to Section 16-245mm of the Connecticut General Statutes). See the captions “THE TRUST ESTATE” and “DESCRIPTION OF THE INDENTURE” herein, “APPENDIX I-A—FORM OF THE INDENTURE” hereto and the caption “OTHER FUNDS, DEBTS AND LIABILITIES—Contingent Liability Debt—*Special Capital Reserve Funds*” in Part II of this Official Statement.

**THE SERIES 2025 BONDS SHALL NOT BE DEEMED TO CONSTITUTE A DEBT OR LIABILITY OF THE STATE OR OF ANY POLITICAL SUBDIVISION THEREOF OR A PLEDGE OF THE FULL FAITH AND CREDIT OF THE STATE OR ANY SUCH POLITICAL SUBDIVISION THEREOF (OTHER THAN THE GREEN BANK), BUT SHALL BE PAYABLE SOLELY FROM THE TRUST ESTATE AND OTHER RECEIPTS, FUNDS OR MONEYS PLEDGED THEREFOR PURSUANT TO THE INDENTURE. THE STATE SHALL NOT BE OBLIGATED TO PAY THE SERIES 2025 BONDS OR THE INTEREST THEREON, NOR SHALL THE GREEN BANK BE OBLIGATED TO PAY THE SERIES 2025 BONDS OR THE INTEREST THEREON EXCEPT FROM THE REVENUES AND OTHER RECEIPTS, FUNDS AND MONEYS PLEDGED THEREFOR. NEITHER THE FULL FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE OR OF ANY POLITICAL SUBDIVISION THEREOF (INCLUDING, FOR PURPOSES OF THIS SENTENCE, THE GREEN BANK) IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL, INTEREST, OR PREMIUM, IF ANY, ON THE SERIES 2025 BONDS. THE GREEN BANK HAS NO TAXING POWER. THE ISSUANCE OF THE SERIES 2025 BONDS SHALL NOT DIRECTLY OR INDIRECTLY OR CONTINGENTLY OBLIGATE THE STATE OR ANY POLITICAL SUBDIVISION THEREOF TO LEVY OR TO PLEDGE ANY FORM OF TAXATION WHATEVER THEREFOR OR TO MAKE ANY APPROPRIATIONS FOR THEIR PAYMENT, EXCEPT AS PROVIDED IN THE INDENTURE.**

The Green Bank will pledge and assign to the Trustee in respect of the Series 2025 Bonds all its right, title and interest in and to the Trust Estate; that is, all money, revenues and receipts to be received under the Indenture, including all Revenues and all interest or other income derived from the investment or deposit of moneys in any Funds and Accounts, including the Special Capital Reserve Fund.

### **The Special Capital Reserve Fund**

Section 16-245mm of the Connecticut General Statutes authorizes the Green Bank to establish one or more special capital reserve funds for its bonds. The Indenture establishes the Special Capital Reserve Fund for the Series 2025 Bonds and provides that it shall be funded in an amount equal to the maximum amount of principal and interest becoming due on the Series 2025 Bonds by reason of maturity or required sinking fund payment in any single succeeding calendar year (the “Special Capital Reserve Fund Requirement”).

If at any time any interest on the Series 2025 Bonds or the principal or Redemption Price of the Series 2025 Bonds has become due and payable and payment thereof in full has not been made or provided for, the Trustee is required to withdraw from the Special Capital Reserve Fund, to the extent of moneys therein, an amount which, together with other amounts available for such payment, shall be sufficient to provide for such payment in full.

Section 16-245mm of the Connecticut General Statutes states that:

“Prior to December first, annually, the Connecticut Green Bank shall deposit into any special capital reserve fund, the balance of which has fallen below the required minimum capital reserve of such fund, the full amount required to meet the minimum capital reserve of such fund, as available to said bank from any resources of said bank not otherwise pledged or dedicated to another purpose. On or before December first, annually, but after said bank has made such required deposit, there is deemed to be appropriated from the General Fund such sums, if any, as shall be certified by the chairperson or vice-chairperson of the Connecticut Green Bank to the Secretary of the Office of Policy and Management, the State Treasurer and the joint standing committees of the General Assembly having cognizance of matters relating to finance, revenue and bonding and energy, as necessary to restore each such special capital reserve fund to the amount equal to the required minimum capital reserve of such fund, and such amounts shall be allotted and paid to said bank.”

In the opinion of Bond Counsel, such appropriation and payment from the general fund of the State does not require further legislative approval. The Indenture provides that it will be an Event of Default if with respect to Series 2025 Bonds secured by the Special Capital Reserve Fund, the Green Bank shall fail or refuse to comply with the provisions of the Indenture dealing with the Special Capital Reserve Fund, or such amounts as shall be certified by the chairperson of the Green Bank to the Secretary of the Office of Policy and Management and Treasurer of the State of Connecticut pursuant to such provisions of the Act shall not be allotted and paid by the State of Connecticut to the Green Bank for deposit therein and such allotment and payment is not made prior to the second day succeeding the final adjournment of (i) the session of the General Assembly of the State of Connecticut convening when such certification shall have been made or, if the General Assembly is not then in session, (ii) the first session of the General Assembly of the State of Connecticut convening after such certification shall have been made.

In the opinion of Bond Counsel, the Indenture constitutes a valid and binding agreement of the Green Bank, enforceable in accordance with its terms. The pledges and covenants made in the Indenture, including those relating to the Special Capital Reserve Fund, are for the equal and ratable benefit and

security of the owners of the Series 2025 Bonds. Pursuant to the Act, the aggregate amount of outstanding bonds issued by the Green Bank which may be secured by special capital reserve funds is \$500 million and, upon issuance of the Series 2025 Bonds, the aggregate amount of outstanding bonds of the Green Bank so secured will be \$57,575,298.81\*. This amount includes the Series 2025 Bonds, the \$19,344,000 outstanding amount of the Series 2021 Bonds (as defined herein), the \$ 12,209,000 outstanding amount of the Series 2020 Bonds (as defined herein), the \$1,939,403.14 outstanding amount of the Green Bank's Clean Renewable Energy Bonds (CGB Meriden Hydro LLC Project) issued pursuant to the Indenture of Trust, dated as of February 2, 2017, between the Green Bank and U.S. Bank National Association, as trustee; and the \$5,909,895.67 outstanding amount of the Equipment Lease/Purchase Agreement, dated as of December 29, 2017, as amended October 25, 2018 (Taxable Direct Pay New Clean Renewable Energy Bond) Connecticut State Colleges and University System between Banc of America Leasing & Capital, LLC and the Green Bank.

### **Covenants as to Special Capital Reserve Fund**

The Green Bank covenants that it shall at all times maintain the Special Capital Reserve Fund at the Special Capital Reserve Fund Requirement and do and perform or cause to be done and performed each and every act and thing with respect to the Special Capital Reserve Fund provided to be done or performed by or on behalf of the Green Bank or the Trustee under the terms and provisions of the Indenture and Section 16-245mm of the Connecticut General Statutes.

If at any time any Principal Payment on the Series 2025 Bonds, including any mandatory sinking fund installment, or any Interest Payment due thereon, or any Redemption Price of Series 2025 Bonds has become due and payable and payment thereof in full has not been made or provided for, the Trustee is required to (i) withdraw from the Special Capital Reserve Fund an amount which together with other amounts available for such payment is sufficient to provide for such payment in full and apply the amount so withdrawn to such payment, and (ii) no later than the next Business Day after such withdrawal, provide a notice to the Green Bank of such deficiency. Thirty (30) days prior to each Interest Payment Date and Principal Payment Date, the Trustee is required to determine whether the moneys or deposits in the respective Accounts within the Debt Service Fund are sufficient to make the next succeeding Interest Payment and Principal Payment. If such moneys or deposits are not sufficient to make such payments, the Trustee is required to, no later than the next Business Day, provide a notice of such insufficiency. The Green Bank has entered into a Project Support Commitment and Undertaking, dated as of the delivery date of the Series 2025 Bonds (the "Project Support Commitment and Undertaking"), for the benefit of the State of Connecticut, pursuant which the Green Bank agrees to deposit with the Trustee any Project Support Debt Service Amounts due and payable thereunder. The Green Bank is required to pay to the Trustee for deposit to the Debt Service Fund the Project Support Debt Service Amount as provided in the Project Support Commitment and Undertaking. The Project Support Commitment and Undertaking is solely for the benefit of the State of Connecticut and, other than amounts pledged pursuant to the Indenture, there are no other moneys or assets of the Green Bank pledged to the repayment of the Series 2025 Bonds or to the making of any Project Support Debt Service Amounts, and Owners of the Series 2025 Bonds should not rely upon the Green Bank to fund any deficiency in any Interest Payment or Principal Payment. See the captions "DESCRIPTION OF THE INDENTURE—Debt Service Fund" and "—Special Capital Reserve Fund" herein.

On or before December 1, annually, but after the Green Bank has made any required deposit, the State of Connecticut shall deem to be appropriated from the State of Connecticut general fund such sums, if any, as shall be certified by the chairperson or vice-chairperson of the Green Bank to the Secretary of the

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\* Preliminary; subject to change.

Office of Policy and Management, the State Treasurer and the joint standing committees of the General Assembly having cognizance of matters relating to finance, revenue and bonding and energy, as necessary to restore the Special Capital Reserve Fund to the Special Capital Reserve Fund Requirement, and such amounts shall be allotted and paid to the Green Bank. For the purpose of evaluation of any such fund, obligations acquired as an investment for the Special Capital Reserve Fund shall be valued at market value as of the date of calculation. Nothing described above shall preclude the Green Bank from establishing and creating other debt service reserve funds in connection with the issuance of bonds or notes of the Green Bank which are not a special capital reserve fund.

## **THE SERIES 2025 BONDS**

The following is a summary of certain provisions of the Series 2025 Bonds. Reference is hereby made to the Indenture and the Series 2025 Bonds in their entirety for the detailed provisions thereof. The Series 2025 Bonds will be issued in the aggregate principal amount shown on the inside cover page of this Official Statement.

### **General**

The Series 2025 Bonds will be issued initially in the form of one fully registered bond for each stated maturity, without coupons, in a denomination equal to the aggregate principal amount of such stated maturity and will be registered in the name of Cede & Co., as nominee of DTC. DTC will act as securities depository for the Series 2025 Bonds (together with any successor securities depository, the “Securities Depository”). See the caption “Securities Depository” below. Beneficial interests in the Series 2025 Bonds may be purchased in book-entry-only form, in denominations of \$1,000 or any integral multiple thereof.

Payment of the principal of, and interest on, the Series 2025 Bonds at maturity shall be made upon the presentation and surrender of the Series 2025 Bonds as hereinafter described. All payments of interest and premium, if any, on, and of principal upon redemption of, the Series 2025 Bonds prior to maturity shall be paid through the Securities Depository in accordance with its normal procedures, which now provide for payment by the Securities Depository to its participants in same-day funds.

In accordance with DTC procedures, conveyance of notices and other communications are to be made by the Trustee to DTC and by DTC to Direct Participants (as hereinafter defined), by Direct Participants to Indirect Participants (as hereinafter defined), and by Direct and Indirect Participants to beneficial owners. Cede & Co. is the Bondholder for all purposes under the Series 2025 Bond documents, including for the purposes of granting consents and for changes to the Series 2025 Bond documents. Beneficial owners may wish to take steps to ensure the transmission to them of notices of significant events with respect to the Series 2025 Bonds, such as redemptions, tenders, tender offers, defaults, and proposed amendments to the Series 2025 Bond documents. Each beneficial owner of Series 2025 Bonds must make arrangements with its participant to receive notices and payments with respect to the Series 2025 Bonds.

### **Securities Depository**

The information contained in the following paragraphs under this caption “Securities Depository” has been extracted from a schedule prepared by DTC entitled “SAMPLE OFFERING DOCUMENT LANGUAGE DESCRIBING BOOK-ENTRY-ONLY ISSUANCE.” The Green Bank and the Underwriter make no representation as to the completeness or the accuracy of such information or as to the absence of material adverse changes in such information subsequent to the date hereof.

DTC, New York, New York, will act as Securities Depository for the Series 2025 Bonds. The Series 2025 Bonds will be issued as fully registered bonds registered in the name of Cede & Co. (DTC’s

partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully registered bond certificate will be issued for each stated maturity of the Series 2025 Bonds, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission ("SEC"). More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com) (it being understood that information available at this website is not incorporated herein by reference).

Purchases of Series 2025 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2025 Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2025 Bond (the "beneficial owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial owners will not receive written confirmation from DTC of their purchase, but beneficial owners are expected to receive written confirmation providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the beneficial owner entered into the transaction. Transfers of ownership interests in the Series 2025 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of beneficial owners. Beneficial owners will not receive certificates representing their ownership interests in Series 2025 Bonds, except in the event that use of the book-entry-only system for the Series 2025 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2025 Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Series 2025 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual beneficial owners of the Series 2025 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2025 Bonds are credited, which may or may not be the beneficial owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants and by Direct Participants and Indirect Participants to beneficial owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial owners of Series 2025 Bonds may wish to take certain steps to

augment the transmission to them of notices of significant events with respect to the Series 2025 Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Series 2025 Bond documents. For example, beneficial owners of the Series 2025 Bonds may wish to ascertain that the nominee holding the Series 2025 Bonds for their benefit has agreed to obtain and transmit notices to beneficial owners. In the alternative, beneficial owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Series 2025 Bonds within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such Series 2025 Bond to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Series 2025 Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Green Bank as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Series 2025 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds and principal and interest payments on the Series 2025 Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detailed information from the Green Bank or the Trustee, on each payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to beneficial owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Trustee or the Green Bank, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds and principal and interest payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Green Bank or the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the beneficial owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Series 2025 Bonds at any time by giving reasonable notice to the Green Bank or the Trustee. Under such circumstances, in the event that a successor depository is not obtained, certificates for the Series 2025 Bonds are required to be printed and delivered and thereafter, transfer, exchange and replacement of Series 2025 Bonds would be governed by the applicable terms of the Indenture.

The Green Bank may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor depository). In that event, certificates for the Series 2025 Bonds will be printed and delivered.

The above information concerning DTC and DTC's book-entry-only system has been obtained from sources that the Green Bank and the Underwriter believe to be reliable, but neither of the Green Bank or the Underwriter takes responsibility for the accuracy thereof.

THE GREEN BANK, THE TRUSTEE AND THE UNDERWRITER HAVE NO RESPONSIBILITY WITH RESPECT TO: (I) THE ACCURACY OF THE RECORDS OF THE SECURITIES DEPOSITORY OR ANY PARTICIPANT AS TO THE BENEFICIAL OWNERSHIP OF THE SERIES 2025 BONDS; (II) THE DELIVERY OF EITHER NOTICES OR PAYMENT TO ANY PARTY OTHER THAN THE SECURITIES DEPOSITORY OR ITS NOMINEE AS REGISTERED



OWNER OF THE SERIES 2025 BONDS; (III) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY THE SECURITIES DEPOSITORY OR ITS NOMINEE AS THE OWNER OF RECORD OF ALL ISSUED AND OUTSTANDING SERIES 2025 BONDS; OR (IV) THE SELECTION BY THE SECURITIES DEPOSITORY OR ANY PARTICIPANTS OR ANY BENEFICIAL OWNERS TO RECEIVE PAYMENT IN THE EVENT OF A PARTIAL REDEMPTION OF SERIES 2025 BONDS.

## Interest

Interest will be computed on the basis of a 360-day year, consisting of twelve 30-day months. Interest on the Series 2025 Bonds will be payable semi-annually on May 15 and November 15 of each year, commencing on May 15, 2026 (each, an “Interest Payment Date”). The record date for payment of interest on the Series 2025 Bonds is the last business day of any calendar month proceeding the month in which there occurs an Interest Payment Date.

## Redemption

*Optional Redemption.* The Series 2025 Bonds are subject to optional redemption prior to maturity at the option of the Green Bank, on or after November 15, 20\_\_, at any time, in whole or in part, in such amounts as the Green Bank may determine, at a redemption price equal to one hundred percent (100%) of the principal amount of the Series 2025 Bonds to be redeemed, plus interest accrued and unpaid to the redemption date.

*Mandatory Sinking Fund Redemption.\** The Term Series 2025 Bonds are subject to mandatory sinking fund redemption prior to maturity, beginning November 15, 20\_\_, at a redemption price equal to one hundred percent (100%) of the principal amount of the Term Series 2025 Bonds to be redeemed, plus interest accrued and unpaid to the redemption date. Unless no portion of the Term Series 2025 Bonds to be so redeemed shall then be Outstanding and, subject to the provisions of the Indenture permitting amounts to be credited to part or all of any one or more Sinking Fund Installments, there shall be due from, and the Green Bank shall be required to pay for the retirement of the Term Series 2025 Bonds on November 15 of each of the years set forth below, the amount set forth opposite such year, and the said amount to be paid on each such date is established as and shall constitute a Sinking Fund Installment for retirement of such portion of the Term Series 2025 Bonds.

**Date (November 15)**

**Sinking Fund Installment**

\$

1

<sup>1</sup> Final maturity. \_\_\_\_\_

Upon the purchase or redemption of any Term Series 2025 Bonds for which Sinking . Fund Installments have been established, other than by application of Sinking Fund Installments, an amount equal to the principal amount of the Terms Series 2025 Bonds so purchased or redeemed shall be credited toward the next Sinking Fund Installment thereafter to become due with respect to the Term Series 2025 Bonds of such maturity and the amount of any excess of the amounts so credited over the amount of such Sinking Fund Installment shall be credited by the Trustee against future Sinking Fund Installments in direct chronological order, unless otherwise instructed in writing by the Green Bank at the time of such purchase or redemption.

\*Preliminary; subject to change.

*Notice of Redemption.* The Trustee is required to give notice, in the name of the Green Bank, of the redemption of the Series 2025 Bonds, which notice shall specify the Series 2025 Bonds to be redeemed, the redemption date and the place or places where amounts due upon such redemption will be payable and, if less than all of the Series 2025 Bonds are to be redeemed, the numbers or other distinguishing marks of such Series 2025 Bonds so to be redeemed. Such notice is required to further state whether the notice and the redemption are unconditional or conditional; if unconditional, that on such date there shall become due and payable upon each Series 2025 Bond to be redeemed the Redemption Price thereof, together with interest accrued to the redemption date; if conditional, that on such date that, if there shall be sufficient funds available to effect such redemption on the redemption date, there shall become due and payable upon each Series 2025 Bond to be redeemed the Redemption Price thereof, together with interest accrued to the redemption date, and, in either case, that if there shall be sufficient funds available to effect such redemption on the redemption date, then from and after such date interest thereon shall cease to accrue and be payable. The Trustee is required to mail a copy of such notice by first class mail, postage prepaid, not less than twenty (20) days before the redemption date, to the Bondholders of the Series 2025 Bonds which are to be redeemed, at their last addresses appearing upon the registry books.

*Effect of Redemption.* Notice having been given in the manner provided in the Indenture, if there shall be sufficient funds available to effect such redemption on the redemption date, the Series 2025 Bonds so called for redemption shall become due and payable on the redemption date so designated at the Redemption Price, plus interest accrued and unpaid to the redemption date, and, upon presentation and surrender thereof, at the office specified in such notice such Series 2025 Bonds shall be paid at the Redemption Price plus interest accrued and unpaid to the redemption date. If, on the redemption date, moneys for the redemption of all the Series 2025 Bonds to be redeemed together with interest to the redemption date, will be held by the Trustee as to be available therefor on said date and if notice of redemption shall have been given as aforesaid, then, from and after the redemption date interest on the Series 2025 Bonds so called for redemption shall cease to accrue and become payable. If said moneys shall not be so available on the redemption date, such Series 2025 Bonds or portions thereof shall continue to bear interest until paid at the same rate as they would have borne had they not been called for redemption.

## **THE TRUST ESTATE**

As more fully described below, pursuant to the RSIP, the Green Bank provides incentives to homeowners and third-party system owners (“TPOs”) to deploy residential photovoltaic (“PV”) systems (each, a “SHREC Project”). Pursuant to Public Act No. 16-212 and Public Act No. 15-194, the Green Bank purchases a specific type of Renewable Energy Credit (“REC”) called a “solar home renewable energy credit” and the related Environmental Attributes (as defined herein) (a “SHREC”) from the homeowners and TPOs receiving RSIP incentives and producing PV energy. The Green Bank is then required to sell such SHRECs, and each of The Connecticut Light and Power Company d/b/a Eversource Energy (“Eversource”) and The United Illuminating Company (“United Illuminating” and together with Eversource, each, a “Utility” and together, the “Utilities”) are required to purchase such SHRECs, pursuant to two 15-year contracts (each, a “Master Purchase Agreement” and together, the “Master Purchase Agreements”).

Under each Master Purchase Agreement, SHRECs are divided into tranches based generally on the calendar year in which the related SHREC Project was installed (a “SHREC Tranche”). Each SHREC Tranche has a specific SHREC purchase price, as further described herein. The SHRECs included in the Trust Estate will be SHRECs related to SHREC Projects that were aggregated into a tranche in 2021 (“SHREC Tranche 5”) and a tranche in 2022 (“SHREC Tranche 6” and together with SHREC Tranche 5, “SHREC Tranche 5 and 6”). The revenue received from the Utilities for SHRECs within SHREC Tranche 5 and 6 from and after the delivery date of the Series 2025 Bonds is referred to herein as “SHREC Receivables”.

The 2017 SHREC Tranche (“SHREC Tranche 1”) and the 2018 SHREC Tranche (“SHREC Tranche 2”) are pledged to the repayment of SHREC Collateralized Notes, Series 2019-1 (the “Series 2019-1 Notes”) issued by SHREC ABS 1, LLC, a wholly-owned subsidiary of the Green Bank. The 2019 SHREC Tranche (“SCHREC Tranche 3”) is pledged to the repayment of the Green Bank’s State Supported Solar Home Renewable Energy Credit, Green Liberty Bonds, Series 2020 (Federally Taxable) (Climate Bond Certified) (the “Series 2020 Bonds”). The 2020 SHREC Tranche (“SCHREC Tranche 4”) is pledged to the repayment of the Green Bank’s State Supported Solar Home Renewable Energy Credit, Green Liberty Bonds, Series 2021 (Federally Taxable) (Climate Bond Certified) (the “Series 2021 Bonds”).

The “Trust Estate” will consist of (i) the SHREC Receivables and RECs related to SHREC Tranche 5 and 6 owned by the Green Bank (other than with respect to any SHRECs that are reassigned to the Green Bank as Ineligible SHRECs following the issuance of the Series 2025 Bonds); (ii) the Revenues and all other property that may in the future be delivered, or by writing of any kind, conveyed, pledged, assigned or transferred to the Green Bank as additional security hereunder for the Series 2025 Bonds; (iii) the Green Bank’s rights to the revenues under the Master Purchase Agreements related to the SHREC Receivables and under all other agreements that may in the future be delivered, or by writing of any kind, conveyed, pledged, assigned or transferred to the Green Bank as additional security hereunder for the Series 2025 Bonds, but specifically reserving all other rights under the Master Purchase Agreements and such other agreements; (iv) the Revenue Fund, the Debt Service Fund, the Redemption Fund and the 2025 SHREC Economic and Energy Security Fund together with any and all receipts, funds or moneys, investments and other property of every kind and nature from time to time hereafter on deposit in or payable to such funds and accounts thereof, including any Project Support Debt Service Amounts paid by the Green Bank for deposit into the Debt Service Fund; and (v) the Special Capital Reserve Fund, including all amounts on deposit in and if necessary certified by the Green Bank as necessary to restore the Special Capital Reserve Fund to the Special Capital Reserve Fund Requirement and deemed appropriated by the State and paid to the Green Bank, together with any and all moneys, investments and other property of every kind and nature from time to time hereafter on deposit in or payable to the Special Capital Reserve Fund, including any amounts paid by the Green Bank for deposit into the Special Capital Reserve Fund. The interest payments on May 15, 2037 and November 15, 2037, and the final sinking fund payment on the Series 2025 Bonds maturing on November 15, 2037 are expected to be paid from amounts on deposit in the Special Capital Reserve Fund as there will not be enough SHREC Receivables available to make such payments due to the 15 year limitation on payments required pursuant to the Master Purchase Agreements. See the captions “INVESTMENT CONSIDERATIONS—The Expected Source of the Repayment is the Potential Stream of Payments Made Under the Master Purchase Agreements,” “SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2025 BONDS—Covenants as to Special Capital Reserve Fund” and “DESCRIPTION OF THE INDENTURE—Debt Service Fund” and “—Special Capital Reserve Fund” herein.

### **Background Description of RSIP and SHRECs**

The RSIP was a direct financial incentive program for qualifying residential solar PV systems designed by the Green Bank in 2011 to comply with the directives of Public Act 11-80 of the Connecticut General Assembly to help meet Connecticut’s Renewable Portfolio Standard goals and deploy 30 MW of new residential solar PV installation. The RSIP was quickly oversubscribed, meeting the state’s 30 MW deployment target in 2014, eight years ahead of schedule. As a result, the Connecticut General Assembly initiated a new deployment target of 300 MW by 2022 with the passage of Public Act 15-194. The development target was further increased to 350 MW by 2022 with the passage of Public Act 19-35.

Under RSIP, the Green Bank provided two types of incentives:

- Homeowners that own their own system are eligible for an Expected Performance Based Buydown (“EPBB”) incentive as a \$/megawatt installed upfront cost reduction for system purchases;
- TPOs may receive a Performance-Based Incentive (“PBI”) for systems leased to homeowners (or for systems whereby the electrical energy produced from such systems is sold to homeowners under a power purchase agreement) consisting of quarterly payments for 6 years based on actual system performance.

In exchange for providing the incentives described above, the Green Bank was assigned, in perpetuity, all rights, title and interest to SHRECs, as well as all Environmental Attributes in addition to certain energy attributes (such as forward capacity market benefits). To continue to meet Connecticut’s demand for residential solar energy and to fund the RSIP, the Connecticut Legislature established the SHREC program to enable the Green Bank to easily and reliably monetize the stream of RECs generated from the systems that receive incentives under the RSIP.

On September 23, 2020, as RSIP was reaching its statutory target of 350 MW, the Board of Directors approved the RSIP Extension (RSIP-E), consisting of additional 32 MW of capacity over the RSIP statutory target. December 31, 2021, marked the official end of RSIP, and the transition to a tariff-based compensation for residential solar PV systems in the State.

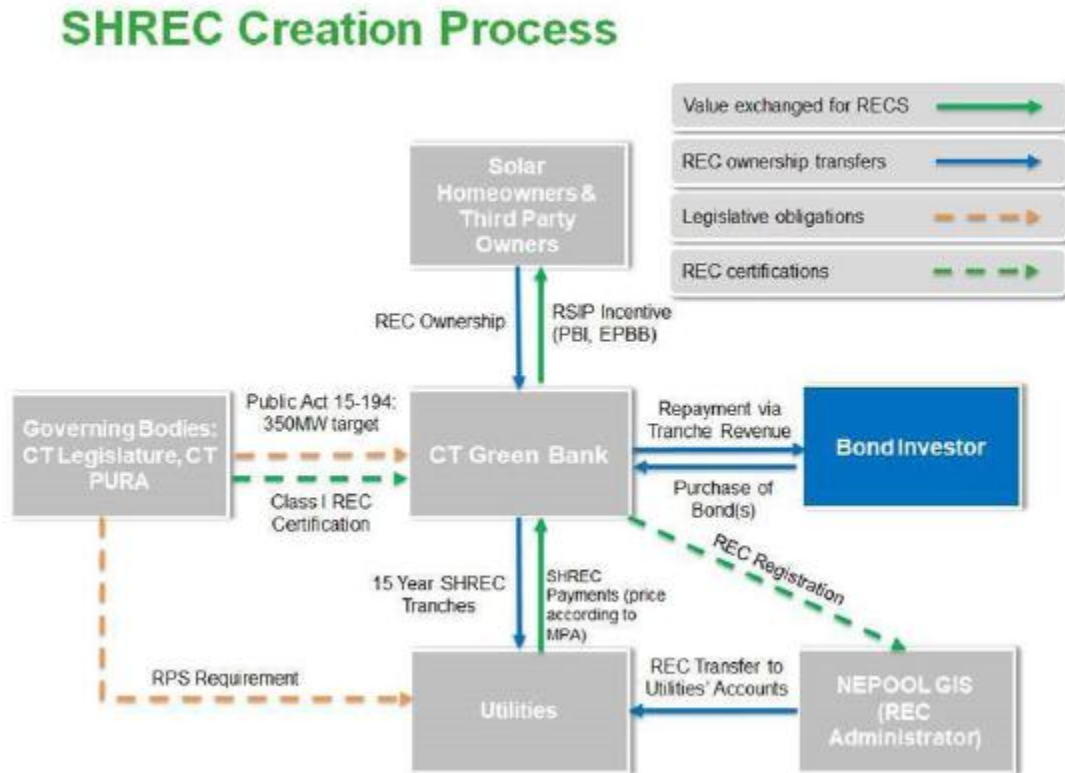
In 2021, Connecticut Public Utilities Regulatory Authority (“CT PURA”) established the residential tariff, now called the Residential Renewable Energy Solutions Program (“RRES”), to replace both net metering and RSIP, pursuant to CT PURA Docket No. 20-07-01. The RRES program is administered by the Utilities, and residential customers may enter into contracts to sell their energy and RECs to the Utilities at a fixed 20-year price under either a (1) buy-all incentive rate structure where the utility buys all the energy and RECs the project generates or (2) a netting rate structure where the utility buys all the project’s RECs and then provides credits on the customer’s electric bill for any energy exported to the electric grid and not consumed on site.

## **SHREC Program**

Under the SHREC program, the Utilities are statutorily mandated to enter into 15-year contracts with the Green Bank to purchase the SHREC Tranches generated by solar PV systems receiving the RSIP incentive. The agreement is governed by the Master Purchase Agreements, which were jointly filed with and approved by the CT PURA, whose approval included approval of the full cost recovery by the Utilities of the SHREC costs pursuant to the Master Purchase Agreements (the “CT PURA Order”). Under the Master Purchase Agreements, if CT PURA ever fails to authorize or prohibits the Utilities’ full cost recovery of these costs and fees, including all amounts paid for SHRECs, then each Utility may reduce its obligation to pay the Green Bank to the extent of CT PURA’s failure to authorize such Utility’s full cost recovery. See the caption “The Master Purchase Agreements” below.

Each calendar year of newly installed solar PV systems constitutes a SHREC Tranche. The Utilities are obligated (by statute and the terms of the Master Purchase Agreements) to purchase each new SHREC Tranche during the 15-year delivery term of each SHREC Tranche, at a price fixed at the time the SHREC Tranche is sold to the Utilities. Under CT PURA Docket No. 16-05-07, CT PURA has guaranteed the Utilities cost recovery for the program via a statutorily-protected component of electric rates. Under the CT PURA Order referenced above, the CT PURA approved the Master Purchase Agreements for the purchase and sale of SHRECs and the CT PURA determined that the SHREC program costs will be recovered through a non-bypassable federally mandated congestion charge filed with CT PURA by each Utility.

A graphic explanation of the program structure is included below.



During installation of a SHREC Project, qualified solar homeowners or TPOs apply for the RSIP incentive with the Green Bank. If the Green Bank determines that the system meets eligibility criteria, the Green Bank grants either an EPBB or PBI incentive to the applicant. In exchange, the Green Bank is assigned in perpetuity, all rights, title and interest in the SHRECs, Environmental Attributes and other energy attributes.

As further explained under the caption “The Master Purchase Agreements” below, the Green Bank will register SHRECs with the New England Power Pool Generation Information System (“NEPOOL GIS”) through their standard REC creation process, and once registered, these SHRECs will reside in the Green Bank’s NEPOOL GIS account. Upon the agreed quarterly date, the Green Bank will then sell and transfer SHRECs to the Utilities via NEPOOL’s Forward Certificate Transfer process at the price agreed upon in the Master Purchase Agreements.

The Utilities are then required to transfer payment electronically to the Green Bank by the final business day of the month following the quarterly SHREC transfer (i.e., every quarter during the life of each SHREC Tranche as the RECs are produced quarterly by the related SHREC Projects). As SHREC generation will occur quarterly, the stream of payments from the Utilities to the Green Bank will be quarterly as well.

The Master Purchase Agreements allow both the Green Bank and the Utilities to accomplish certain of the Connecticut Legislature’s goals—specifically, the Green Bank’s goal of 350 MW of residential solar deployment by 2022; and the Utilities’ compliance with Connecticut’s renewable portfolio standard (or “RPS”) target.

Only residential solar PV systems with incentives from the Green Bank approved on or after January 1, 2015 are eligible for the SHREC program.

The final element in the SHREC structure enables the Green Bank to monetize a SHREC Tranche with a SHREC Tranche investor or financing counterparty. The Master Purchase Agreements provide for collateral assignment of the revenue streams associated with SHREC generation without consent of the Utilities as it relates to financing the future revenue stream of the SHRECs. The SHREC Statute and the Master Purchase Agreements provide for these features specifically to allow the Green Bank to monetize the SHRECs' anticipated cash flow streams. Each Master Purchase Agreement requires the Green Bank to continue to perform its obligations under the applicable Master Purchase Agreement as the assignee of SHRECs in the event of such collateral assignment. The Green Bank will pass on the revenue streams associated with each Master Purchase Agreement to the assignee. Each Master Purchase Agreement was amended to allow the Green Bank to assign its interests in such Master Purchase Agreement and/or payments under the Master Purchase Agreements to such affiliate or affiliates of the Green Bank for the purpose of effectuating a financing of cash flow streams.

The program is now terminated. No new SHREC Tranches will be created for post-December 31, 2022 systems. However, each Utility's obligation to purchase SHRECs will continue with respect to each SHREC Tranche sold to the Utilities until each SHREC Tranche has run its 15-year course.

## **Description of SHRECs**

***Background and Legislative Authority for SHRECs.*** Two pieces of Connecticut State legislation—Public Act No. 16-212 and Public Act No. 15-194—granted the Green Bank the authority to create SHRECs. A SHREC is a unique type of REC that is generated only under the specific circumstances that are described in the Master Purchase Agreements. Connecticut legislation permitted the Green Bank to enter into the Master Purchase Agreements, which were approved by CT PURA. Under the Master Purchase Agreements, the Green Bank sells SHRECs to the Utilities for a price determined by the Green Bank.

Under each of the Master Purchase Agreements, the Green Bank aggregates RECs generated from solar PV systems participating in the RSIP into SHREC Tranches and sells such SHREC Tranches to the Utilities at a fixed, predetermined price over each SHREC Tranche's 15-year term. To distinguish RECs generated under the RSIP from residential solar PV systems awarded an incentive before January 1, 2015, RECs for qualifying residential solar PV systems awarded an incentive on or after January 1, 2015 are referred to as "SHRECs".

In addition to the related REC, a SHREC also represents the related Environmental Attributes and certain energy attributes. Pursuant to the Master Purchase Agreements, an "Environmental Attribute" excludes electric energy and capacity produced, but means any other emissions, air quality, or other environmental attribute, aspect, characteristic, claim, credit, benefit, reduction, offset or allowance, howsoever entitled or designated, resulting from, attributable to or associated with the generation of energy by a qualifying residential solar PV system as defined in Connecticut Public Act No. 15-194 and as amended by Connecticut Public Act No. 16-212, whether existing as of the effective date of the Master Purchase Agreement or in the future, and whether as a result of any present or future local, state or federal laws or regulations or local, state, national or international voluntary program, as well as any and all generation attributes under the regulations promulgated pursuant to Section 16-245a of the Connecticut General Statutes, as amended, modified, restated and superseded from time to time, that require a minimum percentage of electricity sold to end-use customers in the State of Connecticut to be derived from certain renewable energy generating resources, regulations and under any and all other international, federal, regional, state or other law, rule, regulation, bylaw, treaty or other intergovernmental compact, decision, administrative decision, program (including any voluntary compliance or membership program),

competitive market or business method (including all credits, certificates, benefits, and emission measurements, reductions, offsets and allowances related thereto) that are attributable, now or in the future; and further, means: (a) any such credits, certificates, benefits, offsets and allowances computed on the basis of the SHREC Project's (defined below) generation using renewable technology or displacement of fossil-fuel derived or other conventional energy generation; (b) any certificates issued pursuant to the NEPOOL GIS in connection with energy generated by a SHREC Project; and (c) any voluntary emission reduction credits obtained or obtainable by the Green Bank in connection with the generation of energy by a SHREC Project; provided, however, that Environmental Attributes will not include: (i) any production tax credits; (ii) any investment tax credits or other tax credits associated with the construction or ownership of a SHREC Project; or (iii) any state, federal or private grants relating to the construction or ownership of a SHREC Project or the output thereof. If during the delivery period, a change in laws or regulations occurs that creates value in Environmental Attributes, then at the applicable Utility's request, the Green Bank will cooperate with such Utility to register such Environmental Attributes or take other action necessary to obtain the value of such Environmental Attributes for such Utility. The below list constitutes the definition of a SHREC generation system that qualifies as a "SHREC Project" under the Master Purchase Agreements:

- The Connecticut Public Utilities Regulatory Authority (or any successor thereto) ("CT PURA") has issued an order, decision or ruling that the system uses a Class I renewable energy source, as defined by Section 16-1(a)(20) of the Connecticut General Statutes. (Solar PV systems are Class I renewable energy sources).
- The Green Bank provided an incentive for the installation of the system.
- The system emits no pollutants.
- The system's RSIP incentive was approved by the Green Bank on or after January 1, 2015.
- The system is installed on the customer side of the revenue meter of a residential property that comprises at least one and no more than four family dwelling units.
- The system serves the distribution system of an electric distribution company.

In addition to the enabling legislation and qualification criteria described above, the following actions are taken by the Green Bank when creating SHRECs:

- The Green Bank reviews the design details of systems and concludes whether they qualify to receive incentives and will be eligible to produce SHRECs.
- The Green Bank mandates that the system is connected to a revenue grade meter, which transmits, on a continuous basis, electricity generation data to the Green Bank when the system starts producing electricity.
- The Green Bank applies to the CT PURA to obtain Class I certification for any system the Green Bank has designated as SHREC-eligible through a standardized batch process.
- SHREC-eligible systems with Class I certification are placed into SHREC Tranches. To create a SHREC Tranche, the Green Bank and the Utilities execute standardized Transaction Confirmations. The Transaction Confirmations contain system details including location, size (kW), and approval to energize date, and are appended to the Master Purchase Agreements.

- The Master Purchase Agreements allow the Green Bank to create SHREC Tranches on an annual basis with the final SHREC Tranche to be created no later than January 1, 2022.
- The Green Bank fixes the SHREC price related to a SHREC Tranche, which means that every SHREC generated by the solar PV systems in a particular SHREC Tranche will have a fixed price for a 15-year term. Six SHREC Tranches have been created to date, and the SHREC price is \$35/megawatt hour for SHREC Tranche 5 and \$34/megawatt hour for SHREC Tranche 6.

**SHREC Creation.** On a quarterly basis, the Green Bank downloads the electricity generation data from SHREC-eligible, tranchised residential solar PV systems. The Green Bank accesses the data via a web-hosted platform called Locus that receives generation data every 15 minutes from meters located on the platform. In the event production is lower than expected (for reasons other than weather variations or solar insolation), the Green Bank will notify the system owner and assist with resolving the cause of the lower production. System owners are incentivized to resolve issues relating to lower production in order to maximize value from their solar PV systems through higher displacement of their use of grid electricity. The Green Bank has contracts with Locus Energy and SunSystem Technology for active monitoring and operations and maintenance fleet services.

To convert the downloaded electricity generation data to SHRECs, the Green Bank submits the data to the NEPOOL GIS. There is a time lag of one calendar quarter between when the electricity was generated and when the data is submitted to NEPOOL GIS and the SHRECs created:

Electricity generated (Calendar Quarter)	Green Bank submits electricity generation data to NEPOOL GIS (date)	SHRECs created by NEPOOL GIS (date)
1. (January 1—March 31)	July 10	July 15
2. (April 1—June 30)	October 10	October 15
3. (July 1—September 30)	January 10	January 15
4. (October 1—December 31)	April 10	April 15

NEPOOL GIS creates SHRECs on a one for one basis, i.e., one SHREC created for one megawatt hour of electricity generated.

**Sale of SHRECs.** On the day they are created, SHRECs are automatically transferred from the Green Bank's NEPOOL GIS account to the NEPOOL GIS accounts of the two Utilities. Under the terms of the Master Purchase Agreements, there is an 80%/20% split in this automatic transfer, with 80% of the SHRECs being transferred to Eversource's account and 20% to United Illuminating's account. Title to the SHRECs passes from the Green Bank to each respective Utility upon this transfer, and the Green Bank is able to invoice the Utilities for the sale.

The Green Bank issues invoices to the Utilities in the amount of the quantity of SHRECs sold, multiplied by the fixed price per SHREC, depending upon the SHREC Tranche from which the SHRECs were generated. Delivery of the SHRECs is deemed to occur upon the completion of the transfer and receipt of SHRECs via the NEPOOL GIS to the NEPOOL GIS account designated by each Utility. On or before the 15th day following the end of each SHREC creation month, the Green Bank is required to render to each Utility an invoice for the payment obligations incurred during the preceding month, based on the SHRECs delivered by the Green Bank in the preceding month to such Utility's NEPOOL GIS account.



Payment from the Utilities is due on the last business day of the month following the month during which such SHRECs were delivered. See the caption “INVESTMENT CONSIDERATIONS—The Expected Source of the Repayment is the Potential Stream of Payments Made Under the Master Purchase Agreements” herein.

### **The Master Purchase Agreements**

The following is a summary of the terms of the Master Purchase Agreements, as amended and in effect (the “Master Purchase Agreements”) between the Green Bank and each of the Utilities.

***Each Utility’s Percentage Entitlement.*** Eversource is required to purchase 80% of the SHRECs created within each SHREC Tranche and United Illuminating is required to purchase 20% of the SHRECs created within each SHREC Tranche. Eversource and United Illuminating are severally liable under their respective Master Purchase Agreements. Eversource, for example, is not required to purchase the remaining 20% of SHRECs set aside for United Illuminating in the event United Illuminating is unable to purchase its 20% percentage entitlement and United Illuminating is not required to purchase the remaining 80% of SHRECs set aside for Eversource.

***Effective Date.*** The effective date of the Master Purchase Agreements (the “Master Purchase Agreement Effective Date”) was February 7, 2017.

***Product Purchased Under Master Purchase Agreements: SHRECs.*** The product purchased under the Master Purchase Agreements is SHRECs, each representing one MWh of solar electricity generated on or after January 1, 2015 and qualifying for Connecticut Class I REC status. Individual SHRECs will be aggregated into SHREC Tranches.

***SHREC Tranche Purchase Price.*** The purchase price agreed upon on a per SHREC basis for a particular SHREC Tranche is the “SHREC Tranche Purchase Price”. The SHREC Tranche Purchase Price for SHREC Tranche 5 is \$35 per SHREC and for SHREC Tranche 6 is \$34 per SHREC as of the Master Purchase Agreement Effective Date. The SHREC Tranche Purchase Price is capped at the lesser of (i) small Zero Emissions Renewable Energy Credit (“ZREC”) prices for the preceding year; and (ii) the price of the alternative compliance payment pursuant to Section 16-425(k) of the Connecticut General Statutes less five dollars (which for SHREC Tranche 5 and 6 amounts to a cap of \$50).

***Term.*** The Utilities’ obligation to enter into Master Purchase Agreements commenced on the Master Purchase Agreement Effective Date and will expire at the earlier to occur of (a) the date that 305.4 MW of aggregate SHREC Projects (the Energy Act’s 350MW target less the amount of projects approved for incentives under the RSIP prior to 2015) are approved under the RSIP program on and after January 1, 2015; and (b) December 31, 2022.

***SHREC Project.*** For purposes of the Master Purchase Agreements, a qualifying SHREC project (a “SHREC Project”) is a residential solar PV system, which satisfies the criteria listed for a SHREC Project. See the caption “Description of SHRECs” above.

***Creating and Defining a “SHREC Tranche”.*** The Master Purchase Agreements define a SHREC Tranche by identifying the SHREC Projects that generate SHRECs during the 12 calendar months commencing on January 1st of a particular year. For any given year, all SHRECs that are generated by SHREC Projects that have not been included in a prior SHREC Tranche and that start producing SHRECs in time to be included in the specified year’s trading period for first quarter generation, will constitute a “SHREC Tranche” for that year.

Both the Utilities and the Green Bank are required to execute a SHREC Tranche confirmation that details, as to each SHREC Tranche, the SHREC Projects included in the SHREC Tranche, the aggregate capacity of such projects, the SHREC Tranche delivery term start date and the SHREC Tranche Purchase Price.

***SHREC Creation Process.*** Under Rule 2.1 of the NEPOOL GIS Operating Rules, RECs are created quarterly on the 15th day of the calendar quarter that is the second calendar quarter following the calendar quarter in which the energy associated with a certificate was generated. For example, certificates from energy generation occurring in the first quarter of a calendar year will be created on July 15th of the same year. Under Rule 3.2 of the NEPOOL GIS Operating Rules, other than trading occurring under forward certificate transfers described below, each REC is transferrable from its creation date through 15 days prior to the end of its creation date quarter. From the above example, such RECs would be eligible for trades from July 15th through September 15th.

The NEPOOL GIS allows an owner to schedule SHREC transfers in advance of their creation date, under the “forward certificate transfers” process. After being scheduled in advance, the trade is completed during the trading period defined above. The Green Bank intends to execute the majority of its trades via forward certificate transfer.

SHREC Projects must be located behind the meter of a distribution customer of one of the two investor owned electric distribution companies (i.e., the Utilities) in Connecticut. Each SHREC Project must have a separate meter dedicated to SHREC measurement, the “REC Meter”.

***Green Bank’s Obligations Regarding SHRECs.*** The Green Bank, as the seller of the SHRECs, is obligated to undertake the following, pursuant to the Master Purchase Agreements:

- The Green Bank will sell and deliver the Utility’s applicable percentage entitlement of the SHRECs for a particular SHREC Tranche;
- The Green Bank will sell to the Utility all SHRECs generated by a particular SHREC Tranche’s SHREC Projects beyond the 15-year term of the Master Purchase Agreements at no cost, for as long as a SHREC Project continues to generate SHRECs;
- The Green Bank will not transfer or assign SHRECs to anyone other than a Utility, except as specified in Section 9.2 of the applicable Master Purchase Agreement (which is discussed under the caption “*Green Bank Collateral Assignment Rights (Section 9.2 and First Amendment)*” below);
- The Green Bank will comply with all NEPOOL GIS operating rules, and maintain accounts required to store and deliver SHRECs with NEPOOL GIS and ISO-New England (the independent system operator (ISO) that is an independent not-for-profit regional transmission organization overseeing the New England region’s bulk electric power system and transmission lines, which includes the states of Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island and Vermont and parts of New York and Canada);
- The Green Bank will verify all pre-requisites to sale;
- The Green Bank will provide the Utility with any necessary information and support to achieve regulatory and corporate approvals; however, the Green Bank shall not incur costs in excess of \$100,000 per year to support this effort, unless the Utility agrees in writing to reimburse the Green Bank for an agreed-upon portion of the costs; and

- The Green Bank will warrant upon delivery that title to any and all of the SHRECs delivered to the Utility are delivered free and clear of any encumbrances. Upon delivery, the Green Bank will represent and warrant to the Utility that it has sold the SHRECs exclusively to such Utility and such SHRECs have not expired.

***Green Bank Collateral Assignment Rights (Section 9.2 and First Amendment).*** The Green Bank has the right to collaterally assign, mortgage, pledge, grant security interests, or otherwise encumber its rights and obligations (including but not limited to the right to receive payments) in the Master Purchase Agreements to any lender in connection with a financing only pursuant to Section 9.2 of the applicable Master Purchase Agreement.

Additionally, each of the initial Master Purchase Agreements between the Green Bank and each of the Utilities, respectively, was amended by a First Amendment to Master Purchase Agreement made effective July 30, 2018 to enable the Green Bank to assign its interests in such Master Purchase Agreement including the income stream associated with the SHRECs, to an affiliate or affiliates of the Green Bank for the purpose of effectuating a monetization of the SHREC cash flow streams.

***Utilities' Obligations.*** Each of the Utilities is obligated to undertake the following pursuant to the applicable Master Purchase Agreement:

- The Utility will purchase and receive its applicable percentage entitlement of the SHRECs for a particular SHREC Tranche; and
- The Utility will consent to the Green Bank's obtaining financing secured by all payments made by the Utility to the Green Bank under the Master Purchase Agreements.

Each Utility agrees that in an event of default, the Green Bank's collateral assignee will be entitled to exercise rights and remedies of Green Bank. Each Utility agrees that the collateral assignee will have the right but not the obligation to cure any default on the part of the Green Bank, unless the assignee has succeeded to the Green Bank's obligations under the Master Purchase Agreements. Each Utility agrees to execute any consents to assignment and provide a written acknowledgement within twenty days of written request.

***Delivery and Title Transfer; Payment for SHRECs.*** Delivery under the Master Purchase Agreement occurs when transfer and receipt via NEPOOL GIS to the account maintained by the applicable Utility is complete. The Green Bank will effect the transfer to the applicable Utility's account via a forward certificate transfer, and upon such Utility's receipt, all rights, title and interest in SHRECs will transfer to such Utility.

Payment for SHRECs delivered is due on the last business day of the month following the month during which such SHRECs were delivered. The Green Bank is required to render an invoice to each Utility by the 15<sup>th</sup> day of the month following the SHREC delivery month.

Any late payments under the Master Purchase Agreements will accrue interest at a rate equal to the federal funds effective interest rate as set forth in the weekly statistical release designated as H.15(519), or any successor publication, published by the Board of Governors of the Federal Reserve System.

If a party disputes a payment obligation, the disputing party must notify the other in writing and will withhold payment pending resolution of the dispute. Withheld amounts will accrue interest in the same manner as late payments on any amounts determined to have been properly billed. If a Utility seeks clarification from the CT PURA on uses or cost recovery methods for SHRECs, interest will not accrue

during the period pending clarification. There will be a 24-month statute of limitations on new disputes for any particular payment. Interest on late payments will bear interest from and including the due date and will be calculated at the current date's Federal Funds Effective Rate.

***Prerequisites for Purchase.*** A Utility's obligation to purchase SHRECs for any particular SHREC Tranche is contingent upon satisfaction of all of the following conditions:

- Such Utility has received a final decision of approval from the CT PURA, as well as the Utility's corporate approval, of the Master Purchase Agreement (both of which have already been obtained);
- SHREC Tranche confirmations have been executed (such confirmations have been delivered with respect to SHREC Tranche 5 and 6); and
- The Green Bank has provided and such Utility has accepted a notice certifying (a) that generation associated with creation of SHRECs has begun prior to the Tranche Delivery Term Start Date; and (b) the amount of the SHREC Tranche Purchase Price; and (c) that each SHREC Project, as constructed, satisfies the criteria listed for a SHREC Project; and (d) the Green Bank has satisfied its obligations set forth in the Master Purchase Agreement necessary to complete the delivery of such SHRECs to such Utility (which notice has been provided by the Green Bank and accepted by each such Utility with respect to SHREC Tranche 5 and 6).

***Failure to Obtain Regulatory Approval.*** The Master Purchase Agreements have already received final approval from the CT PURA under Docket No. 16-05-07. If for any reason the CT PURA were to reopen Docket No. 16-05-07 and the CT PURA were to make a decision that invalidates a provision of the Master Purchase Agreement, other than one that impacts the transfer of SHRECs or the applicable Utility cost recovery, (a) the remaining provisions of the Master Purchase Agreement will remain in full force and effect; and (b) the applicable Utility and the Green Bank will endeavor in good faith to replace the invalid provisions with provisions that preserve the economic effects and fundamental rights of the parties under the Master Purchase Agreement.

***Events of Default and Remedies under the Master Purchase Agreements.*** An event of default under the Master Purchase Agreement has occurred when:

- A party breaches any of its obligations and (a) does not cure the breach within ten (10) business days of written notice from the non-breaching party, or (b) does not cure the breach within twenty (20) business days after notice, following a ten-day extension for diligent work; or
- A representation or warranty made by a party proves false in any material respect; or
- A party becomes bankrupt.

Upon the occurrence of an event of default under a Master Purchase Agreement, the non-defaulting party may do any one or more of the following:

- Pursue rights and remedies as may be available in law and equity;
- Withhold any payments due in respect of the Master Purchase Agreement up to the extent of its damages;

- Terminate the Master Purchase Agreement, subject to the limitations of early termination (described in the following paragraph); and
- Suspend performance of its obligations with regards to transfer of SHRECs until such event of default is cured.

Each Utility agrees that it will not exercise any right to terminate or suspend the Master Purchase Agreement unless it has given the defaulting party (the Green Bank or its assignee) prior written notice of its intent and the defaulting party has not caused the defaulting condition to be cured within 15 days after the later of: (a) such Utility's notice, or (b) the expiration of the applicable periods of grace provided under the Master Purchase Agreement. If such default cannot be reasonably cured by the defaulting party within 15 days, the cure period will be extended for a reasonable period of time not to exceed 15 days (for an aggregate 30-day cure period).

***Force Majeure Events.*** Under the Master Purchase Agreement, a "Force Majeure Event" means any event or circumstance which is beyond the control and without the fault or negligence of the party affected and which by the exercise of reasonable diligence the party affected was unable to prevent, provided that such events or circumstances shall be limited to a list of circumstances.

"Force Majeure Events" are defined to include, generally: (1) political instability events such as riot, war, compulsory acquisition or acts of terrorism; (2) ionizing events such as contact with nuclear waste or radiation; (3) natural disasters such as earthquakes or fires; and (4) strikes or industrial disputes.

"Force Majeure Events" are defined not to include any of the following events: (1) curtailment arising from mechanical or equipment failure attributable to wear and tear; (2) financial hardship, including events that merely increase cost to one of the parties; (3) the Green Bank's ability to sell SHRECs at a price greater than the SHREC Tranche Purchase Price that has been established; or (4) a Utility's ability to purchase SHRECs at a price lower than the SHREC Tranche Purchase Price. In addition, a delay or inability to perform due to a party's lack of preparation for a known risk or condition to satisfy its obligations, a party's failure to timely obtain and maintain all necessary permits or approvals (excepting the regulatory approval necessary for entering into the Master Purchase Agreements) or qualifications, or a failure to satisfy contractual conditions or commitments, shall each not constitute a Force Majeure or be the basis for a claim of Force Majeure under the Master Purchase Agreements.

The implication of the Force Majeure definition in the Master Purchase Agreements is that it permits a party to be excused from or permitted a delay in performance of one or more of its obligations under the Master Purchase Agreements.

***Governing Law.*** The Master Purchase Agreements are interpreted and governed by the laws of the State of Connecticut.

## **SHREC Tranche 5 and 6**

SHREC Tranche 5, with a SHREC Tranche Delivery Term Start Date (as defined in the Master Purchase Agreements) of January 1, 2021, consisted of 7,250 SHREC Projects representing a total "nameplate" capacity of approximately 61.77 MW-DC and was executed by the Green Bank and the Utilities as of [\_\_\_\_], 20[\_\_\_]. Taking into account an annual rate of degradation of 0.7 percent and a SHREC Tranche Purchase Price (as defined in the Master Purchase Agreement) of \$35/MWh, the Green Bank projects gross SHREC Receivables of \$17.2 million over the remaining 10.54-year term of SHREC

Tranche 5.\* The aggregation of these SHREC Projects in SHREC Tranche 5 was approved by CT PURA between February 1, 2024 and [\_\_\_\_], 20[\_\_\_\_] through [Docket No. 23-08-03.]

SHREC Tranche 6, with a SHREC Tranche Delivery Term Start Date (as defined in the Master Purchase Agreements) of January 1, 2022, consisted of 3,499 SHREC Projects representing a total “nameplate” capacity of approximately 31.61MW-DC and was executed by the Green Bank and the Utilities as of [\_\_\_\_], 20[\_\_\_\_]. Taking into account an annual rate of degradation of 0.7 percent and a SHREC Tranche Purchase Price (as defined in the Master Purchase Agreement) of \$34/MWh, the Green Bank projects gross SHREC Receivables of \$9.58 million over the remaining 11.5-year term of SHREC Tranche 6.† The aggregation of these SHREC Projects in SHREC Tranche 6 was approved by CT PURA between [\_\_\_\_], 20[\_\_\_\_] and [\_\_\_\_], 20[\_\_\_\_] through Docket No. [\_\_\_\_].

SHREC Tranche 5 and 6 have the following characteristics as set forth in the following tables as of [July 29], 2025 (the “Statistical Cutoff Date”):

**Composition of SHREC Tranche 5 and 6  
as of the Statistical Cutoff Date <sup>(1)</sup>**

	<b>Tranche 5</b>	<b>Tranche 6</b>
Number of PV Systems <sup>2</sup>	7,250	3,499
Capacity - Aggregate PV System Size (kWdc)	61,772	31,607
Average PV System Size (kWdc)	8.52	9.03
Range of PV System Size (kWdc)		
Average RSIP Incentive Approval Date		
Average Utility Interconnection Approval Date		
Average Panel Age - Months since RSIP Incentive Approval		
Average Panel Age - Months since Utility Interconnection Approval		
Third Party Owned		72.41%
Homeowner Owned		27.58%
Eversource Energy Grid Connection	%	%
United Illuminating Grid Connection	%	%

<sup>1</sup> As of [July 29], 2025.

<sup>2</sup> The Green Bank provided DNV GL with a dataset with detailed system information and monthly energy generation forecasts for 10,749 systems.

The Green Bank uses Clean Power Research’s (“CPR”) SolarAnywhere FleetView to derive energy forecasts. The forecasts are derived from the following information for each installed system:

- Location;
- Number of arrays, inverters per array;
- PV module manufacturer, model, quantity, and cost;
- Inverter manufacturer, model, quantity, and cost;
- Fixed tilt or tracking array type;

\* These figures are estimates of production only, and no guarantee of future performance is offered, granted, suggested or implied.

† These figures are estimates of production only, and no guarantee of future performance is offered, granted, suggested or implied.

- Azimuth and tilt for each array; and
- Solar obstruction (shading) angles or monthly (solar access) percentages for each array.

CPR SolarAnywhere FleetView maintains a database of typical meteorological year (“TMY”) and satellite irradiation data. The TMY data sets hold hourly values of solar radiation and meteorological elements for a 1-year period. Their intended use is for computer simulations of solar energy conversion systems and building systems to facilitate performance comparisons of different system types, configurations, and locations in the United States and its territories. Using this information, the Green Bank can develop a solar radiation forecast for each system location.

The Green Bank’s annual energy generation estimates are adjusted, with certain exceptions, using a fixed 10% derate factor (the derate factor for soiling accounts for dirt, snow, or other foreign matter on the surface of the PV module that reduces the amount of solar radiation reaching the solar cells of the PV module) and a 0.5% assumed annual system degradation rate.

The energy forecast for SHREC Tranche 5 and 6 was provided to DNV GL, independent engineers, to confirm the accuracy of the Green Bank’s current and future energy production estimates. The Green Bank provided DNV GL with a dataset with detailed system information and monthly energy generation forecasts for 10,749 systems with Approval to Energize dates (as defined in the Transaction Confirmations) between [July 15, 2021 and July 1, 2022].

DNV GL refined and analyzed the Green Bank’s operational data and assessed all PV systems using available historical data to gain insight on the operational performance of SHREC Tranche 5 and 6. After making any appropriate adjustments, DNV GL developed a revised forecast of the annual electricity production for SHREC Tranche 5 and 6 at various probabilities of exceedance (e.g., P50, P90, P99, where P90 represents an electricity production forecast that will be matched or exceeded with 90% probability). These annual forecasts are multiplied by the \$35 price per SHREC for SHREC Tranche 5 and \$34 price per SHREC for SHREC Tranche 6 to calculate projected annual SHREC Receivables. The Green Bank then applied seasonality assumptions derived by CPR SolarAnywhere FleetView (projected annual production for a SHREC Project is assumed to be generated as follows: 19.08% in the first quarter; 33.80% in the second quarter; 32.64% in the third quarter; and 14.48% in the fourth quarter).

The following table provides DNV GL’s annual production (MWh) forecasts for various probabilities of exceedance for 1-year periods, with Year 1 representing April 1, 2025 to December 31, 2035 for Tranche 5 and April 1, 2025 to December 31, 2036 for Tranche 6. The relative production forecasts shown below will change if the final SHREC Tranche 5 or SHREC Tranche 6 composition differs materially from the SHREC Projects analyzed by DNV GL.

#### **Production Forecasts (MWh) in MWh, 1-Year Period**

	<b>SHREC Tranche 5</b>			<b>SHREC Tranche 6</b>		
<b>Year</b>	<b>P50</b>	<b>P90</b>	<b>P99</b>	<b>P50</b>	<b>P90</b>	<b>P99</b>
1	53,881	50,655	48,026	28,499	26,722	25,272
2	53,424	50,193	47,557	28,260	26,480	25,027
3	52,947	49,706	47,060	28,002	26,217	24,759
4	52,460	49,205	46,545	27,722	25,931	24,467
5	51,990	48,715	46,034	27,429	25,630	24,158
6	51,593	48,289	45,579	27,170	25,359	23,875
7	51,175	47,838	45,096	26,987	25,157	23,654
8	50,726	47,354	44,578	26,809	24,957	23,433

**Production Forecasts (MWh) in MWh, 1-Year Period**

Year	SHREC Tranche 5			SHREC Tranche 6		
	P50	P90	P99	P50	P90	P99
9	50,262	46,852	44,037	26,607	24,731	23,185
10	49,804	46,351	43,493	26,385	24,485	22,916
11	49,352	45,851	42,947	26,161	24,235	22,640

Using the annual MWh production forecasts provided by DNV GL, adjusting the SHREC Receivables for annual periods ending on the principal payment dates (November 15), making the seasonality adjustments described above, assuming that only 93.40% of the SHREC Project production within SHREC Tranche 5 and 6 is available at any one time and multiply the result MWh production forecasts by the \$35/MWh purchase price for SHREC Tranche 5 and the \$34/MWh purchase price for SHREC Tranche 6 under the Master Purchase Agreements, the following table provides the estimated SHREC Receivables (after the payment of Trustee fees, charges and expenses) available to pay debt service on the Series 2025 Bonds and the related debt service coverage ratios for each of the P50, P90 and P99 production probabilities. Although there will not be enough SHREC Receivables available to pay debt service on the Series 2025 Bonds in the calendar year 2037, it is anticipated that the amounts on deposit in the Special Capital Reserve Fund will be sufficient to make such payments.

**Debt Service Coverage Table**

	Expected Net SHREC Receivables (P50)*	Expected Net SHREC Receivables (P90)	Expected Net SHREC Receivables (P99)	Projected Annual Debt Service	Expected P50 Debt Service Coverage	Expected P90 Debt Service Coverage	Expected P99 Debt Service Coverage
11/15/2026	\$ 2,653,878	\$ 2,492,004	\$ 2,360,010	\$ 2,166,394	1.23x	1.15x	1.09x
11/15/2027	2,654,585	2,492,652	2,360,600	2,166,503	1.23x	1.15x	1.09x
11/15/2028	2,631,834	2,469,569	2,337,173	2,146,628	1.23x	1.15x	1.09x
11/15/2029	2,607,841	2,445,075	2,312,155	2,125,915	1.23x	1.15x	1.09x
11/15/2030	2,583,053	2,419,598	2,285,959	2,103,947	1.23x	1.15x	1.09x
11/15/2031	2,559,036	2,394,609	2,259,981	2,081,336	1.23x	1.15x	1.09x
11/15/2032	2,538,160	2,372,327	2,236,317	2,061,950	1.23x	1.15x	1.08x
11/15/2033	2,518,531	2,350,978	2,213,290	2,044,210	1.23x	1.15x	1.08x
11/15/2034	2,497,969	2,328,527	2,188,994	2,024,482	1.23x	1.15x	1.08x
11/15/2035	2,476,295	2,304,826	2,163,302	2,003,655	1.24x	1.15x	1.08x
11/15/2036	2,146,476	1,994,634	1,869,056	1,733,508	1.24x	1.15x	1.08x
11/15/2037	664,743	615,251	574,277	2,042,286	N/A**	N/A**	N/A**

\* Expected SHREC Receivables based on various production levels for both Tranche 5 and Tranche 6. P-measures are a statistical estimate of how often, given variances in weather and system performance, solar projects will exceed that value. P50 means that for each year, 50% of the time generation is expected to be above the generation forecast and 50% of the time generation is expected to be below the generation forecast for such year; Expected Net SHREC Receivables are net of Trustee fees, charges and expenses.

\*\* The final year of debt service is paid by the Expected SHREC Receivables and the Special Capital Reserve Fund release net of trustee fees, charges and expenses.

Pursuant to the Indenture, the Green Bank is required to use its best efforts to direct all payments on the SHREC Receivables to the Trustee for deposit into the Funds and Accounts under the Indenture, and if such payments are misdirected or erroneously deposited into another Green Bank fund or account, the Green Bank is required to promptly transfer the applicable amount to the Trustee for deposit under the Indenture.



The Revenue Fund will be established to hold funds received from the Utilities as well as other Revenues (the “Revenue Fund”). Interest (net of that which represents a return of accrued interest paid in connection with the purchase of any investment) and other investment earnings (but not profits or losses) on any moneys or investments in the Funds and Accounts, other than the Special Capital Reserve Fund, shall be paid into the 2025 SHREC Economic Energy and Security Fund as and when received. Interest (net of that which represents a return of accrued interest paid in connection with the purchase of any investment) and other investment earnings (but not profits or losses) on any moneys or investments in the Special Capital Reserve Fund shall be paid into the Interest Account of the Debt Service Fund.

After all required payments are made under the Indenture, any excess Revenues are transferred back to the Green Bank and available for general use.

## USE OF PROCEEDS

### Sources and Uses

The proceeds of the Series 2025 Bonds are being used to: (a) refinance expenditures of the Green Bank related to the RSIP, (b) fund a Special Capital Reserve Fund and (c) pay the costs of issuing the Series 2025 Bonds, including the Underwriter’s discount. The following are the estimated sources and uses of proceeds of the Series 2025 Bonds:

#### Estimated Sources:

Proceeds of the Series 2025 Bonds.....\$\_\_\_\_\_

Total Sources.....\$\_\_\_\_\_

#### Estimated Uses:

Refinance expenditures of the Green Bank related to the RSIP.....\$\_\_\_\_\_

Deposit to the Special Capital Reserve Fund.....\_\_\_\_\_

Costs of Issuance of the Series 2025 Bonds.....\_\_\_\_\_

Total Uses.....\$\_\_\_\_\_

### Green Bonds - Climate Bond Certified

Working to advance its mission to “confront climate change and provide all of society a healthier and more prosperous future by increasing and accelerating the flow of private capital into markets that energize the green economy,” the Green Bank envisions a world powered by the renewable energy of community. With this vision in mind, the SHREC Projects are designed to support renewable energy production free from harmful emissions through solar energy production. See the caption “THE TRUST ESTATE” herein for more information on the SHREC Projects.

The information set forth below concerning (i) the Climate Bonds Initiative and the process for obtaining certification from the Climate Bonds Standard Board on behalf of the Climate Bonds Initiative, and (ii) Kestrel in its role as a verifier with respect to the certification of the Series 2025 Bonds as Climate Bond Certified, all as more fully described below, has been extracted from materials provided by the Climate Bonds Initiative and Kestrel. Additional information can be found at [www.climatebonds.net](http://www.climatebonds.net). The

Climate Bonds Initiative website is included for reference only and the information contained therein is not incorporated by reference in this Official Statement.

In connection with the Series 2025 Bonds and the SHREC Projects, the Green Bank applied to the Climate Bonds Initiative for designation of the Series 2025 Bonds as “Climate Bond Certified.” The Climate Bonds Initiative is an independent not-for-profit organization that works solely on mobilizing the bond market for climate change solutions. The Climate Bonds Initiative has established a certification program that provides criteria for eligible projects to be considered a Certified Climate Bond. Rigorous scientific criteria ensure that financed activities are consistent with the 1.5 degrees Celsius warming limit established in the 2016 Paris Agreement, which exists within the United Nations Framework Convention on Climate Change, to address greenhouse-gas-emissions mitigation, adaptation, and finance. The Climate Bonds Initiative certification program is used globally by bond issuers, governments, investors and the financial markets to prioritize investments which genuinely contribute to addressing climate change.

The Climate Bonds Standards and Sector Criteria use credible, science-based, widely supported guidelines about what should and should not be considered a qualifying climate-aligned investment to assist investors in making informed decisions about the environmental credentials of a bond. In order to receive the Climate Bonds certification, the Green Bank engaged Kestrel, a third-party Climate Bonds Initiative Approved Verifier, to provide verification to the Climate Bonds Initiative Standard Board that the Green Bank’s SHREC Projects meets the Climate Bonds Standards and relevant Sector Criteria. Kestrel reviewed and provided an opinion on the Green Bank’s Programmatic Green Bond Framework and verification to the Climate Bonds Initiative on the Solar Home Renewable Energy Credits (SHREC) Collateralized Notes, Series 2019-1 Class A and B, which was the first bond issued in the program, which the Climate Bonds Initiative certified as Climate Bonds on March 28, 2019. Under the Green Bank’s established Programmatic Certification, Climate Bonds Initiative certified the Series 2020 Bonds in July 2020 and the Series 2021 Bonds in April 2021. The Green Bank provided documentation for certification of the Series 2025 Bonds as Climate Bonds under the same programmatic certification, and the Climate Bonds Standard Board certified the Series 2025 Bonds as Climate Bonds in August, 2025. Kestrel will also provide a Post-Issuance Report to the Climate Bonds Initiative as to whether the proceeds of the Series 2025 Bonds have been allocated properly.

The terms “Climate Bond Certified” and “Green Bonds” are solely for identification purposes and are not intended to provide or imply that the owners of the Series 2025 Bonds are entitled to any security other than that described under the caption “SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2025 BONDS” herein.

The certification of the Series 2025 Bonds as Climate Bonds by the Climate Bonds Initiative is based solely on the Climate Bond Standard V3.0 and does not, and is not intended to, make any representation or give any assurance with respect to any other matter relating to the Series 2025 Bonds or the SHREC Projects, including but not limited to this Official Statement, the transaction documents, the Green Bank or the management of the Green Bank.

The certification of the Series 2025 Bonds as Climate Bonds by the Climate Bonds Initiative was addressed solely to the Green Bank’s Board of Directors and is not a recommendation to any person to purchase, hold or sell the Series 2025 Bonds and such certification does not address the market price or suitability of the Series 2025 Bonds for a particular investor. Each potential purchaser of the Series 2025 Bonds should determine for itself the relevance of this certification. Any purchase of the Series 2025 Bonds should be based upon such investigation that each potential purchaser deems necessary. The certification also does not address the merits of the decision by the Green Bank or any third party to participate in any nominated project and does not express and should not be deemed to be an expression of an opinion as to

the Green Bank or any aspect of the SHREC Projects (including but not limited to the financial viability of the SHREC Projects) other than with respect to conformance with Climate Bonds Standards.

In issuing or monitoring, as applicable, the certification, the Climate Bonds Initiative and Kestrel have assumed and relied upon and will assume and rely upon the accuracy and completeness in all material respects of the information supplied or otherwise made available to the Climate Bonds Initiative and Kestrel. The Climate Bonds Initiative does not assume or accept any responsibility or liability to any person for independently verifying (and it has not verified) such information or to undertake (and it has not undertaken) any independent evaluation of any nominated project or the Green Bank.

In addition, the Climate Bonds Initiative and Kestrel do not assume any obligation to conduct (and have not conducted) any physical inspection of any nominated project. The certification may only be used with the Series 2025 Bonds and may not be used for any other purpose without the Climate Bonds Initiative's prior written consent.

The certification does not and is not in any way intended to address the likelihood of timely payment of interest when due on the Series 2025 Bonds and/or the payment of principal at maturity or any other date.

The certification may be withdrawn at any time in the Climate Bonds Initiative's sole and absolute discretion and there can be no assurance that such certification will not be withdrawn.

### **Approved Verifier for Third Party Verification of Programmatic Climate Bonds Certification**

The Green Bank engaged Kestrel to provide a Second Party Opinion on conformance of the Green Bank's Programmatic Green Bond Framework with the International Capital Market Association Green Bond Principles and the Climate Bond Standard V3.0. In accordance with Programmatic Certification procedures established in the Climate Bonds Standard, Kestrel verified the first bond in the program, Solar Home Renewable Energy Credits (SHREC) Collateralized Notes, Series 2019-1 Class A and B on March 28, 2019. Following the Climate Bonds Programmatic Certification procedures, Connecticut Green Bank is approved to issue Certified Climate Bonds in the Solar Sector. Projects to be financed with the proceeds of the Series 2025 Bonds satisfy the Climate Bond Standard V3.0 and the Solar Sector Criteria. Accredited as an "Approved Verifier" by the Climate Bonds Initiative, Kestrel is qualified to evaluate bonds against the Climate Bonds Initiative Standards and Criteria in all sectors worldwide. Kestrel provided an Update Letter on the Series 2025 Bonds to affirm continued alignment with the Programmatic Green Bond Framework. The Series 2025 Bonds are also benchmarked with Kestrel Sustainability Intelligence™. The Update Letter can be found in "APPENDIX I-E—UPDATE LETTER: GREEN BONDS – CLIMATE BOND CERTIFIED" hereto.

### **Green Bonds Designation**

The Green Bank is designating the Series 2025 Bonds as "Green Bonds." Per the International Capital Market Association (the "ICMA"), Green Bonds are any type of bond instrument where the proceeds will be exclusively applied to finance or re-finance, in part or in full, new and/or existing eligible Green Projects and which are aligned with the four core components of the Green Bond Principles. The four core components are: 1. Use of Proceeds; 2. Process for Project Evaluation and Selection; 3. Management of Proceeds; and 4. Reporting.

The purpose of designating the Series 2025 Bonds as "Green Bonds" is to allow investors to invest directly in bonds that finance environmentally beneficial project ("Green Projects"). The particular improvements that the Green Bank has defined as "Green Projects" in connection with the Series 2025

Bonds are the SHREC Projects, which provide solar energy production. The term “Green Bonds” and “Climate Bonds” are neither defined in, nor related to, provisions in the Indenture. Owners of the Series 2025 Bonds do not have any security other than as provided in the Indenture nor do such owners of the Series 2025 Bonds assume any special project risk related on any of the SHREC Projects. The Green Bank will undertake reasonable efforts to ensure that any actions taken with respect to the Series 2025 Bonds will not result in a revision or withdrawal of the Climate Bonds Initiative certification described under the caption “Climate Bond Certified” above; however, there can be no guarantee that any such action or a further revision to the Climate Bonds Initiative’s criteria for certifying bonds will not result in a withdrawal or revision of the Climate Bonds Initiative’s certification.

## **United Nations Sustainable Development Goals**

By reference to the International Capital Markets Association’s “Green and Social Bonds: A High Level Mapping to the Sustainable Development Goals” (June 2019), the Green Bank has determined that the Green Bank’s “Green Bonds” designation reflects the use of the proceeds of the Series 2025 Bonds in a manner that is consistent with the United Nations Sustainable Development Goals (“UNSDG”). The efforts of the Green Bank to increase investment in and deployment of clean energy projects – which result in increased benefits to Connecticut and all of society – can be looked at through the lens of its Green Bonds Framework, and thereby through the following UNSDG as well.

*Goals 1 & 10. No Poverty and Reduced Inequalities:* SHREC Tranche 5 and 6 has supported over \$[ ] million of investment in houses where the area median income is 80% or less, and over \$[ ] million in distressed communities across Connecticut.

*Goal 3. Good Health and Well-Being:* By reducing air pollution in terms of CO<sup>2</sup>, NOX, SO<sup>2</sup>, and other particulates, there is a contribution to public health. The lifetime benefits to public health from SHREC Tranche 5 and 6 are estimated to be between \$[ ] million and \$[ ] million.

*Goal 7. Affordable Clean Energy:* By providing incentives that bring down the cost of solar systems, the Residential Solar Investment Program is helping to ensure access to affordable, renewable, sustainable and modern energy for all. The lifetime clean energy generation of SHREC Tranche 5 and 6 is expected to be nearly [ ] MWh.

*Goals 8 & 9. Decent Work and Economic Growth, Industry, Innovation and Infrastructure:* SHREC Tranche 5 and 6 is estimated to have created [ ] direct job-years and [ ] indirect and induced job-years.

*Goal 11. Sustainable Cities and Communities:* SHREC Tranche 5 and 6 has resulted in over \$[ ] million of investment in [ ] of 169 of Connecticut’s cities and towns – an average of [ ] projects and over \$[ ] million of investment per town.

## **DESCRIPTION OF THE INDENTURE**

The following is a brief summary of certain provisions of the Indenture. For the full terms of the Indenture, see “APPENDIX I-A—FORM OF THE INDENTURE” hereto. The following brief summary, however, is to be considered a full statement of the terms of the Indenture and, accordingly, is qualified by reference thereto and are subject to the full text thereof. Capitalized terms not otherwise previously defined in this Official Statement or defined below have the meaning set forth in “APPENDIX I-A—FORM OF THE INDENTURE” hereto.

## **Funds**

Each of the following Funds is established under and governed by the terms of the Indenture:

- (a) Revenue Fund;
- (b) Debt Service Fund;
  - (i) Interest Account, and
  - (ii) Principal Account;
- (c) Cost of Issuance Fund;
- (d) Special Capital Reserve Fund;
- (e) Redemption Fund; and
- (f) 2025 SHREC Economic and Energy Security Fund.

In addition to the Accounts described above, the Trustee shall, at the written request of Green Bank, establish such additional Funds or, within any Fund held by the Trustee, such Accounts as shall be designated in the written instructions of an Authorized Representative of Green Bank and shall in like manner establish within any Account such subaccounts for the purposes of such Accounts as shall be so designated.

The Trustee is required to deposit into the Revenue Fund, as and when such amounts are received, (i) all Revenues, (ii) all amounts delivered by or at the direction of the Green Bank to the Trustee for deposit therein, and (iii) any other amounts required to be deposited therein pursuant to the Indenture.

#### **Application of Revenues held in the Revenue Fund**

The Trustee is required to use and withdraw amounts in the Revenue Fund on the second Business Day immediately preceding the first day of each calendar month and apply such amounts as follows:

FIRST: to the Trustee's unpaid fees, charges and expenses;

SECOND: to the Interest Account in the Debt Service Fund, the amount necessary to make the payment of the next succeeding Interest Payment, less any amounts in the Interest Account at each date of deposit;

THIRD: to the Principal Account in the Debt Service Fund, the amount necessary to make the next succeeding Principal Payment, less any amounts in the Principal Account at each date of deposit;

FOURTH: to the Special Capital Reserve Fund, the amount, if any, necessary to make the total on deposit equal the Special Capital Reserve Fund Requirement;

FIFTH: to the Redemption Fund, the amount, if any, required pursuant to the Indenture; and

SIXTH: to the 2025 SHREC Economic Energy and Security Fund, the balance.

#### **Debt Service Fund**

The Debt Service Fund is established to pay the Principal Payments and Interest Payments on the Series 2025 Bonds. See the caption “Funds and Accounts—*Debt Service Fund*” in “APPENDIX I-A—FORM OF THE INDENTURE” hereto.

The Trustee is required to pay from the moneys or deposits in the respective Accounts in the Debt Service Fund (i) on each Interest Payment Date, the amounts required for the payment of the Interest Payment due on such date, (ii) on each Principal Payment Date, the amounts required for the payment of the Principal Payment (including any Sinking Fund Installments) due on such date, and (iii) on any redemption date or date of purchase, the amounts required for the payment of accrued interest on the Series 2025 Bonds to be redeemed or purchased on such date unless the payment of such accrued interest shall be otherwise provided. Thirty (30) days prior to each Interest Payment Date and Principal Payment Date, the Trustee shall determine whether the moneys or deposits in the respective Accounts within the Debt Service Fund are sufficient to make the next succeeding Interest Payment and Principal Payment. If such moneys or deposits are not sufficient to make such payments, the Trustee shall, no later than the next Business Day, provide a notice of such insufficiency. The Green Bank will thereafter pay to the Trustee the Project Support Debt Service Amount as provided in the Project Support Commitment and Undertaking. The Project Support Commitment and Undertaking is solely for the benefit of the State of Connecticut and, other than amounts pledged pursuant to the Indenture, there are no other moneys or assets of the Green Bank pledged to the repayment of the Series 2025 Bonds or to the making of any Project Support Debt Service Amounts, and Owners of the Series 2025 Bonds should not rely upon the Green Bank to fund any deficiency in any Interest Payment or Principal Payment.

[The amounts accumulated in the Principal Account of the Debt Service Fund for each Sinking Fund Installment will, if so directed in writing by an Authorized Representative, be applied (together with amounts with respect to interest on the Term Series 2025 Bonds for which such Sinking Fund Installment was established) by the Trustee prior to the forty-fifth (45th) day preceding the due date of such Sinking Fund Installment to the purchase of the Term Series 2025 Bonds and maturity for which such Sinking Fund Installment was established, at prices (including any brokerage and other charges) not exceeding the Redemption Price payable for such Term Series 2025 Bonds when such Term Series 2025 Bonds are redeemable by application of such Sinking Fund Installment, plus unpaid interest accrued to the date of purchase, such purchases to be made by the Trustee as directed in writing by an Authorized Representative.

Upon the purchase of any Term Series 2025 Bond described in the preceding paragraph, an amount equal to the principal amount of the Term Series 2025 Bond so purchased or redeemed shall be credited toward the next Sinking Fund Installment thereafter to become due and the amount of any excess of the amounts so credited over the amount of such Sinking Fund Installment shall be credited against future Sinking Fund Installments in direct chronological order.

In connection with each Sinking Fund Installment, the Trustee is required to provide notice of redemption to the Bondholders of the Term Series 2025 Bonds for which such Sinking Fund Installment was established in such amount as shall be necessary to complete the retirement of the principal amount specified for such Sinking Fund Installment of the Term Series 2025 Bonds. The Trustee shall so call such Term Series 2025 Bonds for redemption whether or not it then has moneys in the Debt Service Fund sufficient to pay the applicable Redemption Price thereof on the redemption date.]

### **Special Capital Reserve Fund**

The Special Capital Reserve Fund is established to secure the payment of the Principal Payments and Interest Payments on the Series 2025 Bonds. See the caption “USE OF PROCEEDS—Sources and Uses” herein and the caption “Funds and Accounts—*Special Capital Reserve Fund*” in “APPENDIX I-A—FORM OF THE INDENTURE” hereto.

The Special Capital Reserve Fund will initially be funded in an amount equal to \$2,166,502.68 from the proceeds of the Series 2025 Bonds (which amount is equal to the initial Special Capital Reserve Fund Requirement). Any additional amounts paid by the Green Bank to the Trustee shall, as provided by the Green Bank, be deposited by the Trustee into and credited to the Interest Account in the Debt Service Fund until such amount equals the amount required to pay the Interest Payment due on the next succeeding Interest Payment Date, then to the Principal Account in the Debt Service Fund until such amount equals the amount required to pay the Principal Payment due on the next succeeding Principal Payment Date, then to the Special Capital Reserve Fund to satisfy the Special Capital Reserve Fund Requirement; and any balance not so applied shall be transferred by the Trustee to the 2025 SHREC Economic Energy and Security Fund.

If at any time any Principal Payment, including any Sinking Fund Installment, or any Interest Payment due thereon, or any Redemption Price of Bonds has become due and payable and payment thereof in full has not been made or provided for, the Trustee shall (i) forthwith withdraw from the Special Capital Reserve Fund an amount which together with other amounts available for such payment shall be sufficient to provide for such payment in full and apply the amount so withdrawn to such payment, and (ii) no later than the next Business Day after such withdrawal, provide a Notice to the Green Bank that the Green Bank immediately pay to the Trustee any and all amounts available to the Green Bank necessary to restore the Special Capital Reserve Fund to the amount of the Special Capital Reserve Fund Requirement no later than November 30 of any calendar year after such Notice is given. Other than amounts pledged pursuant to the Indenture, there are no other moneys or assets of the Green Bank pledged to the repayment of the Series 2025 Bonds, and Owners of the Series 2025 Bonds should not rely upon the Green Bank to fund any deficiency in the Special Capital Reserve Fund Requirement.

In the case of any purchase, redemption in whole or in part, or payment of principal at maturity, of any Series 2025 Bonds, the Green Bank may, as provided in a Certificate of an Authorized Representative, direct the Trustee to apply moneys in the Special Capital Reserve Fund to the payment of the principal or Redemption Price of and interest on the Series 2025 Bonds being paid or redeemed up to the amount by which such amounts in the Special Capital Reserve Fund exceed the Special Capital Reserve Fund Requirement after giving effect to such purchase, redemption or payment.

On December 1 of each year if:

(1) the amount in the Special Capital Reserve Fund exceeds the Special Capital Reserve Fund Requirement, and

(2) all withdrawals from the Special Capital Reserve Fund provided for in two preceding paragraphs have been made, the Trustee will withdraw the excess from the Special Capital Reserve Fund and deposit the amount so withdrawn into the 2025 SHREC Economic Energy and Security Fund.

The Green Bank shall pay to the Trustee upon receipt thereof any moneys allotted and paid to the Green Bank by the State pursuant to the Act for the purpose of restoring the Special Capital Reserve Fund to the amount of the Special Capital Reserve Fund Requirement. See the captions “SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2025 BONDS—The Special Capital Reserve Fund” and “—Covenants as to Special Capital Reserve Fund” herein.

### **Cost of Issuance Fund**

The Cost of Issuance Fund is established to pay the costs of issuing the Series 2025 Bonds. See the caption “USE OF PROCEEDS—Sources and Uses” herein and the caption “Funds and Accounts—Cost of Issuance Fund” in “APPENDIX I-A—FORM OF THE INDENTURE” hereto.

Moneys on deposit in the Costs of Issuance Fund shall be applied to pay the persons entitled thereto the Costs of Issuance relating to the issuance of the Series 2025 Bonds. Any moneys remaining on hand in the Costs of Issuance Fund upon the earlier of (i) payment of all Costs of Issuance or (ii) one hundred twenty (120) days after the issuance of the Series 2025 Bonds, shall be transferred by the Trustee to the Revenue Fund.

### **Redemption Fund**

The Redemption Fund is established to pay the Redemption Price on the Series 2025 Bonds. See the caption “Funds and Accounts—*Redemption Fund*” in “APPENDIX I-A—FORM OF THE INDENTURE” hereto.

There shall be deposited into the Redemption Fund amounts required to be deposited therein pursuant to paragraph “FIFTH” described under the caption “Application of Revenues held in the Revenue Fund” above for the redemption of Series 2025 Bonds. Amounts in the Redemption Fund may be applied as directed by the Green Bank to the purchase of Series 2025 Bonds at prices not exceeding the Redemption Price thereof applicable on the next redemption date plus accrued interest to such next redemption date (such redemption date shall be the earliest date upon which Series 2025 Bonds are subject to redemption from such amounts) or to the redemption of Bonds as described under the caption of “THE SERIES 2025 BONDS—Redemption” herein.

### **2025 SHREC Economic and Energy Security Fund**

The 2025 SHREC Economic and Energy Security Fund is established to collect Revenues not otherwise required to be deposited to the other Funds and Accounts established pursuant to the Indenture. See the caption “Funds and Accounts—*2025 SHREC Economic and Energy Security Fund*” in “APPENDIX I-A—FORM OF THE INDENTURE” hereto.

The Trustee shall, no later than the second Business Day of each calendar month, transfer moneys credited to the 2025 SHREC Economic and Energy Security Fund to the Green Bank.

### **No Additional Indebtedness or Liens**

Green Bank shall not issue any bonds, notes or other evidences of indebtedness, other than the Series 2025 Bonds, secured by a pledge of or other lien or charge on the Revenues and shall not create or cause to be created any lien or charge on such Revenues or on any amounts held by the Trustee, under the Indenture; but the Indenture shall not prevent Green Bank from issuing notes payable from the proceeds of the Series 2025 Bonds or bonds or notes or other Bonds for the corporate purposes of Green Bank payable out of, or secured by a pledge of, Revenues to be derived on and after such date as the pledge of the Revenues provided in the Indenture shall be discharged and satisfied as provided therein.

### **Consents to Amendment of the Indenture**

Green Bank agrees that it will not amend the Indenture in any way that impairs the funding to and payments from the Funds and Accounts described under the caption “Debt Service Fund” above without the prior written consent of the Secretary of the Office of Policy and Management and the State Treasurer, unless all of the Series 2025 Bonds, together with the interest thereon, and all costs and expenses in connection with any action or proceeding by or on behalf of such holders, are fully met and discharged.

## **INVESTMENT CONSIDERATIONS**



*The following investment considerations describe certain risk factors of an investment in the Series 2025 Bonds. Additional investment considerations relating to an investment in the Series 2025 Bonds are described throughout this Official Statement, whether or not specifically designated as investment considerations. Investors should consider such investment considerations in deciding whether to purchase any of the Series 2025 Bonds. There can be no assurance that other investment considerations will not become material in the future. In the event of a shortfall of Revenues, material delays in payments of principal or interest, or losses, on the Series 2025 Bonds could result and could materially reduce the value of the Series 2025 Bonds. These and other factors could result in a loss of marketability, or of market value, of the Series 2025 Bonds even if no such payment delay or loss occurs.*

### **Reliance on State of Connecticut Rating**

The Series 2025 Bonds are supported by the State of Connecticut through a special capital reserve fund (see the caption “SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2025 BONDS—The Special Capital Reserve Fund” herein) and the Green Bank is advised by the rating agency that its State of Connecticut supported revenue bonds, including the Series 2025 Bonds, are rated based upon the creditworthiness of the State of Connecticut. See Part II of this Official Statement and the appendices thereto for a discussion of the State of Connecticut. To the extent that the Green Bank is unable to pay the interest on and principal of the Series 2025 Bonds from the SHREC Receivables, owners of the Series 2025 Bonds will be relying upon the State of Connecticut to fund the Special Capital Reserve Fund. In addition, due to the 15 year limitation on payments required pursuant to the Master Purchase Agreements, there will be not be enough SHREC Receivables available to make the interest payments on May 15, 2037 and November 15, 2037, and the final sinking fund payment on the Series 2025 Bonds maturing on November 15, 2037, which are expected to be paid from amounts on deposit in the Special Capital Reserve Fund. See the caption “The Expected Source of the Repayment is the Potential Stream of Payments Made Under the Master Purchase Agreements” below.

### **General Economic Conditions.**

Worsening economic conditions within the State of Connecticut could have a negative impact on State of Connecticut’s ability to cure a deficiency in the Special Capital Reserve Fund maintained to meet payments of debt service on Series 2025 Bonds. See the caption “SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2025 BONDS—The Special Capital Reserve Fund” herein. The State of Connecticut’s financial results could be harmed by a national or localized outbreak of a highly contagious or epidemic disease. If an outbreak of an infectious disease such as, but not limited to, the COVID-19 disease, Zika virus or Ebola virus were to occur and continue in the State of Connecticut, its financial results could be adversely affected. The effect of these factors, including the effect on the timing and amount of available funds to cure a deficiency in the Special Capital Reserve Fund, is impossible to predict.

The ability of the Utilities’ customers who are generating SHRECs to keep systems operational may be affected by a variety of social and economic factors. Economic factors include interest rates, unemployment levels, upward adjustments in monthly mortgage payments, utility rate structures and the rate of inflation and consumer perceptions of economic conditions generally. Economic conditions may also be affected by localized natural disasters. The Green Bank is unable to determine and has no basis to predict to what extent social or economic factors will affect the Trust Estate and the Green Bank’s ability to receive SHREC Receivables.

SHREC systems are installed on residential rooftops of participating households throughout the State. These SHREC systems may be owned outright by households, subject to an equipment lien if households have financed the purchase of the SHREC system, or owned by a third-party owner pursuant to power purchase agreement (“PPA”) arrangements where the third-party owner collects revenues from the

households in return for the energy supplied by the SHREC systems. While the generation of SHRECs are not dependent upon payment by these households against any such financing or PPAs, the financing counterparties or third-party owners could, in the event of a default in payment by a household subject to economic distress as a result of an economic recession or other circumstances, remove or disable the SHREC systems from defaulting households. Such removal or disabling of SHREC systems could result in a temporary or permanent disruption in the production of energy from the SHREC systems and as a consequence would impair Green Bank's ability to generate SHRECs from such defaulted systems. The Green Bank's experience to date is that these circumstances have not resulted in any material disruption in the production of SHRECs.

### **The Capacities of the SHREC Projects in the Portfolio are Estimates and Averages Only, Based on Assumptions, and Production May Not Meet These Estimates**

The Green Bank has relied upon certain assumptions of the average capacity across the SHREC Tranche 5 and 6 portfolio in estimating what the SHREC Projects can be expected to generate in MWh of electricity.

The Green Bank has also relied upon estimates and assumptions concerning the annual rate of degradation over the 15-year term of SHREC Tranche 5 and 6. These assumptions and estimates may not accurately predict the actual MWh of electricity the SHREC Projects actually produce and that the Utilities are required to purchase under the Master Purchase Agreements. Under the Master Purchase Agreements, the Utilities are required to pay for only the SHRECs that are delivered by the Green Bank in the preceding month to the respective Utility's NEPOOL GIS account. Any decrease in the anticipated amount of such SHRECs generated by the SHREC Projects within SHREC Tranche 5 and 6 would result in reduced cash flow from the Utilities to the Green Bank. This would impair the Green Bank's ability to pay the principal and interest on the Series 2025 Bonds from the SHREC Receivables. These estimates of potential SHREC Project capacity are estimates of production only, and no guarantee of ultimate performance is offered, granted, suggested or implied. See the caption "THE TRUST ESTATE—SHREC Tranche 5 and 6" herein.

### **Phase-out of 3G Networks**

Various telecom carriers (e.g., AT&T, Verizon and T-Mobile) are planning to shut down their 3G networks in the coming year(s) and replace them with 4G and/or 5G networks. Solar PV systems installed through the RSIP have meters that collect, store, and dispatch system performance data, including the production of SHRECs, which data are transmitted via these 3G networks to the Green Bank, which uses this data in the production of SHRECs. The Green Bank has developed a plan to address the 3G network phaseout, including, but not limited to, switching carriers or replacing meters, and is coordinating with third party owners of solar PV systems to ensure production information is captured in a timely and uninterrupted manner. However, in the unlikely event of an interruption of the dispatch of information across the 3G network, the existing metering systems installed through the RSIP will retain their production information and that production information can be retrieved once communications over the data networks are restored. In such event, there could be delays in the production of future SHRECs and the receipt by the Green Bank of the performance data collected by the current meters, which could adversely affect the timing of payments by Utilities under the Master Purchase Agreements. In addition, the total cost to the Green Bank associated with the conversion of existing 3G meters to more modern 4G and/or 5G meters could adversely affect the Green Bank's financial resources, however such resources are not pledged as security for the Series 2025 Bonds.

### **NEPOOL Estimation Methodology**

As of July 1, 2025, the NEPOOL Generation Information System (GIS) Operating Rules were officially amended to allow the Connecticut Green Bank (CGB) to permanently use its Estimation Methodology for residential solar PV systems enrolled in the Residential Solar Investment Program (RSIP). This methodology—originally adopted in response to the 3G network shutdown—uses a predictive model based on actual production data from similar systems to estimate generation and create RECs (Renewable Energy Certificates) in the GIS. The updated rule enables this estimation approach to continue through the end of each system’s 15-year expected life, or through 2036, ensuring that eligible RECs can still be created for systems with non-reporting meters.

This development removes a risk to REC creation and bond repayment associated with data gaps from systems whose meters no longer communicate. By maintaining a fleet of operable meters and continuing its replacement program, the Green Bank preserves the integrity of REC estimation while complying with statutory requirements under CGS §16-245gg. This rule change will help ensure uninterrupted REC generation and sustain financing efforts under the RSIP program.

#### **Public Act No. 21-115 – An Act Concerning Climate Change Adaptation.**

Public Act No. 21-115, codified in Section 16-245n of the Connecticut General Statutes, expands the Connecticut Green Bank’s statutory authority beyond clean energy to include environmental infrastructure. Under this law, the Green Bank is authorized to establish and administer an Environmental Infrastructure Fund to support projects such as climate adaptation, resilience, natural infrastructure, and environmental markets. The Green Bank may leverage its bonding authority and seek federal funding to attract private investment in these areas. The Act prohibits the use of existing electric ratepayer surcharges and Regional Greenhouse Gas Initiative funds for the new fund. The Green Bank is actively implementing programs aligned with the law’s policy objectives.

#### **Impact of Natural Disasters, Weather Events, Man-Made Disasters**

The occurrence of natural disasters, including hurricanes, floods, earthquakes, tornadoes, fires, blizzards, explosions, pandemic disease and man-made disasters, including acts of terrorism and military actions, could adversely affect the functioning of any one or more of the SHREC Projects, the NEPOOL GIS, the Utilities’ ability to make the requisite payments under the Master Purchase Agreements, and the Green Bank’s ability to pay the principal and interest on the Series 2025 Bonds from the SHREC Receivables.

#### **The Expected Source of the Repayment is the Potential Stream of Payments Made Under the Master Purchase Agreements**

The periodic payments of principal and interest due on the Series 2025 Bonds initially rely on the payments made under the Master Purchase Agreements by the Utilities to the Green Bank in respect of SHRECs transferred to the Utilities from the Green Bank via the NEPOOL GIS. Under the Master Purchase Agreements, the Utilities are required to deliver payment for the SHRECs with respect to any SHREC Tranches exclusively to the Green Bank, and promise that the Utilities shall not sell, divert, grant, transfer or assign any such payment for SHRECs to any person other than the Green Bank during and following the relevant SHREC Tranche Delivery Term. The transfer of SHRECs occurs via the NEPOOL GIS from the Green Bank’s NEPOOL GIS account to the Utilities’ NEPOOL GIS accounts. The Green Bank invoices the Utilities for the value of the SHRECs transferred via the NEPOOL GIS. The payment of the amounts due on the Series 2025 Bonds is therefore reliant upon the Utilities’ ability to pay the amounts due under the Master Purchase Agreements for the SHRECs transferred to the Utilities via NEPOOL GIS.

If an event of default occurs under the Master Purchase Agreements, the Utilities have the right to withhold payments thereunder up to the amount of its damages, terminate the Master Purchase Agreements,

or suspend performance with respect to the transfer of SHRECs thereunder until such event of default is cured. Events of default under the Master Purchase Agreements include uncured breaches of representations and warranties, representations and warranties proving false, or the bankruptcy of any party thereto. See the caption “THE TRUST ESTATE—The Master Purchase Agreements—*Events of Default and Remedies Under the Master Purchase Agreements*” herein. Upon an event of default under the Master Purchase Agreements one or both of the Utilities could suspend performance or terminate the related Master Purchase Agreement, in which case SHREC Receivables would not be made available to the Green Bank for deposit into the Revenue Fund. Such an event would adversely affect the yield of the Series 2025 Bonds.

The Green Bank is statutorily required to sell SHRECs to the Utilities at the SHREC Tranche Purchase Prices determined pursuant to the Master Purchase Agreements, as described in this Official Statement under the caption “THE TRUST ESTATE—The Master Purchase Agreements—*SHREC Tranche Purchase Price*” herein. Therefore, even if the Green Bank could obtain a better price from a third-party purchaser, the Green Bank is required to sell SHRECs to the Utilities at the applicable SHREC Tranche Purchase Price. This will limit the amount of SHREC Receivables available to make payments on the Series 2025 Bonds.

In addition, due to the 15 year limitation on payments required pursuant to the Master Purchase Agreements, there will not be sufficient SHREC Receivables to make the interest payments on May 15, 2037 and November 15, 2037, and the final sinking fund payment on the Series 2025 Bonds maturing on November 15, 2037. Therefore, it is anticipated that such interest payments and final sinking fund payment will be paid from amounts on deposit in the Special Capital Reserve Fund. To the extent that there are insufficient amounts on deposit in the Special Capital Reserve Fund, the holders of the Series 2025 Bonds will rely solely on the State’s obligation to replenish the Special Capital Reserve Fund. If there are sufficient amounts on deposit in the Special Capital Reserve Fund to pay the interest payments on May 15, 2037 and November 15, 2037, and the final sinking fund payment on the Series 2025 Bonds maturing on November 15, 2037, once the interest and sinking fund payments due on November 15, 2037, have been fully funded, it is likely that the Green Bank will redeem the Series 2025 Bonds maturing on November 15, 2037, prior to their final maturity date. See the captions “SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2025 BONDS—Covenants as to Special Capital Reserve Fund” and “DESCRIPTION OF THE INDENTURE—Special Capital Reserve Fund” herein.

### **The Utilities’ Power Generation Capacity, Revenues, Costs and Results of Operations are Significantly Influenced by Weather Conditions and Seasonal Variations that are Not Within their Control**

Electricity consumption is seasonal and is mainly affected by weather conditions. In Connecticut, electricity consumption is generally higher during the autumn and winter months, and the Utilities generally experience higher demand during the colder months of October through March and lower demand during the warmer months of April through September. As a result of these seasonal patterns, the Utilities’ sales and results of operations are higher in the first and fourth quarters and lower in the second and third quarters. Sales and results of operations for all of the Utilities’ energy operations can be negatively affected by periods of unseasonably warm weather during the autumn and winter months.

### **Political, Economic or Other Factors that are Beyond the Green Bank’s Control May Have an Adverse Effect on the Utilities’ Business, Results of Operation and Cash Flows**

The Utilities are dependent on domestic, regional and market conditions. Their performance, growth, and market demand for energy may be adversely affected by an economic downturn in the local, regional or global economies. The Utilities’ growth is affected by various factors, including Connecticut and New England energy consumption. Consequently, any future slowdown in Connecticut’s or the New

England region's economy could harm the Utilities' business, results of operations, cash flows and financial condition.

### **Impact of Bankruptcy of Utilities**

There can be no assurance that one or both of the Utilities will not become insolvent and/or file a voluntary petition, or that an involuntary petition will not be filed against either or both of the Utilities under the United States Bankruptcy Code, 11 U.S.C. Section 101, et seq., as amended (the "Bankruptcy Code"), or any similar applicable state law (collectively, with the Bankruptcy Code, the "Insolvency Laws"). Both debt risk and revenue risk can be contributing factors in a Utility bankruptcy. Utilities tend to have high credit ratings at all times, even when leading up to a bankruptcy, making the risk of a utility bankruptcy appear lower than the actual risk levels. As of the date of this Official Statement, Eversource is rated A/Baa2 (S&P/Moody's) and United Illuminating is rated A-/Baa1 (S&P/Moody's). These high credit ratings imply a low risk of default, but for utilities this can be a misleading representation of credit worthiness. Further, despite the fact that utilities provide an important and irreplaceable product, they still face the effects of economic downturns as economic activity is highly cyclical.

Neither of the Utilities is a special purpose bankruptcy remote entity. Both Eversource and United Illuminating are engaged in other business activities, in addition to being obligated under the Master Purchase Agreements to make payments to the Green Bank through the purchase of the SHRECs through the NEPOOL GIS. As a consequence, either or both of the Utilities may be the subject of a voluntary or involuntary petition for relief by or against either or both Utilities under the Bankruptcy Code or other applicable insolvency laws.

In a case under Chapter 11 of the Bankruptcy Code, assuming that the Master Purchase Agreements are considered to be executory contracts, a Utility's bankruptcy trustee, or the Utility as a debtor-in-possession (as to either, the "bankruptcy trustee") will have the opportunity to assume or reject the Master Purchase Agreement, and the decision may not be made until the time of a confirmation hearing on a final plan of reorganization. If the Master Purchase Agreement is not assumed or rejected at any time before confirmation of a plan of reorganization, the Green Bank will be obligated to continue performing under the applicable Master Purchase Agreement, without receiving return performance from the bankruptcy trustee, unless on request of the Green Bank and after notice and a hearing, the bankruptcy court orders the bankruptcy trustee to assume or reject the Master Purchase Agreement, or in the interim period before assumption or rejection, the bankruptcy court grants an order allowing such return performance, in whole or in part, as an administrative expense, or directs the payment of monies due under the Master Purchase Agreement (the return performance), or both.

The suspension of payments of amounts due to the Green Bank under the Master Purchase Agreement during the period after commencement of the Chapter 11 case, or the failure of the trustee in bankruptcy to resume making payments due to the Green Bank under the Master Purchase Agreement thereafter, could result in delays or reductions in SHREC Receivables.

If one or both of the Utilities were to become a debtor under the Bankruptcy Code, there can be no assurance that the Utilities will be able to successfully reorganize their businesses, and it is possible that the Utilities may be forced to sell their assets, otherwise liquidate or seek modifications to their obligations, including the obligation to purchase SHRECs pursuant to the applicable Master Purchase Agreement.

### **Risks Associated with the Green Bank**

The Green Bank performs certain functions with respect to the SHRECs, including the purchase and sale of SHRECs in accordance with the Master Purchase Agreements and critical functions regarding

protection of the Trust Estate and the security interest in the Trust Estate. An investor must rely on the Green Bank to perform all of the necessary management functions for minting the SHRECs and selling the SHRECs to the Utilities under the Master Purchase Agreements and maintaining the payment streams and the Trust Estate for the Series 2025 Bonds.

The Green Bank is a public instrumentality and political subdivision of the State of Connecticut established and created for the performance of an essential public and governmental function. The Green Bank is reliant on public sources of funding to maintain its sophisticated operations. The Green Bank employees participate in the employee benefits programs and retirement programs offered by the State of Connecticut. Although payments of the amounts due under the Series 2025 Bonds do not rely on any of the State of Connecticut (other than the Special Capital Reserve Fund) or the Green Bank (as the Series 2025 Bonds are without recourse to the Green Bank), the obligations of the Green Bank rely on the continued performance of its workforce. As the State of Connecticut is faced with economic and budgeting pressures, the Green Bank's sources of funding may be reduced. These funding sources may be affected by a variety of political and economic factors outside of the Green Bank's control. Reduced funding could negatively affect the Green Bank's ongoing operations and ability to maintain the staff it needs to support the management function. See the caption "General Economic Conditions" above.

As the Green Bank was established and created by the State of Connecticut pursuant to the Green Bank Statute, the State of Connecticut would have the sole power and authority to discontinue the Green Bank's existence. However, under the terms of subsection (h) of the Green Bank Statute, the State of Connecticut pledges and agrees

"with any person with whom the Connecticut Green Bank may enter into contracts pursuant to the provisions of this section that the state will not limit or alter the rights hereby vested in said bank until such contracts and the obligations thereunder are fully met and performed on the part of said bank, provided nothing herein contained shall preclude such limitation or alteration if adequate provision shall be made by law for the protection of such persons entering into contracts with said bank."

#### **Failure of the Green Bank to Remove Ineligible SHRECs When Required Will Reduce Funds Available to Make Payments on the Series 2025 Bonds**

None of the SHRECs is insured or guaranteed by the State of Connecticut or any governmental agency or instrumentality. Pursuant to the Indenture, the Green Bank will be obligated remove any Ineligible SHREC pledged by the Green Bank to the Trustee under the Indenture by depositing an amount, established by the Green Bank, equal to the fair market value equivalent of the Ineligible SHREC originally pledged. Upon such deposit, the Green Bank may remove the related Ineligible SHREC from the Trust Estate.

The Green Bank is the sole warranting party in respect of the SHRECs pledged under the Indenture. In the event the Green Bank fails to fulfill its obligations, an investor could experience cash flow disruptions or losses on the Series 2025 Bonds. The Green Bank cannot assure an investor that the Green Bank will effect such a payment and removal. In addition, the Green Bank may have various legal defenses available to it in connection with a removal obligation. Except for the foregoing obligations with respect to Ineligible SHRECs, the Green Bank will not have any payment or removal obligations in respect of the SHRECs.

#### **Bankruptcy of the Green Bank May Adversely Affect Payments on the Series 2025 Bonds**

The Green Bank cannot file for bankruptcy under the U.S. Bankruptcy Code (the "Bankruptcy Code"). Chapter 9 of the Bankruptcy Code allows a municipality to file a petition for bankruptcy under

certain conditions. Under Chapter 9, a “municipality” is defined as a political subdivision or public agency or instrumentality of a state, and can also include revenue-producing bodies that provide services that are paid for by users rather than general taxes. The Green Bank falls within the Bankruptcy Code’s definition of “municipality” because Section 16-245n of the Connecticut General Statutes defines Green Bank as “a body politic and corporate, constituting a public instrumentality and political subdivision of the State of Connecticut established and created for the performance of an essential public and governmental function.” The Green Bank does not have the traditional powers associated with a “municipality,” such as taxing power, police powers or eminent domain powers.

The Bankruptcy Code also requires a municipality to be specifically authorized to file for Chapter 9 bankruptcy by either state law, or a governmental officer or organization empowered to provide such authorization by state law. With regard to a “municipality,” as that term is defined under Connecticut state law, Section 7-566 of the Connecticut General Statutes authorizes a Chapter 9 filing by a “municipality” only upon obtaining the Governor’s express prior written consent. The definition of “municipality” under this statute only applies to entities traditionally considered state municipalities—any town, city, borough, metropolitan district, fire, sewer or other district—and any political subdivision of the State of Connecticut having the power to levy taxes and to issue bonds, notes or other obligations (Section 7-560 of the Connecticut General Statutes). Although the Green Bank has the power to issue bonds, notes or other obligations, because the Green Bank is not a town, city, borough, metropolitan district, fire, sewer or other district, and is not authorized to levy taxes, it does not meet the definition of “municipality” under Section 7-566 of the Connecticut General Statutes, and therefore is not authorized to file for Chapter 9 bankruptcy under that state law, as presently codified. The State could amend the Connecticut General Statutes to include the Green Bank in its definition of “municipality” and thereby authorize it to file for Chapter 9 bankruptcy (with the Governor’s express prior written consent), but such amendment has not been introduced and is not anticipated as of the date of this Official Statement.

### **The Series 2025 Bonds May Not Be Accelerated**

The Series 2025 Bonds may not be accelerated following an Event of Default under the Indenture. The Bondholders sole remedy upon an Event of Default is to enforce the Green Bank’s performance under the Indenture. See the caption “Defaults; Remedies on Default—*Remedies Upon Default*” in “APPENDIX I-A—FORM OF THE INDENTURE” hereto.

### **Political and State Risks**

The Green Bank is reliant on public sources of funding to maintain operations. These funding sources may be affected by a variety of political and economic factors. The Green Bank is unable to determine and has no basis to predict to what extent political or economic factors will affect the Green Bank’s ongoing operations.

### **Combination or “Layering” of Multiple Risks May Significantly Increase Risk of Loss**

Although the various risks discussed in this Official Statement are generally described separately, prospective Bondholders should consider the potential effects on the Series 2025 Bonds of the interplay of multiple risk factors. Where more than one significant risk factor is present, the risk of loss to Bondholders may be significantly increased. There are many circumstances in which layering of multiple risks with respect to the Trust Estate and the Series 2025 Bonds may magnify the effect of those risks. In considering the potential effects of layered risks, prospective investors should carefully review the descriptions of the Trust Estate and the Series 2025 Bonds.

### **The Rating of the Series 2025 Bonds is Not a Recommendation to Purchase and may Change**

It is a condition to the issuance of the Series 2025 Bonds that they be rated as described under the caption “SUMMARY OF TERMS—Rating” herein. The rating is based on the creditworthiness of the State of Connecticut, the amount of the Special Capital Reserve Fund Requirement and the legal structure of the transaction. The rating is not a recommendation to purchase, hold or sell the Series 2025 Bonds inasmuch as the rating does not comment as to the market price or suitability for any investor. The ratings may be increased, lowered or withdrawn by the rating agency if in the rating agency’s judgment circumstances so warrant. A downgrade in the rating of the Series 2025 Bonds is likely to decrease the price a subsequent purchaser will be willing to pay for the Series 2025 Bonds. The rating of the Series 2025 Bonds will not address the market liquidity of the Series 2025 Bonds.

## **STATE PLEDGE AND AGREEMENT**

The State of Connecticut pledges to and agrees with any person with whom the Green Bank may enter into contracts pursuant to the provisions of the Green Bank Statute that the State will not limit or alter the rights hereby vested in the Green Bank until such contracts and the obligations thereunder are fully met and performed on the part of the Green Bank, provided nothing shall preclude such limitation or alteration if adequate provision shall be made by law for the protection of such persons entering into contracts with the Green Bank.

## **LEGALITY FOR INVESTMENT AND DEPOSIT**

The Series 2025 Bonds are securities in which all public officers and public bodies of the State and its political subdivisions, all insurance companies, state banks and trust companies, national banking associations, savings and loan associations, investment companies, executors, administrators, trustees and other fiduciaries may properly and legally invest funds, including capital in their control or belonging to them. Bonds of the Green Bank are also securities which may properly and legally be deposited with and received by any agency or political subdivision of the State for any purpose for which the deposit of bonds or obligations of the State may be authorized by law.

## **TAX MATTERS**

In the opinion of Bond Counsel, under existing statutes and regulations, interest on the Series 2025 Bonds is included in gross income for federal income tax purposes pursuant to the Internal Revenue Code of 1986, as amended. In the opinion of Bond Counsel, under existing statutes, interest on the Series 2025 Bonds is excludable from Connecticut taxable income for purposes of the Connecticut income tax on individuals, trusts and estates and is excludable from amounts on which the net Connecticut minimum tax is based in the case of individuals, trusts and estates required to pay the federal alternative minimum tax. Interest on the Series 2025 Bonds is included in gross income for purposes of the Connecticut corporation business tax. See “APPENDIX I-B - FORM OF LEGAL OPINION OF BOND COUNSEL AND TAX STATUS” herein.

## **UNDERWRITING**

The Underwriter has agreed, subject to certain conditions, to purchase the Series 2025 Bonds from the Green Bank at an aggregate purchase price of \$\_\_\_\_\_, reflecting an Underwriter’s discount of \$\_\_\_\_\_. The Underwriter has agreed to purchase all Series 2025 Bonds if any are purchased.

The Underwriter may offer and sell Series 2025 Bonds to certain dealers (including dealers depositing Series 2025 Bonds into investment trusts) and others at prices lower than the offering prices stated on the inside cover page of this Official Statement. After the initial public offering, the Underwriter may change the price at which the Underwriter offer the Series 2025 Bonds for sale from time to time.



In connection with the offering, the Underwriter may engage in transactions that stabilize, maintain or otherwise affect the price of the Series 2025 Bonds. Specifically, the Underwriter may over allot the offering, creating a syndicate short position. The Underwriter may bid for and purchase Series 2025 Bonds in the open market to cover such syndicate short position or to stabilize the price of Series 2025 Bonds. Those activities may stabilize or maintain the market price of such Series 2025 Bonds above independent market levels. The Underwriter is not required to engage in these activities and may end any of these activities at any time.

The bond purchase agreement provides that the Green Bank has agreed to reimburse the Underwriter for the fees and expenses of its counsel.

## **LITIGATION**

There is not now pending any litigation: (i) restraining or enjoining the issuance or delivery of the Series 2025 Bonds or questioning or affecting the validity of the Series 2025 Bonds or the proceedings and authority under which they are issued; (ii) contesting the creation, organization or existence of the Green Bank, or the title of the directors or officers of the Green Bank to their respective offices; or (iii) questioning the right of the Green Bank to enter into the Indenture and to pledge the Revenues and the Funds and other moneys and securities purported to be pledged by the Indenture in the manner and to the extent provided in the Indenture.

## **RATING**

The Series 2025 Bonds have been assigned a rating of “\_\_\_” by S&P Global Ratings (“S&P”). Such rating reflects only the view of such rating agency from which an explanation of the significance of such rating may be obtained. There is no assurance that such rating will continue for any given period of time or that any such rating will not be revised downward or withdrawn entirely if, in the judgment of S&P, circumstances so warrant. A revision or withdrawal of such rating may have an effect on the market price of the Series 2025 Bonds.

## **CONTINUING DISCLOSURE**

Section 3-20e of the Connecticut General Statutes gives the State and political subdivisions of the State such as the Green Bank the specific authority to enter into continuing disclosure agreements in accordance with the requirements of Securities and Exchange Commission Rule 15c2-12 (the “Rule”). The Green Bank and the State will each enter into a Continuing Disclosure Agreement with respect to the Series 2025 Bonds, substantially in the forms attached as Appendix I-C and I-D, respectively, to this Official Statement (the “Continuing Disclosure Agreements”), to provide or cause to be provided, in accordance with the requirements of the Rule, (i) annual financial information and operating data, (ii) timely notice of a failure by the Green Bank or the State, respectively, to provide the required annual financial information on or before the date specified in the Continuing Disclosure Agreement for the Series 2025 Bonds, and (iii) with respect to the Green Bank, timely notice of the occurrence of certain enumerated events with respect to the Series 2025 Bonds.

To its knowledge, in the last five years, the Green Bank has not failed to comply in any material respect with its undertakings pursuant to a continuing disclosure agreement, except for a failure to make a timely provision to the Electronic Municipal Market Access (“EMMA”) website of the Municipal Securities Rulemaking Board (the “MSRB”) of its: (1) annual audited financial information and operating data comprising its basic financial statements prepared in accordance with generally accepted accounting principles (“GAAP”), for the fiscal years ending June 30, 2020, 2022, 2023, and 2024 by eight months after the close of each fiscal year, as required under the Green Bank’s various continuing disclosure agreements;

(2) certain updates to various information and data contained in the tables published in prior official statements, for the April 1 to March 30 periods in the years 2021, 2022, 2023, and 2024, by eight months after the close of each fiscal year, as required under its various continuing disclosure agreements and (3) certain updates as to the outstanding bonds and distributions of revenues as of each interest due date in the years 2020, 2021, 2022, 2023, 2024 and 2025.

The Green Bank did not file timely notices of such failures. Such failures were due to communication issues during the COVID pandemic and staff turnover each of the fiscal years noted above. The Green Bank addressed the communication issues and staff turnover by [hiring experienced staff to fill such roles and providing relevant training].

Subsequently, as of [\_\_\_\_], 2025, the Green Bank filed, with the MSRB, such financial statements and operating results, the required updated statistical information, as well as a notice of its failure to timely file such required information.

The Green Bank has committed to the following steps to address the late filings: (i) engaging Salesforce to assist in filing its required disclosures under its various continuing disclosure agreements and developing and following a schedule for filing future disclosures.

To its knowledge, in the last five years the State has not failed to comply in any material respect with its undertakings pursuant to a continuing disclosure agreement executed by the State, except for a failure to make a timely provision to the Electronic Municipal Market Access (“EMMA”) website of the Municipal Securities Rulemaking Board (the “MSRB”) its audited financial statements comprising its basic financial statements prepared in accordance with generally accepted accounting principles (“GAAP”) and certain operating data comparing operating results and unreserved fund balances on a budgetary and GAAP basis for the fiscal years ending June 30, 2023 and June 30, 2024 by February 29, 2024 and February 28, 2025, respectively, as required under the State’s various continuing disclosure agreements. The State filed a timely notice of each such failure. Thereafter, the State filed with the MSRB such audited financial statements and operating results after they became available. Prior to the respective deadlines, the State filed the other annual financial information and operating data required under the State’s various continuing disclosure agreements with the MSRB.

In connection with the June 30, 2023 audited financial statements, the division within the Office of the State Comptroller that prepares financial statements experienced employee retirements and turnover in Fiscal Year 2023, some of them in key roles, and did not maintain a formal task schedule with targeted completion dates to allow supervisors to monitor delays and provide timely assistance. The division has addressed its staffing issues through hiring experienced staff to fill key roles and providing relevant training. In addition, the Office of the State Comptroller was in the process of implementing financial reporting software that did not progress as effectively as expected.

In connection with the June 30, 2024 audited financial statements, the Office of the State Comptroller did not have personnel resources with sufficient training and experience in financial statement presentation dedicated to the financial closing process to detect material errors and make timely corrections. Further, the Office of the State Comptroller, which prepares the financial statements, relies on information and data from various State agencies and component units. Among other factors for the delay, the Office of the State Comptroller experienced delays in receiving complete information from some such agencies and units. Many such agencies and units suffered from retirements and departures among their most senior and expert personnel. This was particularly the case with the financial statements of the Connecticut State Colleges and Universities (“CSCU”), which are separately audited, and which, because of the confluence of the community college consolidation from 12 entities to one entity and a one-time change in the allocation of employee retirement benefit expenses back to the State itself, caused misstatements and delay.

CSCU also relies on its controller to address this process, but the position was vacant for an extended period during the annual financial closing process. The audited financial statements of the Connecticut State Universities (a component of CSCU), were, however, completed and filed with the MSRB prior to the deadlines established under their separate filing obligations. Finally, the Office of the State Comptroller was also transitioning back from new software involved in the production of the financial statements and the related annual comprehensive financial report which was determined to not meet the needs of the State.

The Office of the State Comptroller has committed to the following steps to address the causes of the late filing. It is committed to engaging in additional training for various State agencies and component units. It further will enhance relevant training and guidance to staff involved with preparing the State's financial statements to strengthen their knowledge in government accounting and ensure the preparation of accurate financial statements in a timely manner. It is also developing updated internal quality control checklists for staff and reviewers to use while preparing and reviewing the State's financial statements. This will serve as an additional control over the preparation of the financial statements and help identify and correct errors that may have occurred during preparation. Additionally, the Office of the State Comptroller will improve guidance to agencies and component units through instruction, informational memos, and documentation, as well as trainings. The Office of the State Comptroller is in the process of developing a survey that will be distributed to accounting and finance staff at the various agencies and units to help identify common questions, areas of confusion, and other difficulties to focus its training efforts on prior to the next reporting cycle. In addition, quality control checklists are being developed that will be incorporated into the next reporting cycle's requirements for agencies and component units to help ensure that the information being reported is complete and accurate and to help detect errors in data before the data is incorporated into the financial statements. Finally, the Connecticut State Colleges and University system has filled the controller position and is planning to add personnel to the controller's team and has engaged an outside accounting firm to augment its internal resources. The Office of the State Comptroller anticipates that through these and other measures there will not be similar delays with respect to the Fiscal Year 2025 financial statements.

In addition, the State has determined it did not timely file an event notice for the incurrence of a financial obligation in connection with the Connecticut Higher Education Supplemental Loan Authority State Supported Revenue Bonds (CHESLA Loan Program) 2020 Series B-AMT and State Supported Revenue Refunding Bonds (CHESLA Loan Program) 2020 Series C NON-AMT in June 2020. The State promptly filed such notice after discovering the omission. In making this disclosure, the State has not concluded and does not admit that this omission is a material failure to comply with its continuing disclosure obligations. The State has modified its disclosure practices to prevent such failure in the future.

Certain prior annual reports of the State and other required reports are available from EMMA or such other website as may be designated from time to time by the MSRB or the Securities and Exchange Commission. Filings through EMMA are linked to particular obligations by a 9-digit CUSIP number, based on base (6-digit) CUSIP numbers, which are subject to being changed after the issuance of obligations as a result of various actions. The State has entered into continuing disclosure agreements requiring filings to be made with respect to thousands of CUSIP numbers. Most filings by the State through EMMA, such as annual reports, are made using the base 6-digit CUSIP numbers. Although the State endeavors through this process to link each report filed through EMMA to the correct CUSIP number (including those assigned without its knowledge), there can be no guarantee of complete accuracy in this process, given the large number of 9-digit CUSIP numbers assigned to the State's obligations. The State does not believe an inaccuracy resulting from such CUSIP process is a material failure to comply with its continuing disclosure obligations.

The Underwriter's obligations to purchase the Series 2025 Bonds shall be conditioned upon their receiving, at or prior to the delivery date of the Series 2025 Bonds, executed copies of the Continuing Disclosure Agreements.

In addition, the Green Bank will, within thirty (30) days after each Interest Payment Date, commencing May 15, 2026, prepare a report setting forth a description of the Series 2025 Bonds Outstanding, the payments on or redemptions of Series 2025 Bonds on such Interest Payment Date and the distribution of the Revenues on such Interest Payment Date, and will post such report on EMMA.

### **THIRD-PARTY DUE DILIGENCE REPORTS**

Section 15E(s)(4)(A) of the Securities Exchange Act requires the issuer or underwriter of any asset-backed security to make the findings and conclusions of any third-party due diligence report obtained by either of them publicly available. The Green Bank has engaged DNV GL, independent engineers, to perform certain agreed upon procedures with respect to evaluating certain information regarding the SHREC Projects within Tranche 5 and 6 in conjunction with the offering of the Series 2025 Bonds. The Green Bank will make the report available to the public by posting it to the Green Bank's website (<https://ctgreenbank.com/>).

### **MUNICIPAL ADVISOR**

NW Financial Group, LLC ("NW Financial") serves as municipal advisor to the Green Bank for the Series 2025 Bonds. NW Financial has also assisted the Green Bank in the planning and development of the bond issue and the indentures. NW Financial has not undertaken to independently confirm the information provided by the Green Bank or its consultants and expresses no opinion thereon. NW Financial was founded in 1996 and is a registered municipal advisor with both the MSRB and the SEC.

### **LEGAL OPINIONS**

Legal matters incident to the authorization, issuance and sale of the Series 2025 Bonds will be subject to the approving opinion of Shipman & Goodwin LLP, Bond Counsel to the Green Bank. The approving Opinion of Bond Counsel is expected to be in substantially the form included in this Official Statement as Appendix I-B. Certain other legal matters will be passed upon for the Underwriter by Robinson & Cole LLP, Hartford, Connecticut, counsel to the Underwriter.

This Official Statement has been duly executed and delivered by the Green Bank.

### **CONNECTICUT GREEN BANK**

By \_\_\_\_\_  
Bryan Garcia, President and CEO

**APPENDIX I-A**  
**FORM OF THE INDENTURE**

[TO BE ATTACHED]

## APPENDIX I-B

### FORM OF LEGAL OPINION OF BOND COUNSEL AND TAX STATUS

The legal opinion of the firm of Shipman & Goodwin LLP of Hartford, Connecticut, Bond Counsel, will be furnished when the Series 2025 Bonds are delivered, and a copy of the legal opinion will be included in the record of proceedings of Green Bank authorizing the Series 2025 Bonds. The opinion will be dated and given on and will speak only as of the date of original delivery of the Series 2025 Bonds to the Underwriter.

\_\_\_\_\_, 2025

Connecticut Green Bank  
75 Charter Oak Avenue, Suite 1-103  
Hartford, Connecticut 06106

Ladies and Gentlemen:

We have acted as bond counsel in connection with the issuance by the Connecticut Green Bank ("Green Bank") of its \$\_\_\_\_\_ \* State Supported Solar Home Renewable Energy Credit, Green Liberty Bonds, Series 2025 (Federally Taxable) (Climate Bond Certified) dated \_\_\_\_\_, 2025, maturing on November 15 of each year from 20\_\_ through 20\_ (the "Bonds").

Green Bank is a body politic and corporate constituting a public instrumentality and political subdivision of the State of Connecticut (the "State"), operating and existing under the Constitution of the State (the "Constitution") and laws of the State. The Bonds are authorized to be issued pursuant to Sections 16-245n and 16-245kk through 16-245mm, inclusive, of the Connecticut General Statutes, as amended (the "Act"), the resolution of Green Bank's Board of Directors dated \_\_\_\_\_, 2025 (the "Authorizing Resolution"), and the Indenture of Trust dated as of \_\_\_\_\_, 2025 (the "Indenture") between Green Bank and The Bank of New York Mellon Trust Company, N.A., as Trustee. Terms used but not defined herein shall have the meanings ascribed thereto in the Indenture.

In connection with our representation of Green Bank as bond counsel with respect to the Bonds, we have examined the executed Bonds and certified records of proceedings of Green Bank authorizing the Bonds. In addition, we have examined and relied on originals or copies, identified to us as genuine, of such other documents, instruments or records, and have made such investigations of law as we considered necessary or appropriate for the purposes of this opinion. In making the statements contained in this opinion, we have assumed, without independently verifying, the genuineness of all signatures, the authenticity of all documents submitted to us as originals, the conformity to original documents of documents submitted to us as certified or photostatic copies, and the legal capacity and authority of all persons executing such documents.

On the basis of our review noted above and subject to the qualifications set forth herein, we are of the opinion that:

1. Under the Act, Green Bank exists as a body politic and corporate and a public instrumentality and political subdivision of the State, performing an essential public function with good right and lawful authority, among other things, to carry out its obligations with respect to the Residential Solar Incentive Program, and to provide funds therefor by the execution of the Indenture and the issuance and sale of the Bonds, and to perform its obligations under the terms and conditions of the Indenture, including collecting and enforcing the collection of Revenues as covenanted in and as defined in the Indenture, except to the extent that such enforcement may be limited by bankruptcy, insolvency, and other

\*Preliminary, subject to change.

laws affecting creditors' rights and remedies heretofore or hereafter enacted, by public policy and by the application of equitable principles.

2. The Indenture has been duly authorized, executed and delivered by Green Bank and, assuming the due authorization, execution and delivery of the Indenture by the Trustee, is valid and binding upon Green Bank and enforceable in accordance with its terms.

3. The Bonds are valid and legally binding special obligations of Green Bank payable solely from the Trust Estate pledged therefor under the Indenture, and are entitled to the benefit, protection, and security of the provisions, covenants, and agreements of the Indenture. The Bonds do not constitute a general obligation of Green Bank nor are they guaranteed by Green Bank. Green Bank has no taxing power.

4. The Indenture creates the valid pledge of and the valid lien upon the Trust Estate as defined therein, including the monies and securities held or set aside or to be set aside and held in the Funds and Accounts established thereunder, which the Indenture purports to create, subject only to the provisions of the Indenture permitting the application thereof for or to the purposes and on the terms and conditions as set forth in the Indenture.

5. Pursuant to the Act, neither the State nor any political subdivision thereof, shall be obligated to pay the principal of or the interest on the Bonds. Neither the full faith and credit nor the taxing power of the State or of any political subdivision thereof, is pledged to the payment of the principal of or the interest on the Bonds. The issuance of the Bonds shall not directly, indirectly or contingently obligate the State or any political subdivision thereof to levy or to pledge any form of taxation or to make any appropriation for the payment of the Bonds.

6. Under existing law, interest on the Bonds is included in gross income of the owners thereof for federal income tax purposes pursuant to the Internal Revenue Code of 1986, as amended.

7. Under existing statutes, interest on the Bonds is excludable from Connecticut taxable income for purposes of the Connecticut income tax on individuals, trusts, and estates, and such interest is excludable from amounts on which the net Connecticut minimum tax is based in the case of individuals, trusts and estates required to pay the alternative minimum tax imposed under the Code with respect to individuals, trusts and estates. Interest on the Bonds is included in gross income for purposes of the Connecticut corporation business tax.

We express no opinion herein as to the accuracy, adequacy or completeness of the Official Statement relating to the Bonds.

The enforceability of rights and remedies with respect to the Bonds and the Indenture may be limited by bankruptcy, insolvency, and other laws affecting creditors' rights and remedies heretofore or hereafter enacted, by public policy, and by the application of equitable principles.

This opinion is given as of the date hereof and we assume no obligation to revise or supplement this opinion to reflect any change in facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

Very truly yours,

Shipman & Goodwin LLP

## **TAX STATUS - CERTAIN ADDITIONAL FEDERAL TAX CONSEQUENCES**

The following is a brief discussion of certain federal income tax matters with respect to the Bonds. It does not purport to deal with all aspects of federal taxation that may be relevant to a particular owner of a Bond. Prospective owners of the Bonds, particularly those that may be subject to special rules, are advised to consult their own tax advisors regarding the federal tax consequences of owning and disposing of the Bonds.

### **Federal Income Taxes**

In the opinion of Bond Counsel, under existing law, interest on the Bonds is included in gross income for federal income tax purposes pursuant to the Internal Revenue Code of 1986, as amended (the “Code”).

### **United States Tax Consequences**

The following is a summary of certain United States federal income tax consequences resulting from the beneficial ownership of the Bonds by certain persons. This summary does not consider all possible federal income tax consequences of the purchase, ownership, or disposition of the Bonds, and is not intended to reflect the individual tax position of any beneficial owner. Moreover, except as expressly indicated, this summary is limited to those persons who purchase a Bond at its issue price, which is the first price at which a substantial amount of the Bonds is sold to the public, and who hold Bonds as “capital assets” within the meaning of the Code (generally, property held for investment). This summary does not address beneficial owners that may be subject to special tax rules, such as banks, insurance companies, dealers in securities or currencies, purchasers that hold Bonds as a hedge against currency risks or as part of a straddle with other investments or as part of a “synthetic security” or other integrated investment (including a “conversion transaction”) comprising a bond and one or more other investments, or United States Holders (as defined below) that have a “functional currency” other than the United States dollar. This summary is applicable only to a person (a “United States Holder”) who or that is the beneficial owner of Bonds and is (a) an individual citizen or resident of the United States, (b) a corporation or partnership or other entity created or organized under the laws of the United States or any state (including the District of Columbia), or (c) a person otherwise subject to federal income taxation on its worldwide income. This summary is based on the United States tax laws and regulations currently in effect and as currently interpreted and does not take into account possible changes in the tax laws or interpretations thereof any of which may be applied retroactively. Except as provided below, it does not discuss the tax laws of any state, local, or foreign governments.

### ***United States Holders***

*Payments of Stated Interest.* In general, for a United States Holder, interest on a Bond will be taxable as ordinary income at the time it is received or accrued, depending on the beneficial owner’s method of accounting for tax purposes.

*Bonds Purchased at Original Issue Premium.* The initial public offering prices of certain maturities of the Bonds may be greater than the principal amount payable on such Bonds at maturity. The excess of the initial public offering prices at which a substantial amount of these Bonds are sold over the principal amount payable at maturity constitutes original issue premium. The offering prices relating to the yields set forth on the inside front cover pages of this Official Statement are expected to be the initial public offering prices at which a substantial amount of each maturity of the Bonds were ultimately sold to the public. Under



Section 171 of the Code, a holder of a Bond may elect to treat such excess as “amortizable bond premium”, in which case the amount of interest required to be included in the taxpayer’s income each year with respect to interest on the Bond will be reduced by the amount of amortizable bond premium allocable (based on the Bond’s yield to maturity) to that year. If such an election is made, the amount of each reduction in interest income will result in a corresponding reduction in the taxpayer’s adjusted basis in the Bond. Any election to amortize bond premium is applicable to all taxable debt instruments held by the taxpayer at the beginning of the first taxable year to which the election applies or thereafter acquired by the taxpayer and may not be revoked without the consent of the Internal Revenue Service (“IRS”).

*Bonds Purchased at a Market Discount.* A Bond will be treated as acquired at a market discount (market discount bond) if the amount for which a United States Holder purchased the Bond is less than the Bond’s adjusted issue price unless such difference is less than a specified de minimis amount. In general, any payment of principal or any gain recognized on the maturity or disposition of a market discount bond will be treated as ordinary income to the extent that such gain does not exceed the accrued market discount on the Bond. Alternatively, a United States Holder of a market discount bond may elect to include market discount in income currently over the life of the market discount bond. That election applies to all debt instruments with market discount acquired by the electing United States Holder on or after the first day of the first taxable year to which the election applies and may not be revoked without the consent of the IRS. If an election is made to include market discount in income currently, the tax basis of the Bond in the hands of the United States Holder will be increased by the market discount thereon as such discount is included in income.

Market discount generally accrues on a straight-line basis unless the United States Holder elected to accrue such discount on a constant yield-to-maturity basis. That election is applicable only to the market discount bond with respect to which it is made and is irrevocable. A United States Holder of a market discount bond that does not elect to include market discount in income currently generally will be required to defer deductions for interest on borrowings allocable to the Bond in an amount not exceeding the accrued market discount on such Bond until maturity or disposition of the Bond.

*Purchase, Sale, Exchange, and Retirement of Bonds.* A United States Holder’s tax basis in a Bond generally will equal its cost, increased by any market discount included in the United States Holder’s income with respect to the Bond. A United States Holder generally will recognize gain or loss on the sale, exchange, or retirement of a Bond equal to the difference between the amount realized on the sale or retirement (not including any amount attributable to accrued but unpaid interest) and the United States Holder’s tax adjusted basis in the Bond. Except to the extent described above under *Bonds Purchased at a Market Discount*, gain or loss recognized on the sale, exchange or retirement of a Bond will be capital gain or loss and will be long-term capital gain or loss if the Bond was held for more than one year. The material modification of the terms of any Bond may result in a deemed reissuance thereof, in which event a United States Holder may recognize taxable gain or loss without any corresponding receipt of proceeds.

*Backup Withholding.* United States Holders may be subject to backup withholding on payments of interest and, in some cases, disposition proceeds of the Bonds, if they fail to provide an accurate Form W-9, “Request for Taxpayer Identification Number and Certification,” or a valid substitute form, or have been notified by the IRS of a failure to report all interest and dividends, or otherwise fail to comply with the applicable requirements of backup withholding rules. Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules will be allowed as a credit against the United States Holder’s United States federal income tax liability (or refund) provided the required information is timely furnished to the Internal Revenue Service (“IRS”). Prospective United States Holders should consult their tax advisors concerning the application of backup withholding rules.

*Medicare Tax Affecting United States Holders.* For taxable years beginning after December 31, 2012, a United States Holder that is an individual or estate, or a trust that does not fall into a special class of trusts

that is exempt from such tax, will be subject to a Medicare tax on the lesser of (1) the United States Holder's "net investment income" for the taxable year and (2) the excess of the United States Holder's modified adjusted gross income for the taxable year over a certain threshold. A United States Holder's net investment income will generally include its interest income and its net gains from the disposition of the Bonds, unless such interest income or net gains are derived in the ordinary course of the conduct of a trade or business (other than a trade or business that consists of certain passive or trading activities). A United States Holder that is an individual, estate, or trust, should consult its own tax advisor regarding the applicability of the Medicare tax.

### ***Information Reporting***

In general, information reporting requirements will apply with respect to payments to a United States Holder of principal and interest (and with respect to annual accruals of original issue discount) on the Bonds, and with respect to payments to a United States Holder of any proceeds from a disposition of the Bonds. This information reporting obligation, however, does not apply with respect to certain United States Holders including corporations, tax-exempt organizations, qualified pension and profit sharing trusts, and individual retirement accounts. In the event that a United States Holder subject to the reporting requirements described above fails to supply its correct taxpayer identification number in the manner required by applicable law or is notified by the IRS that it has failed properly to report payments of, interest and dividends, a backup withholding tax (currently at a rate of 28%) generally will be imposed on the amount of any interest and principal and the amount of any sales proceeds received by the United States Holder on or with respect to the Bonds.

Any payments of interest and original issue discount on the Bonds to a Non-United States Holder generally will be reported to the IRS and to the Non-United States Holder, whether or not such interest or original issue discount is exempt from United States withholding tax pursuant to a tax treaty or the portfolio interest exemption. Copies of these information returns also may be made available under the provisions of a specific treaty or agreement to the tax authorities of the country in which the payee resides.

Information reporting requirements will apply to a payment of the proceeds of the disposition of a Bond by or through (a) a foreign office of a custodian, nominee, other agent, or broker that is a United States person, (b) a foreign custodian, nominee, other agent, or broker that derives 50% or more of its gross income for certain periods from the conduct of a trade or business in the United States, (c) a foreign custodian, nominee, other agent, or broker that is a controlled foreign corporation for United States federal income tax purposes, or (d) a foreign partnership if at any time during its tax year one or more of its partners are United States persons who, in the aggregate, hold more than 50% of the income or capital interest of the partnership or if, at any time during its taxable year, the partnership is engaged in the conduct of a trade or business within the United States, unless the custodian, nominee, other agent, broker, or foreign partnership has documentary evidence in its records that the beneficial owner is not a United States person and certain other conditions are met, or the beneficial owner otherwise establishes an exemption.

The federal income tax discussion set forth above is included for general information only and may not be applicable depending upon a beneficial owner's particular situation. Beneficial owners should consult their tax advisors with respect to the tax consequences of the purchase, ownership, and disposition of the Bonds, including the tax consequences under state, local, foreign, and other tax laws and the possible effects of changes in federal or other tax laws.

### **State Taxes**

In the opinion of Bond Counsel, under existing statutes, interest on the Bonds is excludable from Connecticut taxable income for purposes of the Connecticut income tax on individuals, trusts and estates and is excludable from amounts on which the net Connecticut minimum tax is based in the case of

individuals, trusts and estates required to pay the federal alternative minimum tax. Interest on the Bonds is included in gross income for purposes of the Connecticut corporation business tax.

Owners of the Bonds should consult their tax advisors with respect to other applicable state and local tax consequences of ownership of the Bonds and the disposition thereof, including the extent to which gains and losses from the sale or exchange of Bonds held as capital assets reduce and increase, respectively, amounts taken into account in computing the Connecticut income tax on individuals, trusts and estates and the net Connecticut minimum tax on such taxpayers who are also required to pay the federal alternative minimum tax.

### **General**

The opinions of Bond Counsel are rendered as of their date and Bond Counsel assumes no obligation to update or supplement their opinions to reflect any facts or circumstances that may come to its attention or any changes in law or the interpretation thereof that may occur after the date of its opinions. The discussion above does not purport to address all aspects of federal, state or local taxation that may be relevant to a particular owner of a Bond. Prospective owners of the Bonds, particularly those who may be subject to special rules, are advised to consult their tax advisors regarding the federal, state and local tax consequences of owning and disposing of the Bonds.

## APPENDIX I-C

### FORM OF CONTINUING DISCLOSURE AGREEMENT—GREEN BANK

This Continuing Disclosure Agreement (the “Agreement”) is made as of \_\_\_\_\_, 2025 by the Connecticut Green Bank (the “Issuer”) acting by its undersigned officers, duly authorized, in connection with the issuance of \$\_\_\_\_\_ State Supported Solar Home Renewable Energy Credit, Green Liberty Bonds, Series 2025 (Federally Taxable) (Climate Bond Certified) (the “Series 2025 Bonds”). The Series 2025 Bonds are being issued pursuant to an Indenture of Trust, dated as of October 1, 2025 (the “Indenture”), between the Issuer and The Bank of New York Mellon Trust Company, N.A., as trustee (the “Trustee”).

**Section 1. Definitions.** For purposes of this Agreement, the following capitalized terms shall have the following meanings:

“Final Official Statement” means Part I of the official statement of the Issuer prepared in connection with the Series 2025 Bonds.

“MSRB” means the Municipal Securities Rulemaking Board established under the Securities Exchange Act of 1934, as amended, or any successor thereto.

“Repository” means the MSRB or any other information repository established pursuant to the Rule as amended from time to time.

“Rule” means Rule 15c2-12 under the Securities Exchange Act of 1934, as of the date of this Agreement.

“SEC” means the Securities and Exchange Commission of the United States, or any successor thereto.

### **Section 2. Annual and Semi-Annual Financial Information.**

(a) The Issuer agrees to provide or cause to be provided to each Repository, in accordance with the provisions of the Rule and of this Agreement, annual financial information and operating data (commencing with information and data for the fiscal year ending June 30, 2025) as follows:

(i) Financial statements of the Issuer for the prior fiscal year, which statements shall be prepared in accordance with generally accepted accounting principles or mandated state statutory principles as in effect from time to time. As of the date of this Agreement, the Issuer prepares its financial statements in accordance with generally accepted accounting principles. The financial statements will be audited.

(ii) To the extent not included in the financial statements described in clause (i) above, the financial information and operating data within the meaning of the Rule described below (with references to the Final Official Statement); provided, however, that references to the Final Official Statement for the Series 2025 Bonds as a means of identifying such financial information and operating data shall not prevent the Issuer from reorganizing such material in subsequent official statements or annual information reports:

(A) the information under the tables entitled: “Composition of SHREC Tranche 5 and 6” and “Debt Service Coverage Table” under the heading “THE TRUST ESTATE—SHREC Tranche 5 and 6” in the Official Statement as of the prior April 30;

(B) actual Production (MWh) for the prior April 1 to March 30 period; and

(C) actual SHREC Receivables for the prior April 1 to March 30 period, net of Trustee fees, charges and expenses.

(b) The financial statements and other financial information and operating data described above will be provided on or before the date eight months after the close of the fiscal year for which such information is being provided. The Issuer's fiscal year currently ends on June 30.

(c) Annual financial information and operating data may be provided in whole or in part by cross-reference to other documents available to the public on the MSRB's Internet site referenced in the Rule as amended from time to time or filed with the SEC. All or a portion of the financial information and operating data may be provided in the form of a comprehensive annual financial report, an annual information statement, or an Annual Report.

(d) In addition, the Green Bank will provide or cause to be provided to each Repository, within thirty (30) days after each May 15 and November 15 (each, an "Interest Payment Date"), commencing May 15, 2026, a report setting forth a description of the Series 2025 Bonds outstanding, the payments on or redemptions of Series 2025 Bonds on such Interest Payment Date and the distribution of the Revenues (as defined in the Indenture) on such Interest Payment Date.

(e) The Issuer reserves the right (i) to provide financial statements which are not audited if no longer required by law, (ii) to modify from time to time the format of the presentation of such information or data, and (iii) to modify the accounting principles it follows to the extent required by law, by changes in generally accepted accounting principles, or by changes in accounting principles adopted by the Issuer; provided that the Issuer agrees that the exercise of any such right will be done in a manner consistent with the Rule.

### **Section 3. Event Notice.**

The Issuer agrees to provide or cause to be provided, in a timely manner not in excess of ten business days after the occurrence of the event, to each Repository notice of the occurrence of any of the following events with respect to the Series 2025 Bonds:

- (a) principal and interest payment delinquencies;
- (b) non-payment related defaults, if material;
- (c) unscheduled draws on debt service reserves reflecting financial difficulties;
- (d) unscheduled draws on credit enhancements reflecting financial difficulties;
- (e) substitution of credit or liquidity providers, or their failure to perform;
- (f) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Series 2025 Bonds, or other material events affecting the tax status of the Series 2025 Bonds;
- (g) modifications to rights of holders of the Series 2025 Bonds, if material;
- (h) Bond calls, if material and tender offers;
- (i) Bond defeasances;
- (j) release, substitution, or sale of property securing repayment of the Series 2025 Bonds, if material;

- (k) rating changes;
- (l) bankruptcy, insolvency, receivership or similar event of the Issuer;
- (m) the consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (n) appointment of a successor or additional trustee or the change of name of a trustee, if material;
- (o) incurrence of a financial obligation of the Issuer, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the Issuer, any of which affect security holders, if material; and
- (p) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the Issuer, any of which reflect financial difficulties.

For purposes of (o) and (p), the term “financial obligation” is defined as a (i) debt obligation, (ii) derivative instrument entered into in connection with or pledged as security or a source of payment for an existing or planned debt obligation, or (iii) guarantee of (i) or (ii). The term financial obligation does not include municipal securities for which a final official statement has been filed with the MSRB pursuant to the Rule.

#### **Section 4. Notice of Failure to Provide Annual Financial Information.**

The Issuer agrees to provide or cause to be provided, in a timely manner, to each Repository notice of any failure by the Issuer to provide annual financial information as set forth in Section 2(a) hereof on or before the date set forth in Section 2(b) hereof.

#### **Section 5. Use of Agents.**

Annual financial information and operating data and notices to be provided pursuant to this Agreement may be provided by the Issuer or by any agents which may be employed by the Issuer for such purpose from time to time.

#### **Section 6. Termination.**

The obligations of the Issuer under this Agreement shall terminate upon the earlier of (i) payment or legal defeasance, at maturity or otherwise, of all of the Series 2025 Bonds, or (ii) such time as the Issuer ceases to be an obligated person with respect to the Series 2025 Bonds within the meaning of the Rule.

#### **Section 7. Enforcement.**

The Issuer acknowledges that the undertakings set forth in this Agreement are intended to be for the benefit of, and enforceable by, the beneficial owners from time to time of the Series 2025 Bonds. In the event the Issuer shall fail to perform its duties hereunder, the Issuer shall have the option to cure such failure within a reasonable time (but not exceeding 30 days with respect to the undertakings set forth in Section 2 of this Agreement or five business days with respect to the undertakings set forth in Sections 3 and 4 of this Agreement) from the time the Issuer’s President & Chief Executive Officer, or a successor, receives written notice from any beneficial owner of the Series 2025 Bonds of such failure. The present

address of the President & Chief Executive Officer is 75 Charter Oak Avenue, Suite 1-103, Hartford, CT 06106.

In the event the Issuer does not cure such failure within the time specified above, the beneficial owner of any Series 2025 Bonds shall be entitled only to the remedy of specific performance. The Issuer expressly acknowledges and the beneficial owners are hereby deemed to expressly agree that no monetary damages shall arise or be payable hereunder nor shall any failure to comply with this Agreement constitute an event of default with respect to the Series 2025 Bonds including, without limitation, an Event of Default under the Indenture, or a breach of any duty or obligation of the Trustee under the Indenture.

#### **Section 8. Miscellaneous.**

(a) All documents provided by the Issuer to a Repository pursuant to the Issuer's undertakings set forth in Sections 2, 3 and 4 of this Agreement shall be in an electronic format as prescribed by the MSRB from time to time and shall be accompanied by identifying information as prescribed by the MSRB from time to time.

(b) The Issuer shall have no obligation to provide any information, data or notices other than as set forth in this Agreement; provided however, nothing in this Agreement shall be construed as prohibiting the Issuer from providing such additional information, data or notices from time to time as it deems appropriate in connection with the Series 2025 Bonds. If the Issuer elects to provide any such additional information, data or notices, the Issuer shall have no obligation under this Agreement to update or continue to provide further additional information, data or notices of the type so provided.

(c) This Agreement shall be governed by the laws of the State of Connecticut.

(d) Notwithstanding any other provision of this Agreement, the Issuer may amend this Agreement, and any provision of this Agreement may be waived, if (i) such amendment or waiver is made in connection with a change of circumstances that arises from a change in legal requirements, a change in law, or a change in the identity, nature or status of the Issuer, (ii) the provisions of the Agreement as so amended or waived would have complied with the requirements of the Rule, taking into account any amendments or interpretations of the Rule as well as any changes in circumstances, in each case as of the date of such amendment to the Agreement or waiver and (iii) such amendment or waiver is supported by either an opinion of counsel expert in federal securities laws to the effect that such amendment or waiver would not materially adversely affect the beneficial owners of the Series 2025 Bonds or an approving vote by the holders of not less than 51% of the aggregate principal amount of the Series 2025 Bonds then outstanding pursuant to the terms of the Indenture. A copy of any such amendment or waiver will be filed in a timely manner with each Repository. The annual financial information provided on the first date following adoption of any such amendment or waiver will explain, in narrative form, the reasons for the amendment or waiver.

(e) This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but such counterparts shall together constitute but one and the same instrument.

CONNECTICUT GREEN BANK

By \_\_\_\_\_  
Name: Bryan Garcia  
Title: President and Chief Executive  
Officer

**APPENDIX I-D**

**FORM OF CONTINUING DISCLOSURE AGREEMENT—STATE**

[TO BE PROVIDED BY STATE DISCLOSURE COUNSEL]



**APPENDIX I-E**

**UPDATE LETTER: GREEN BONDS - CLIMATE BOND CERTIFIED**

[TO BE ATTACHED]

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**[Information Statement to be attached]**

**Continuing Disclosure Agreement**

This Continuing Disclosure Agreement (the “Agreement”) is made as of \_\_\_\_\_, 2025 by the Connecticut Green Bank (the “Issuer”) acting by its undersigned officers, duly authorized, in connection with the issuance of \$ \_\_\_\_\_ State Supported Solar Home Renewable Energy Credit, Green Liberty Bonds, Series 2025 (Federally Taxable) (Climate Bond Certified) (the “Series 2025 Bonds”). The Series 2025 Bonds are being issued pursuant to an Indenture of Trust, dated as of October 1, 2025 (the “Indenture”), between the Issuer and The Bank of New York Mellon Trust Company, N.A., as trustee (the “Trustee”).

**Section 1. Definitions.** For purposes of this Agreement, the following capitalized terms shall have the following meanings:

“Final Official Statement” means Part I of the official statement of the Issuer prepared in connection with the Series 2025 Bonds.

“MSRB” means the Municipal Securities Rulemaking Board established under the Securities Exchange Act of 1934, as amended, or any successor thereto.

“Repository” means the MSRB or any other information repository established pursuant to the Rule as amended from time to time.

“Rule” means Rule 15c2-12 under the Securities Exchange Act of 1934, as of the date of this Agreement.

“SEC” means the Securities and Exchange Commission of the United States, or any successor thereto.

**Section 2. Annual and Semi-Annual Financial Information.**

(a) The Issuer agrees to provide or cause to be provided to each Repository, in accordance with the provisions of the Rule and of this Agreement, annual financial information and operating data (commencing with information and data for the fiscal year ending June 30, 2025) as follows:

(i) Financial statements of the Issuer for the prior fiscal year, which statements shall be prepared in accordance with generally accepted accounting principles or mandated state statutory principles as in effect from time to time. As of the date of this Agreement, the Issuer prepares its financial statements in accordance with generally accepted accounting principles. The financial statements will be audited.

(ii) To the extent not included in the financial statements described in clause (i) above, the financial information and operating data within the meaning of the Rule described below (with references to the Final Official Statement); provided, however, that references to the Final Official Statement for the Series 2025 Bonds as a means of identifying such financial information and operating data shall not prevent the Issuer from reorganizing such material in subsequent official statements or annual information reports:

(A) the information under the tables entitled: “Composition of SHREC Tranche 5 and 6” and “Debt Service Coverage Table” under the heading “THE TRUST ESTATE—SHREC Tranche 5 and 6” in the Official Statement as of the prior April 30;

(B) actual Production (MWh) for the prior April 1 to March 30 period;  
and

(C) actual SHREC Receivables for the prior April 1 to March 30 period,  
net of Trustee fees, charges and expenses.

(b) The financial statements and other financial information and operating data described above will be provided on or before the date eight months after the close of the fiscal year for which such information is being provided. The Issuer's fiscal year currently ends on June 30.

(c) Annual financial information and operating data may be provided in whole or in part by cross-reference to other documents available to the public on the MSRB's Internet site referenced in the Rule as amended from time to time or filed with the SEC. All or a portion of the financial information and operating data may be provided in the form of a comprehensive annual financial report, an annual information statement, or an Annual Report.

(d) In addition, the Green Bank will provide or cause to be provided to each Repository, within thirty (30) days after each May 15 and November 15 (each, an "Interest Payment Date"), commencing May 15, 2026, a report setting forth a description of the Series 2025 Bonds outstanding, the payments on or redemptions of Series 2025 Bonds on such Interest Payment Date and the distribution of the Revenues (as defined in the Indenture) on such Interest Payment Date.

(e) The Issuer reserves the right (i) to provide financial statements which are not audited if no longer required by law, (ii) to modify from time to time the format of the presentation of such information or data, and (iii) to modify the accounting principles it follows to the extent required by law, by changes in generally accepted accounting principles, or by changes in accounting principles adopted by the Issuer; provided that the Issuer agrees that the exercise of any such right will be done in a manner consistent with the Rule.

### **Section 3. Event Notice.**

The Issuer agrees to provide or cause to be provided, in a timely manner not in excess of ten business days after the occurrence of the event, to each Repository notice of the occurrence of any of the following events with respect to the Series 2025 Bonds:

- (a) principal and interest payment delinquencies;
- (b) non-payment related defaults, if material;
- (c) unscheduled draws on debt service reserves reflecting financial difficulties;
- (d) unscheduled draws on credit enhancements reflecting financial difficulties;
- (e) substitution of credit or liquidity providers, or their failure to perform;
- (f) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Series 2025 Bonds, or other material events affecting the tax status of the Series 2025 Bonds;
- (g) modifications to rights of holders of the Series 2025 Bonds, if material;

- (h) Bond calls, if material and tender offers;
- (i) Bond defeasances;
- (j) release, substitution, or sale of property securing repayment of the Series 2025 Bonds, if material;
- (k) rating changes;
- (l) bankruptcy, insolvency, receivership or similar event of the Issuer;
- (m) the consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (n) appointment of a successor or additional trustee or the change of name of a trustee, if material;
- (o) incurrence of a financial obligation of the Issuer, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the Issuer, any of which affect security holders, if material; and
- (p) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the Issuer, any of which reflect financial difficulties.

For purposes of (o) and (p), the term “financial obligation” is defined as a (i) debt obligation, (ii) derivative instrument entered into in connection with or pledged as security or a source of payment for an existing or planned debt obligation, or (iii) guarantee of (i) or (ii). The term financial obligation does not include municipal securities for which a final official statement has been filed with the MSRB pursuant to the Rule.

#### **Section 4. Notice of Failure to Provide Annual Financial Information.**

The Issuer agrees to provide or cause to be provided, in a timely manner, to each Repository notice of any failure by the Issuer to provide annual financial information as set forth in Section 2(a) hereof on or before the date set forth in Section 2(b) hereof.

#### **Section 5. Use of Agents.**

Annual financial information and operating data and notices to be provided pursuant to this Agreement may be provided by the Issuer or by any agents which may be employed by the Issuer for such purpose from time to time.

#### **Section 6. Termination.**

The obligations of the Issuer under this Agreement shall terminate upon the earlier of (i) payment or legal defeasance, at maturity or otherwise, of all of the Series 2025 Bonds, or (ii) such time as the Issuer ceases to be an obligated person with respect to the Series 2025 Bonds within the meaning of the Rule.

## **Section 7. Enforcement.**

The Issuer acknowledges that the undertakings set forth in this Agreement are intended to be for the benefit of, and enforceable by, the beneficial owners from time to time of the Series 2025 Bonds. In the event the Issuer shall fail to perform its duties hereunder, the Issuer shall have the option to cure such failure within a reasonable time (but not exceeding 30 days with respect to the undertakings set forth in Section 2 of this Agreement or five business days with respect to the undertakings set forth in Sections 3 and 4 of this Agreement) from the time the Issuer's President & Chief Executive Officer, or a successor, receives written notice from any beneficial owner of the Series 2025 Bonds of such failure. The present address of the President & Chief Executive Officer is 75 Charter Oak Avenue, Suite 1-103, Hartford, CT 06106.

In the event the Issuer does not cure such failure within the time specified above, the beneficial owner of any Series 2025 Bonds shall be entitled only to the remedy of specific performance. The Issuer expressly acknowledges and the beneficial owners are hereby deemed to expressly agree that no monetary damages shall arise or be payable hereunder nor shall any failure to comply with this Agreement constitute an event of default with respect to the Series 2025 Bonds including, without limitation, an Event of Default under the Indenture, or a breach of any duty or obligation of the Trustee under the Indenture.

## **Section 8. Miscellaneous.**

(a) All documents provided by the Issuer to a Repository pursuant to the Issuer's undertakings set forth in Sections 2, 3 and 4 of this Agreement shall be in an electronic format as prescribed by the MSRB from time to time and shall be accompanied by identifying information as prescribed by the MSRB from time to time.

(b) The Issuer shall have no obligation to provide any information, data or notices other than as set forth in this Agreement; provided however, nothing in this Agreement shall be construed as prohibiting the Issuer from providing such additional information, data or notices from time to time as it deems appropriate in connection with the Series 2025 Bonds. If the Issuer elects to provide any such additional information, data or notices, the Issuer shall have no obligation under this Agreement to update or continue to provide further additional information, data or notices of the type so provided.

(c) This Agreement shall be governed by the laws of the State of Connecticut.

(d) Notwithstanding any other provision of this Agreement, the Issuer may amend this Agreement, and any provision of this Agreement may be waived, if (i) such amendment or waiver is made in connection with a change of circumstances that arises from a change in legal requirements, a change in law, or a change in the identity, nature or status of the Issuer, (ii) the provisions of the Agreement as so amended or waived would have complied with the requirements of the Rule, taking into account any amendments or interpretations of the Rule as well as any changes in circumstances, in each case as of the date of such amendment to the Agreement or waiver and (iii) such amendment or waiver is supported by either an opinion of counsel expert in federal securities laws to the effect that such amendment or waiver would not materially adversely affect the beneficial owners of the Series 2025 Bonds or an approving vote by the holders of not less than 51% of the aggregate principal amount of the Series 2025 Bonds then outstanding pursuant to the terms of the Indenture. A copy of any such amendment or waiver will be filed in a timely manner with each Repository. The annual financial information provided on the first date following adoption of any such amendment or waiver will explain, in narrative form, the reasons for the amendment or waiver.

(e) This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but such counterparts shall together constitute but one and the same instrument.

CONNECTICUT GREEN BANK

By \_\_\_\_\_  
Name: Bryan Garcia  
Title: President and Chief  
Executive Officer



RESIDENTIAL PV SYSTEMS IN THE SOLAR HOME RENEWABLE ENERGY  
CREDIT (SHREC) PORTFOLIO, TRANCHES 5 & 6

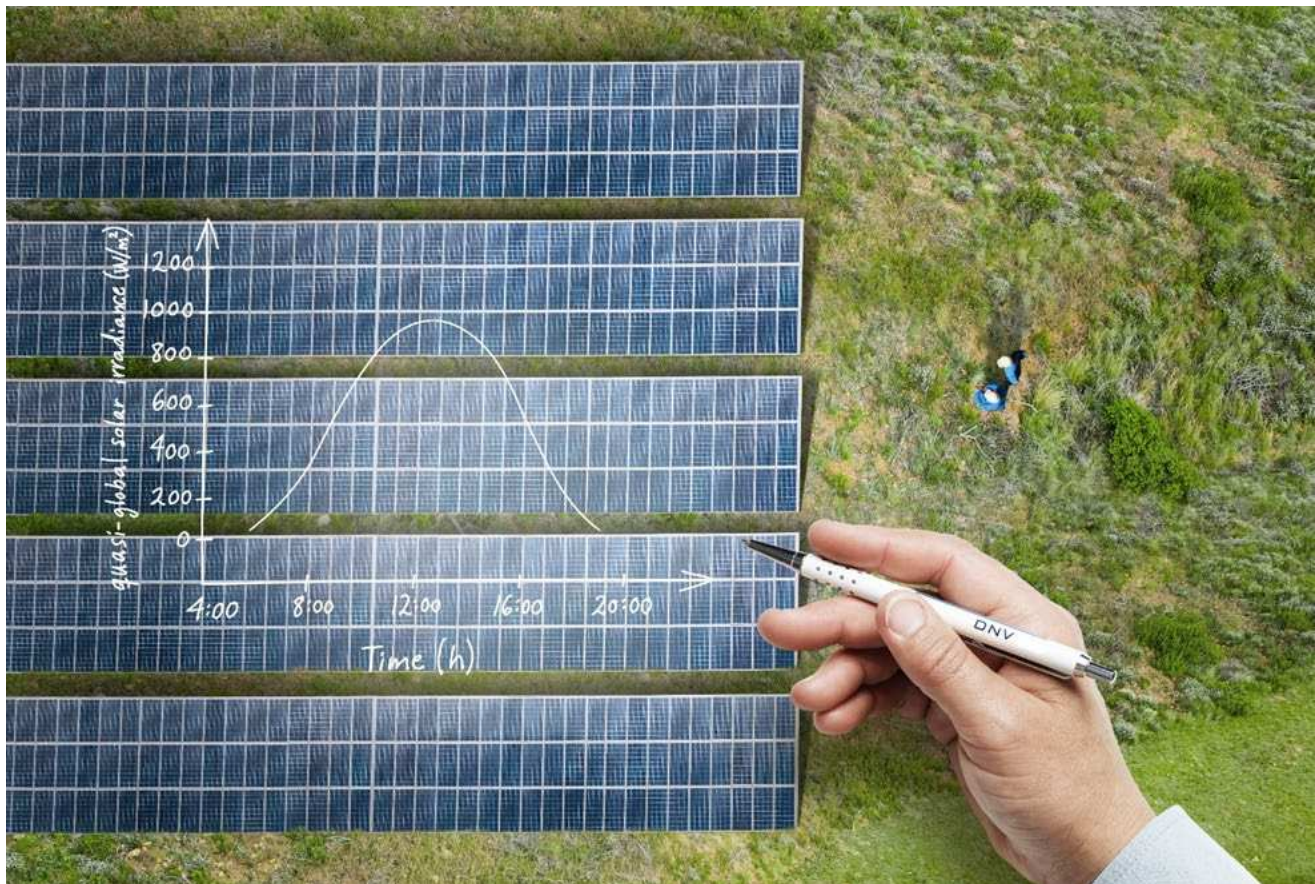
# Technical Due Diligence Report

Connecticut Green Bank

**Document No.:** 10572476-HOU-R-01

**Issue:** C, **Status:** Draft

**Date:** 29 July 2025



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Project name: Residential PV Systems in the Solar Home Renewable DNV Energy Systems  
Energy Credit (SHREC) Portfolio, Tranches 5 & 6 Renewables & Power Grids  
Report title: Technical Due Diligence Report 1999 Harrison Steet, Suite 2150  
Customer: Connecticut Green Bank Oakland, CA 94612  
300 Main Street Tel: +1 510-891-0446  
Stamford, CT 06901  
Contact person: David Beech  
Date of issue: 29 July 2025  
Proposal reference: PSA #6116 / 399889-SF-P-01-A  
Document No.: 10572476-HOU-R-01

#### Task and objective:

The Report describes DNV's technical due diligence review, in its capacity as Independent Engineer, of residential PV systems in Tranches 5 & 6 of the Connecticut Green Bank Solar Home Renewable Energy Credit portfolios.

Prepared by:	Verified by:	Approved by:
Daniel Karnosky	Sarah Heller	Catherine Vadakkan
Project Manager, SIE-DG	Senior Project Manager, SIE DG	Team Lead, SIE DG

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Issue	Date	Status	Reason for Issue	Prepared by	Verified by	Approved by
A	25 June 2025	DRAFT	Preliminary Report	B. Dodge A. Quattrone D. Karnosky	R. Ambresh	S. Heller
B	17 July 2025	DRAFT	Production forecasting, financial model, outstanding items	D. Karnosky	S. Heller	B. Dodge
C	29 July 2025	DRAFT	Interim report - Updates to introduction	D. Karnosky	S. Heller	C. Vadakkan

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# 1 INTRODUCTION

At the request of the Connecticut Green Bank ("Connecticut Green Bank", the "Customer" or the "Sponsor"), DNV has performed a technical due diligence review of the residential photovoltaic (PV) systems in the Sponsor's Solar Home Renewable Energy Credit (SHREC) portfolio, Tranche 5 & 6 (the "Portfolios" and each a "Portfolio"), representing 10,749 residential-scale solar PV systems.

## 1.1 Scope of work

The DNV scope of work is defined in the Standard Professional Services Agreement ("Agreement") #6116 and 399889-SF-P-01-A, dated 01 March 2025 and between Connecticut Green Bank and DNV Energy USA Inc. DNV scope of work is attached to the Agreement as Attachment A and labeled 399889-SF-P-01-A for DNV's reference. This technical due diligence report (the "Report") is provided pursuant to the terms and conditions of the Agreement, and disclosure of the Report to other potential investors and/or lenders is subject to provisions of the referenced terms and conditions and the disclaimer at the front of this Report.

The purpose of this Report is to summarize Portfolio performance, create a production forecast, and perform an equipment review:

- Engineering process review
- Major equipment review
- SHREC production forecasting procedures Production analysis of operational PV systems
- Major agreements
- Technical inputs to the financial model

Primary findings and material risks from each Report section are summarized within the Executive Summary section.

## 1.2 Methodology and assumptions

This Independent Engineering (IE) Report is a high-level technical due diligence review intended for financial institutions, customers, and project developers. DNV is well qualified to conduct this study, with extensive experience in solar independent engineering and technology due diligence work.

This Report summarizes DNV's assessment of the Portfolios and relies on the accuracy of the information provided. All those supplying product information have been open and forthcoming in providing the data that DNV has requested. This Report is based on some information not within the control of DNV. DNV believes that the information provided by others is true and correct and reasonable for the purposes of this Report. DNV has not been requested to make an independent analysis or verification of the validity of such information. DNV does not guarantee the accuracy of the data, information, or opinions provided by others. In preparing this Report and the opinions presented herein, DNV has made certain assumptions with respect to conditions that may exist or events that may occur in the future. DNV believes that these assumptions are reasonable for purposes of this Report, but actual events or conditions may cause results to differ materially from forward-looking statements.

### 1.3 Connecticut Green Bank overview

The Connecticut Green Bank (Green Bank) was established by Connecticut's General Assembly in July 2011 [1]. The Green Bank vision is a planet protected by the love of humanity. The Green Bank's mission is to confront climate change by increasing and accelerating investment into Connecticut's green economy to create more resilient, healthier, and equitable communities.

To achieve its vision and mission, the Green Bank has established the following three goals [2]:

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, 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, mission, and goals support the implementation of Connecticut's clean energy policies be they statutorily required (e.g., CGS 16-245ff), planning (e.g., Comprehensive Energy Strategy), or regulatory in nature.

Since its inception, the Green Bank and its private investment partners have deployed over \$2.88 billion in capital for clean energy projects across the state [1].

### 1.4 Description of the Portfolio

DNV received a dataset in April 2025 ("Tranche 5 & 6 Data") [3], which shows the Portfolios are composed of 10,749 residential PV systems located in Connecticut. The total capacity of the Portfolios is approximately 93.38 MWdc. Based on a datatape provided by the Sponsor, the top twelve (12) installers by system count represent 90.9% of the installed capacity in the Portfolio. The data indicates that the Tranche 5 and 6 Portfolios are 72.41% third-party owned and 27.58% homeowner owned by system count.

The Green Bank manages the residential solar PV state incentive program (the "RSIP"), which enables the generation of SHRECs. SHREC production is directly correlated (on a 1:1 basis) with MWh produced by PV systems in the Portfolio. Further details on the SHREC production process are described in Section 5.

A summary of Portfolio attributes is provided in the tables below.

**Table 1-1 Connecticut Green Bank Portfolio Summary - Region**

Tranche	Number of systems	Capacity (kWdc)	Average system size (kWdc)	% of Fleet (by capacity)
T5	7,250	61,772	8.52	66%
T6	3,499	31,607	9.03	34%
<b>Total</b>	<b>10,749</b>	<b>93,379</b>	<b>8.69</b>	<b>100%</b>

**Table 1-2 Portfolio by module manufacturer**

Manufacturer	Number of systems	Capacity (kWdc)	% of Fleet (by capacity)
Hanwha Q-Cells	3,802	31,853	34%
SunPower (Maxeon)	1,736	17,622	19%
LG Electronics Solar Cell Division	1,838	16,309	17%
REC Solar	719	5,798	6%
LONGi Green Energy Technology	526	4,441	5%
Jinko Solar	525	4,427	5%
Silfab	557	3,833	4%
Yingli Energy (China)	427	3,416	4%
Trina Solar	171	1,326	1%
Solaria	104	1,030	1%
Canadian Solar	89	771	1%
SolarCity	56	594	1%
Panasonic Group SANYO Electric	58	588	1%
JA Solar Holding	28	281	0%
Shanghai Aerospace Automobile Electromechanical	34	253	0%
Mission Solar Energy	18	216	0%
Axitec	14	198	0%
SolarWorld	18	142	0%
Hyundai Heavy Industries	11	100	0%
Vikram Solar	4	67	0%
Sun Edison	6	50	0%
Hyundai Energy Solutions	2	21	0%
Risen Energy	1	12	0%
Kyocera Solar	1	7	0%
CSI Solar	1	7	0%
S-Energy	1	6	0%
Suniva	1	6	0%
Lumos	1	5	0%
<b>Total</b>	<b>10,749</b>	<b>93,379</b>	<b>100%</b>



**Table 1-3 Portfolio by inverter manufacturer**

Manufacturer	Number of systems	Capacity (kWdc)	% of Fleet (by capacity)
SolarEdge Technologies	5,986	50,132	54%
Enphase Energy	4,028	35,803	38%
SunPower	519	5,221	6%
Delta Electronics	124	1,131	1%
SMA America	31	494	1%
ABB	30	196	0%
Tesla	14	144	0%
Generac Power Systems	9	100	0%
Fronius USA	5	88	0%
Fronius International	1	40	0%
OutBack Power Technologies	1	19	0%
Sol-Ark	1	12	0%
<b>Total</b>	<b>10,749</b>	<b>93,379</b>	<b>100%</b>

## 2 EXECUTIVE SUMMARY

This Section summarizes major findings relevant to the Connecticut Green Bank Tranche 5 and Tranche 6 Portfolios.

### 2.1 Engineering processes

DNV previously reviewed the Request for Qualifications and Program Guidelines for Eligible Contractors and Third-party PV System Owners to participate in the Residential Solar Investment Program (RSIP) document [4] provided by the Sponsor, dated 1 November 2016. DNV understands the referenced documentation has not substantively changed since DNV's previous review, and therefore this review has not been updated with the latest Request for Qualifications and Program Guidelines document revised 19 October 2020.

The RSIP document provides the requirements necessary for a PV system to be eligible for CT Green Bank incentives, including requirements for contractors and PV system owners to qualify as approved RSIP-eligible PV system installers.

The Sponsor issued a request for qualifications (RFQ), which explains the process and requirements PV system installers must follow to qualify as an eligible Installer and later receive incentives through the RSIP. The program requires that PV system installers pass incentives onto the homeowners as a cost reduction during contracting (i.e. system purchase, lease, or power purchase agreement). The PV system installers do not receive the incentives until they have passed the Sponsor's completion requirements, which includes review of a self-inspection report following installation and a potential audit of the installed PV system.

A summary of the primary findings and / or risks is provided in Table 2-1.

**Table 2-1 Connecticut Green Bank business and engineering processes primary findings**

Section	Primary findings
3.1.1	<b>PV system eligibility requirements:</b> Notably, the RSIP document requires the PV system to be in The United Illuminating Company (UI) or Eversource Energy service territories, to be grid-tied, and PV equipment must be new and listed by the California Energy Commission (CEC).
3.1.2	<b>Installers eligibility requirements:</b> Installers must first complete an application process to become eligible to participate in the RSIP. The application process requires the installer to demonstrate experience and licensing/certification, as well as provide subcontractor and homeowner contracts and terms, including a five-year workmanship warranty on all components. The Sponsor will review the installer annually or as-needed to ensure compliance with RSIP standards.
3.1.3	<b>Installer responsibilities:</b> Once approved, Installers have responsibilities such as completing accurate pre-construction assessment and calculations, completing RSIP applications, receiving approvals for the PV system from authorities, complying with inspection reports and completion documents, and passing required inspections.
3.1.3.1	<b>Installer completion documents:</b> Upon completing the PV system installation, Installers are required to submit a project completion certificate, utility approval-to-energize documentation, self-inspection report (including all required photos), energy efficiency audit documents, and performance data provider information (e.g. approved revenue-grade meter ID). DNV finds the self-inspection report template is lacking in mounting system structural checks, only including one check to ensure the PV modules are secured to the mounting system.
3.1.4	<b>Sponsor rights:</b> Under the RSIP rules, the Sponsor is the owner and receives all renewable energy credits (REC)s. The Sponsor reviews completion documents, specifically the self-inspection report submission and will follow-up with the Installer as needed. The Sponsor has the right to perform an audit of the system to confirm completion documentation submitted is accurate. The Sponsor reserves the right to withhold or adjust incentives based on inspection reports or other information.

## 2.2 Major equipment review

Connecticut Green Bank provided DNV a list of module, inverter, and metering and communication suppliers it intends to use for the Portfolio. DNV has produced manufacturer level reviews for all major equipment suppliers to the Portfolio. A summary of the primary findings and / or risks is provided in Table 2-2.

**Table 2-2 Major equipment review primary findings**

Section	Primary findings
4.1	<b>Modules:</b> DNV finds the majority of manufacturers reviewed to supply PV modules of similar or better quality as modules from prominent manufacturers in the market. DNV considers Silfab to likely supply PV modules with a higher probability of a quality risk than modules from conventional manufacturers in the market. DNV cautions that the Yingli has had financial difficulties which may impact Yingli's ability to meet obligations.
4.2	<b>Inverters:</b> DNV considers Enphase, SolarEdge, and SunPower to acceptable suppliers and does not consider the manufacturers to represent atypical technology risk to the Portfolio.
4.3	<b>Metering and communication:</b> The Portfolio utilizes metering and communication equipment manufactured by Enphase, SolarEdge, SunPower, and Vision Metering. Limited information is available on the communications and monitoring specifications for the SunPower products utilized as a part of this Portfolio. DNV notes that some SunPower installations have been transferred to Enphase for monitoring as a result of SunPower's 2024 bankruptcy. DNV has limited experience with Vision Metering products and history. The Sponsor verified via email [5], they use CatM1 meters manufactured by Vision and sold by Locus/AlsoEnergy to track production.
4.4	<b>Racking:</b> DNV has not been provided with the type of racking that will be utilized for the projects, only that it will be rooftop system racking. In lieu of additional information (pitched roof, flat roof, system type, attachment method, etc.), DNV has provided a high-level review of risks associated with racking for residential systems.

## 2.3 SHREC production forecasting process review

DNV reviewed the procedures by which the Sponsor generates energy production forecasts for residential systems with the purpose of evaluating the long-term accuracy of these forecasts and their usefulness for predicting the Portfolio's SHRECs from energy production.

**Table 2-3 SHREC forecasting review primary findings**

Section	Primary findings
5.2	<b>Energy simulation:</b> Since 2006, PowerClerk has acted as the proposal and system reporting portal for all Sponsor systems, as well as supporting the Sponsor's incentive program. The Sponsor's process requires system information be initially entered in PowerClerk; however, for SHREC forecasting purposes, the Sponsor relies on a parallel calculation in Clean Power Research's (CPR) SolarAnywhere Fleetview.
5.4.1	<b>Meteorological data:</b> The Sponsor uses CPR SolarAnywhere data at the site location as the irradiation data input to the energy estimate simulation. The data satellite imagery collected from geosynchronous satellite networks and is applied to 10 x 10 km mesh grids. The data spans 1998 – 2017.
5.4.3	<b>Loss factors:</b> While DNV does not have information on the breakdown of the 10% loss factor applied in SolarAnywhere Fleetview, DNV finds the 10% loss factor reasonable for this specific Portfolio of systems based on regional weather and assuming aggregation of many thousands of systems.

## 2.4 Production analysis and energy forecasting

DNV analyzed a production dataset (“Portfolio Data”) from the Sponsor’s Portfolio of deployed systems to confirm the accuracy of the energy production estimates and to set expectations for future production of these systems.

DNV has also estimated and presented the uncertainty in its production forecast.

A summary of the primary findings and/or risks identified is provided in the following table.

**Table 2-4 Production analysis and energy forecasting primary findings**

Section	Primary findings
6.1	<b>Production data set:</b> The Sponsor supplied DNV with annual production and forecast data for 10,749 systems (the “Production Data Set”). Of the Production Data Set, 9,186 systems had sufficient asset attribute and production data for use in energy forecasting (the “Production Sample”).
6.1	<b>Production analysis methodology:</b> DNV performed a QA/QC procedure on the monthly data made available by the Sponsor. DNV calculated the extent to which over/under production in a region can be attributed to differences between the irradiance during the operational period relative to the long-term irradiance for that region and applied irradiance adjustment factors. DNV calculated a Performance Index for each system by taking the ratio of the summed irradiance-adjusted annual actuals to the summed annual estimates.
6.3	<b>Production analysis results:</b> The Production Sample systems overperformed their estimates by 1.0% on average. DNV compared the performance of the Production Sample by Installer, PTO date, module manufacturer, and inverter manufacturer.
6.8.3	<b>Uncertainty:</b> DNV calculated a P50 forecast of 0.9494 for T5 and 0.9734 for T6 relative to the Sponsor’s original forecast.

## 2.5 Major agreements review

DNV previously reviewed the following executed agreements (collectively, “MPAs”), all dated 7 February 2017 with Eversource Energy and UI. SHREC sales to The Connecticut Light and Power Company (dba “Eversource Energy”) and UI are provided for using a Master Purchase Agreement (MPA).

The MPAs provide for the Sponsor to sell SHRECs at firm pricing (\$50 per MWh for Tranche 1, \$49/MWh for Tranche 2, \$48/MWh for Tranche 3, and \$47/MWh for Tranche 4, 35\$/MWh for Tranche 5, and \$34/MWh for Tranche 6) for 15 years. The Buyer, either Eversource Energy or UI, is obligated to purchase those SHRECs in a tranche associated with the energy generated by the projects assuming the pre-requisites have been met and continue to be met through the term. The main difference between the MPAs provided is the Buyer’s Percentage Entitlement (“BPE”); Eversource Energy having a BPE of 80% and UI having a BPE of 20%. DNV has not identified other meaningful differences between the individual MPAs.

While the buyer is obligated to purchase all SHRECs from a qualifying tranche, there is not a SHREC guaranty or other performance-based terms that require a minimum amount of electricity be produced from a tranche.

A summary of the primary findings and/or risks identified is provided in the following table.

**Table 2-5 MPA review primary findings**

Section	Primary findings
7.1.1	<p><b>Parties and contract status:</b>  Buyer of SHRECs:</p> <ul style="list-style-type: none"> <li>Eversource Energy (80%)</li> <li>UI (20%)</li> </ul> <p><b>Contract status:</b> Executed 7 February 2017 (MPA) / 15 July 2021 (Tranche 5 Transaction Confirmation) and 1 July 2022 (Tranche 6 Transaction Confirmation)</p>
7.1.2	<p><b>Term:</b> The tranche delivery term starts on 1 January of a tranche year and continues for 15 years. The Buyer's obligation to purchase tranche SHRECs will end no later than the earlier of when Sponsor achieves deployment of 305.4 MWdc of qualifying residential solar PV installations or 31 December 2022, meaning the final tranche start date would begin 1 January 2022.</p>
7.1.3	<p><b>Sale of SHRECs:</b> The purchase price of each SHREC is \$50.00 in the MPAs for Tranche 1, \$49/MWh for Tranche 2, \$48/MWh for Tranche 3, and \$47/MWh for Tranche 4, 35\$/MWh for Tranche 5, and \$34/MWh for Tranche 6. The Sponsor establishes the price of each tranche in accordance with Connecticut General Statutes. A SHREC is equal to one megawatt hour (MWh) of electricity generated from a qualifying residential solar PV system. The Buyer is obligated to purchase all SHRECs generated by SHREC projects in a tranche. SHRECs are invoiced quarterly.</p>
7.1.4	<p><b>Obligations of Sponsor:</b> The Sponsor is responsible for ensuring energy generation has begun prior to tranche delivery start date, providing the tranche purchase price and project details, ensuring the SHREC projects qualify as residential solar PV system, executing the tranche confirmation (Exhibit B), and completing delivery of SHRECs to Buyer.</p>
7.1.5	<p><b>Obligations of Buyer:</b> The Buyer is responsible for ensuring it has received regulatory and corporate approval and has received tranche detail and executed the confirmation.</p>
7.1.6	<p><b>Energy generation and metering:</b> SHREC projects must be located behind a qualifying utility revenue meter and must have a separate meter dedicated to measurement of SHREC project energy output. The meter shall be installed, operated, maintained, and tested to meet applicable requirements and standards of the utility and electric system operator.</p>

## 2.6 Technical inputs to the financial model

DNV has not received a project specific financial model for review. A summary of the primary findings and/or risks identified during DNV's review of technical inputs relevant for revenue generation as well as O&M considerations and stress case considerations is provided in the following table.

**Table 2-6 Technical inputs to the financial model primary findings**

Section	Primary findings
8.1	<p><b>Useful Life:</b> DNV expects well-designed, properly installed, and well-maintained PV systems to perform in line with expectations for 25–30 years.</p>
8.2	<p><b>O&amp;M:</b> DNV understands that the Sponsor does not have direct responsibility for O&amp;M costs for the Portfolio, as the Sponsor's role is as an asset program administrator. As such, DNV has not reviewed either projected Performance Guarantee payout liabilities or inverter replacement cost projections.</p>
8.3	<p><b>Stress cases:</b> DNV has provided production stress cases as well as consideration for installer bankruptcy / market exit. The Sponsor uses metering and communication equipment manufactured by Enphase, SolarEdge, SunPower, and Vision Metering for Portfolio monitoring, and the Sponsor has contracted with C-TEC Solar as a third- party US residential O&amp;M provider. DNV views this as an appropriate risk mitigation step.</p>

### 3 ENGINEERING PROCESS REVIEW

DNV previously reviewed the Request for Qualifications and Program Guidelines document for Eligible Contractors and Third-party PV System Owners to participate in the RSIP provided by the Sponsor [4], dated 1 November 2016. DNV understands the above referenced documentation has not changed substantively since DNV's previous review, and therefore this review of the documentation has not been updated with the latest Request for Qualifications and Program Guidelines document revised 19 October 2020 [6].

The RSIP document provides the requirements necessary for a PV system to be eligible for CT Green Bank incentives, including requirements for contractors and PV system owners to qualify as approved RSIP-eligible PV system installers. While the document provides information on expected performance-based buy-down incentives (EPBB) and performance-based incentives (PBI), DNV review of the RSIP document has focused on PV system installer requirements in ensuring quality PV systems installations.

The RSIP document describes the application and obligations that either contractors or PV system owners, collectively ("Installers"), must meet and maintain to be eligible to receive incentives from the RSIP. The Installers receive EPBB payments upon successful completion of a PV system purchased by the homeowner or become eligible for PBI payments upon successful completion of a PV system with a lease contract or power purchase agreement (PPA).

#### 3.1 Residential Solar Investment Program

##### 3.1.1 PV system eligibility

Below is a list of PV system requirements to receive incentives under the RSIP:

- The PV system must be installed on a one to four family primary residence so long as the homeowner owns the land on which the home is affixed to a foundation (i.e. mobile homes and some manufactured homes are ineligible);
- The home must be in UI or Eversource Energy service territory (not in a Connecticut Municipal Electrical Energy Cooperative territory);
- The home must have an energy efficiency audit completed unless the home is new construction or under rehabilitation, has been ENERGY STAR certified since 2005, or the home has a Home Energy Rating of 85 or lower;
- PV equipment must be new and listed by the CEC;
- PV system is grid tied; and
- The equipment and installation must comply with all federal, state, and local laws, codes, and regulations, including Connecticut Building Code and the National Electric Code (NEC).

It should also be noted that for EPBB eligible PV systems, there is a 20 kWPTC limit, limited by homeowner electricity usage, and the system must have a design factor<sup>1</sup> of 75% or greater to receive the full incentive. For PBI and EPBB systems the design factor must be 60% or greater to receive incentives.

##### 3.1.2 Installer eligibility requirements

Approved Installers must be used for all RSIP PV systems. The Sponsor approves each Installer through a request for qualifications (RFQ) process. The Installer submits to the Sponsor an application with supporting documentation, including but not limited to:

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<sup>1</sup> Defined as the ratio of the summer output of the proposed system to the summer output of a reference optimal system

- Resumes of key staff;
- Connecticut E-1, PV-1 or Home Improvement Contractor (HIC) licenses;
- North American Board of Certified Energy Practitioners (NABCEP) certification from at least one person;
- Subcontractor agreements;
- Sales contract and terms;
- Bank reference letter ;
- General liability insurance;
- PPA contract and terms (if applicable) including details of any performance guarantee; and
- References.

Approved Installers must include a workmanship warranty of 5 years (or more) to cover all components against degradation of more than 10% from the original rated electrical output, and the full costs of labor for repair or replacement of any defective PV system components. The Sponsor will evaluate the application and documentation for completeness and, if deemed to have met requirements, will invite the Installer to attend a one-hour training session with a RSIP representative. Upon completion of the training session, the Installer will be added to the "Eligible Contractor" list with either full status or provisional status depending on experience and number of PV installations or equivalent training. Provisional status will be lifted after enough PV installations have been completed and passing Sponsor required PV system inspections.

The Sponsor will review annually or as needed to ensure continued compliance with the RSIP document standards. An Installer may be placed on probation, suspension, or terminated for program violations such as:

- Poor quality or service or false or inaccurate claims, billing, system capabilities or benefits;
- Failure to ensure all applicable employees and subcontractors are licensed;
- Failure to comply with state and local laws and ordinances;
- Improper incentive activity;
- Consistent inspection failures;
- Failure to respond to requests for information;
- Falsifying documents; and
- Illegal actions.

### 3.1.3 Installer responsibilities

To maintain their approval, Installers have primary responsibilities that must be met. Key responsibilities are summarized below:

- Conduct accurate site evaluations, including shading assessments;
- Follow RSIP rules to determine eligibility, size, cost and estimated incentive;
- Complete accurate RSIP applications on behalf of the homeowner;
- Comply with requirements for inspection reports and completion documents;
- Obtain appropriate permits and approvals;
- Maintain all required insurance, licenses, and certifications;
- Comply with all national, state, and local codes and standards, rules, and regulations;
- Coordinate installation of the PV system through direct employees or subcontractors – note Installers are held directly accountable for work performed by all their staff as well as subcontractors;
- Complete interconnection process and receive approval to energize;
- Collaborate with the Sponsor's third-party inspectors;
- Pass required inspections; and

- Honor five-year workmanship warranty.

RSIP applications are not approved until all required documents have been submitted to the Sponsor's satisfaction. In the event of project cancellation, or if cost, component, or system design specifications have changed from the original approved application, a change order or cancellation request shall be sent to the Sponsor within five business days.

### 3.1.3.1 Installer completion documents

To receive the Expected Performance Based buy-down incentives (EPBB) or Performance Based Incentive (PBI), the Installer must pass inspections and completion documentation must be submitted:

- Project completion certificate;
- Utility approval-to-energize documentation;
- Self-inspection report (including all required photos);
- Documentation of energy efficiency audit, if not already provided;
- Performance data provider information (e.g., approved revenue-grade meter ID).

Representative self-inspection reports have been shared and DNV's review was part of Section 7 Operating

System Review in the 10271931-OAL-R-01 TDD Report [7]. The self-inspection reports include pass/fail criteria for the installed system covering:

- Verifying system orientation (tilt and azimuth) and shading;
- Verify module and inverter model installed;
- Verify system capacity;
- PV array, conduits, and cables secured with no visible damage;
- Fuses and circuit breakers (dc and ac);
- Disconnects (dc and ac);
- Inverter and interconnection;
- Installation consistent with manufacturer specifications;
- As-built diagrams and owner's manuals have been supplied;
- Monitoring and metering equipment installed correctly; and
- Methodology for calculating values for labels.

DNV recommends including more detail regarding inspection of the mounting structure in the self-inspection template. For example, inspection of the existing roof framing, verification of positive attachment of lag screws to rafters and inspection of flashing, and verification that the racking, standoffs and module clips are installed according to the plans and manufacturer's requirements. DNV finds the self-inspection report template is lacking in mounting system structural checks, only including one check to ensure the PV modules are secured to the mounting system.

### 3.1.4 Sponsor rights

RSIP customers and third-party owners (under leases and PPAs) forfeit any ownership of renewable energy credits (RECs) generated by their solar PV systems to the Sponsor. The Sponsor reviews completion documents, specifically the self-inspection report submission, and will follow-up with the Installer as needed. The Sponsor may audit the system to confirm documentation. Upon the second instance of a re-inspection at one or more sites, the Installer will be required to pay the cost of the follow-up inspection.



The Sponsor reserves the right to adjust incentive calculations based on inspection reports or other submitted documentation. If the PV system is not installed properly or in accordance with the proposed system specifications, the Sponsor may withhold or recalculate incentives based on actual installed equipment and actual site conditions.

## 3.2 Monitoring and maintenance

In Q2, 2020 [8] the Sponsor informed DNV that it continues to utilize the production monitoring platform and services of Locus Energy, an AlsoEnergy Company, to monitor Portfolio performance.

As indicated by the Sponsor, the Sponsor utilizes C-TEC Solar to provide O&M services for systems owned by the Sponsor and is planning to use C-TEC to provide O&M services for other projects where needed. The remaining systems rely on the installer partner and/or third party owners to provide O&M services resulting from warranty claims or other needed system fixes.

## 3.3 Portfolio installers

CTGB provided a datatape [5] indicating the capacity installed by each Portfolio installer in Tranche 5 and Tranche 6.

Under the RSIP, installation contractors both originate and install systems. Table 3-1 summarizes the installation contractors engaged on system origination within the Portfolio and their respective contribution on a capacity basis. Overall, 58 installation contractors are represented in the Portfolio. The Tranche 5 and 6 portfolio is 72.41% third-party owned and 27.58% homeowner owned by system count.

**Table 3-1 Capacity installed by each Portfolio installer in Tranche 5 & 6**

Installer	Project count	% of Portfolio (by capacity)
Trinity Solar	3,262	30.35%
SunPower Capital	1,419	13.20%
Momentum Solar	1,263	11.75%
Sunrun	1,070	9.95%
Vivint Solar	765	7.12%
Posigen	751	6.99%
SolarCity	343	3.19%
Venture Solar	272	2.53%
Ross Solar	180	1.67%
Earthlight Technologies	174	1.62%
Green Power Energy	134	1.25%
Aegis Electrical Systems	133	1.24%
<b>Total</b>	<b>9,766</b>	<b>90.86%</b>

Trinity Solar has originated the most systems at 30.35% of the Portfolio. In addition to the installers listed above, another 46 installers have also contributed to the Portfolio.

Brief reviews of Trinity Solar, SunPower Capital, Momentum Solar, Sunrun, Vivint Solar, PosiGen, Solar City, Venture Solar, Ross Solar, Earthlight Technologies, Green Power Energy and Aegis Electrical Systems are included herein.

### 3.3.1 Trinity Solar

Trinity Solar, based in New Jersey, began installing solar systems in 2004. The. According to an article from Solar Power World, the organization now employs over 3,000 personnel and has installed over 1,002 MW of solar, primarily on the East Coast [9]. Trinity Solar's service areas include New Jersey, New York, Connecticut, Massachusetts, Maryland, Pennsylvania, Rhode Island, Florida, New Hampshire, and Delaware.

Though DNV's direct experience with Trinity Solar is limited, DNV acknowledges the company's strong standing as a national installer and considers them a suitable provider to the Portfolio.

### 3.3.2 SunPower Capital

SunPower has a global portfolio in residential, commercial, and utility solar energy markets and SunPower's website lists Orem, Utah as their headquarters. In September 2024, SunPower's court approved Bankruptcy was completed [10]. Complete Solar bought some of SunPower's assets and reduced the number of employees from 2,901 to 900 and twice achieved over \$300 million in annualized revenue [10].

DNV views SunPower Capital as a suitable provider to the Portfolio.

### 3.3.3 Momentum Solar

Momentum Solar was founded in 2009 and employs over 2,000 people [11]. Momentum Solar has installed over 500 MW of Solar since its founding. Its service areas include Arizona, California, Connecticut, Florida, Georgia, Massachusetts, Nevada, New Jersey, New York, Pennsylvania, Texas, and Rhode Island.

DNV views Momentum Solar as a suitable provider to the Portfolio.

### 3.3.4 Sunrun Inc.

Sunrun Inc., based in San Francisco, CA, began installing solar systems in 2007 and pioneered the residential solar energy as a subscription service providing fixed pricing under 20 or 25-year subscription agreements that generate recurring, contracted revenue for multiple decades. Sunrun has sold solar services in 22 states, DC, and Puerto Rico. As of June 2025, they have served over 1,074,270 customers installing 7.7 GW of solar energy in addition to 2.9 GW hours of storage capacity. [12]

DNV views Sunrun as a top solar installer, indicating good quality and strong installation practice. In light of these considerations, DNV views Sunrun, Inc. as a suitable provider to the Portfolio.

### 3.3.5 Vivint Solar

Sunrun completed its acquisition of Vivint solar on -8 October 2020.

Vivint Solar, based in Lehi, UT, began installing solar systems in 2011 and employed about 4,000 people at the time of its acquisition by Sunrun, operating in 22 states, primarily in the northeastern and southwestern U.S. [13]. As of 06 July 2020, Vivint Solar had installed 1,350MW of solar PV systems with 197,000 cumulative installations [14].

Though DNV's direct experience with Vivint Solar is limited, DNV considers them a suitable provider to the Portfolio.

### 3.3.6 PosiGen

Headquartered in New Orleans, LA, PosiGen was founded in 2011 and currently provides solar services to the areas of Connecticut, Louisiana, Massachusetts, Mississippi, New Jersey, Pennsylvania, and Rhode Island according to their website [15]. PosiGen is a residential solar, energy efficiency and energy education provider for low-to-moderate income families. PosiGen has more than 750 employees and has served nearly 30,000 customers in more than a dozen states through their expanding PosiGen Partner Program, a network of value-aligned solar service providers which PosiGen supports hundreds more solar jobs across the United States [15].

DNV views PosiGen as a suitable provider to the Portfolio.

### 3.3.7 SolarCity

SolarCity was listed on the NASDAQ exchange from 13 December 2012 until its acquisition by Tesla, Inc., in November 2016 [16]. Tesla Energy, f/k/a SolarCity, is an energy services provider for homeowners and businesses. Founded in 2006, SolarCity's primary business involved the designing, sales, engineering, installation, monitoring, maintenance, and financing of PV systems. The electric output of the PV systems is sold via contract to residential and commercial customers. Tesla Energy does not disclose how many people are working within its energy division; however, the website indicates a total employee count over 100,000 personnel [17]. Tesla has deployed nearly 4.0 GW of solar energy across approximately 480,000 roofs, generating over 25.0 TWh of clean energy according to their website [18].

DNV views SolarCity as a top solar installer indicating good quality and strong installation practice. In light of these considerations, DNV views Tesla Energy, f/k/a SolarCity as a suitable provider to the Portfolio.

### 3.3.8 Venture Solar

Venture Solar was founded in 2015 and headquartered in Brooklyn, New York. Venture Solar is a residential solar installation company consisting of over 300 personnel primarily serving the northeast region to include, New York, New Jersey, Connecticut, Rhode Island, New Hampshire, Massachusetts, Maine, Delaware, Maryland, and Pennsylvania [19]. Though the exact amount of solar energy deployed by Venture Solar is unknown, they have installed over 7,000 systems since its founding [20].

Though DNV's direct experience with Venture Solar is limited, DNV considers them a suitable provider to the Portfolio.

### 3.3.9 Ross Solar

Ross Solar was acquired by Coned Solutions and later was acquired by RWE. The transaction led to almost doubling RWE's renewables portfolio in the U.S. to more than 7 GW of operating assets and a combined team of about 1,400 personnel make up RWE's growth and investment plans in the U.S. [21].

DNV does not have enough information to offer an opinion on the standing of Ross Solar; however, DNV believes the relatively small percentage of capacity installed by Ross results in an overall low risk to the portfolio.

### 3.3.10 Earthlight Technologies

Earthlight Technologies, LLC, founded in 2008 [22], is a family owned solar and energy contractor specializing in residential and commercial solar photovoltaic (PV) systems, as well as other energy efficiency solutions. They are a SunPower master dealer and offer services including installation, financing, energy auditing, construction, and general contracting. Earthlight Technologies is based in Ellington, Connecticut, and serves clients in Connecticut, Massachusetts, and Oregon according to

their website [23]. Earthlight Technologies employs over 100 personnel and has installed 45.84 MW of solar energy since its founding [22].

Though DNV 's direct experience with Earthlight Technologies is limited, DNV considers them a suitable provider to the Portfolio.

### 3.3.11 Green Power Energy

Green Power Energy has been in operation since 2009 with offices in New Jersey and Connecticut primarily serving New Jersey, Connecticut, and Pennsylvania and the company has approximately 92 employees [24]. Green Power Energy has deployed over 41.23 MW of solar energy [25]. Green Power Energy offers comprehensive solar energy solutions customized to meet homeowners' needs. They offer initial installation to repairs and innovative EV charging option to ensure sustainable energy management for residential and commercial assets [25].

Though DNV 's direct experience with Green Power Energy is limited, DNV considers them a suitable provider to the Portfolio.

### 3.3.12 Aegis Electrical Systems

Aegis Electrical Systems is a solar energy installation company based in Branford, Connecticut. According to their website, Aegis Solar Energy was founded in 1989 and provides residential and commercial solar energy services [26]. The amount of employees under Aegis Electrical Systems and deployed energy installed by Aegis Electrical Systems is unknown. According to an email sent by CTGB, [27], Aegis recently purchased Sunlight Solar Energy.

DNV does not have enough information to offer an opinion on the standing of Aegis Electrical Systems; however, DNV believes the relatively small percentage of capacity installed by Aegis results in an overall low risk to the portfolio.

## 3.4 Installation performance

### 3.4.1 Inspection scoring

The Sponsor does not maintain a database of pass/fail inspection results with inspection criteria fields for all RSIP projects but does retain all inspection reports in the PowerClerk system. The program's self-inspection process, required for all systems, is to provide a completed checklist and a list of required photographs of the system and key components to ensure installation quality and safety. The purpose of the checklist is to provide contractors with quality control guidance and documentation to the Green Bank that systems meet program criteria. The Sponsor notes that it has yet to have an installer fail a "self-inspection" report [28].

Similarly, the Sponsor provided some anecdotal details of installer performance and disciplinary actions:

- If installer fails more than twice on same project (i.e., two times out for inspector to same site), then installer would need to pay equivalent for 3rd inspection.
- The Sponsor can only recall this happening once with installer, Today Electronics, which only installed one project, and is no longer an eligible contractor. The Sponsor took the cost of inspection from final rebate payment.
- Installers that have been removed from the program, all related to contracting issues: BeFree, Catchin Rays, and Sunergy. Additionally, 1st Light Energy was suspended from the program due to alleged violations related to improper incentive activity [29].

- The installer Skyline was previously suspended from the program but this suspension has been lifted at the recommendation of the Connecticut Department of Consumer Protection, having reached a settlement on customer issues. [29].
- Installers with no prior experience installing PV systems will become eligible contractors once three PV installations pass Sponsor inspections. There have been several installers with ongoing QA/QC concerns that needed to be inspected well beyond the requisite three inspections.
- Inspectors: The Sponsor has always and continues to encourage inspectors to work with installers on issue(s) found in the field; the goal is for the homeowner to ultimately be satisfied. The Sponsor has worked with installers to adjust practices and help them better understand electrical aspects to ensure system longevity.

## 4 MAJOR EQUIPMENT REVIEW

DNV reviewed the modules, inverters, and metering and communication equipment in the Portfolios to assess product quality and reliability, and to evaluate technology risk as compared to similar products in the industry. Equipment reviews were based on provided and publicly available information, and on DNV prior experience with the products, as applicable.

### 4.1 PV modules

Table 4-1 shows the top nine (9) modules within the Portfolio. DNV reviewed the manufacturers that make up 94% of the Portfolio by capacity.

**Table 4-1 Top module manufacturers**

Manufacturer	Number of systems	Capacity (kWdc)	% of Portfolio (by capacity)
Hanwha Q-Cells	3,802	31,853	34%
Maxeon (SunPower)	1,736	17,622	19%
LG Electronics Solar Cell Division	1,838	16,309	17%
REC Solar	719	5,798	6%
LONGi Green Energy Technology	526	4,441	5%
Jinko Solar	525	4,427	5%
Silfab	557	3,833	4%
Yingli Energy (China)	427	3,416	4%
Trina Solar	171	1,326	1%
<b>Total</b>	<b>10,301</b>	<b>90,055</b>	<b>94%</b>

#### 4.1.1 Module manufacturer review

**Background:** Due to the fast pace of innovation in module design and technology, historical field data is rarely applicable when assessing risks for current modules in the market. However, a thorough evaluation of module design (BOM and accelerated testing) and manufacturing quality (factory audits and production monitoring) can still lead to a comprehensive risk assessment, which DNV considers the best practice and the most direct approach for assessing module risk.

In the absence of such detailed information, a "high-level" risk assessment with greater uncertainty can be conducted by considering indirect and publicly available information. In such a high-level assessment, manufacturing quality may be inferred indirectly based on factors such as the manufacturer's size, experience, certifications, and historical factory audits, if available. Additionally, a high-level module reliability assessment is carried out by examining the module specifications for reasonableness and consistency with similar modules in the industry. While the Sponsor defines the exact scope of this review, DNV strives to synthesize as much information as possible in its module risk assessments.

**Review scope:** The Sponsor has engaged DNV to perform a review of the manufacturer with the following scope:

- Manufacturer review [based on publicly available information and previously reviewed module tests and factory audits if available]

DNV considers the requested scope to represent a high-level risk assessment.

#### 4.1.1.1 Hanwha Q CELLS company review

Hanwha Group is headquartered in Seoul, South Korea, (Global Executive Headquarters) and oversees four industries: Retail & Services, Finance, Aerospace & Mechatronics, and Clean Energy & Ocean Solutions. Hanwha Clean Energy provides complete energy solutions from solar modules and systems to renewable energy plant development and construction, as well as energy retail. The company currently has manufacturing sites in the United States, South Korea, and Malaysia.

Within the Clean Energy & Ocean Solutions branch is the Hanwha Solutions Qcells Division whose U.S. and Germany entities are branded as Qcells. Qcells is stated to be the No. 1 market share holder in the U.S. in both the residential and commercial solar module markets.

Qcells is the result of, first the acquisition of Q CELLS in Thalheim, Germany in 2012, and then the merger of Hanwha Q CELLS and Hanwha SolarOne in 2015. SolarOne was formed when Solarfun joined the Hanwha group in 2010. Q CELLS was founded in Berlin, Germany in 1999 and entered the PV market in 2000 as a supplier of crystalline silicon PV cells. Module production began in 2010. Q CELLS research and development as well as quality management are operated out of the Thalheim facility which has a pilot line for cells, a module prototyping facility and a large test laboratory for material qualification and testing of finished goods from the global manufacturing sites utilizing the Hanwha Q CELLS technology.

In early 2019, Hanwha Q CELLS rebranded as Qcells and began module production at a newly constructed 1.7 GWp module manufacturing facility in Dalton, Georgia, which has since expanded to a capacity of 5.1 GWp as of late 2023. In 2022, Qcells invested in REC Silicon's mothballed polysilicon plant in Moses Lake, Washington, U.S. Then, in January 2023, Qcells began construction of a 3.3 GWp/year ingot, wafer, cell, and module manufacturing plant in Cartersville, Georgia, representing a total \$2.5 billion investment. Once completed and operational in 2025, Qcells will have a combined annual module capacity of 8.4 GWp. In August 2023, the Department of Commerce found Qcells Malaysia not to be violating U.S. trade rules regarding circumvention of China's tariffs. Announced in August 2024, the U.S. Energy Department is providing a \$1.45 billion loan to Qcells to support the construction of a \$2.2 billion solar manufacturing complex in Georgia, which will strengthen the domestic solar supply chain through manufacturing ingots, wafers, cells, as well as modules.

The table below summarizes DNV's high-level review of Hanwha Q CELLS.

**Table 4-2 Summary of DNV's review of Hanwha Q CELLS**

Item	Details	DNV View
Manufacturer	Hanwha Q CELLS	
Years' experience	25	Ranks as a highly experienced manufacturer.
Production size (GWp/year)	14.6	Correlated with mature quality control systems.
Factory locations	USA, South Korea, Malaysia	Multiple countries of manufacture help to mitigate external risks including supply constraints, political or pandemic issues, or tariffs.
Manufacturing chain	Cells, modules	Typical vertical integration with typical quality control challenges.
ISO 9001	Yes	In-line with expectations.
ISO 14001	Yes	In-line with expectations.
OHSAS 18001/ISO 45001	Yes	In-line with expectations.

Item	Details	DNV View
Extended-duration test tally (<2%)	81	Evidence of an ability to repeatably design durable modules, indicating that an effective design and quality system may have been implemented.
Factory audit summary	<i>Based on a review of 2 factory audits performed between 2020 and 2024, DNV views the quality management at the audited sites to be in-line with typical module factories in the industry, suggesting that the manufacturer may have established a satisfactory quality management system.</i>	
DNV manufacturer summary	<i>Based on the information above, DNV considers Hanwha Q CELLS capable of supplying PV modules of similar or better quality as modules from prominent manufacturers in the market.</i>	

DNV considers Hanwha Q CELLS capable of supplying PV modules of similar or better quality as modules from prominent manufacturers in the market.

#### 4.1.1.2 Maxeon (SunPower) company review

In 2020, SunPower split into two independent publicly traded companies, SunPower and Maxeon Solar Technologies. SunPower became a pureplay company focused on distributed energy services including product innovation, downstream high-efficiency solar systems plus high-growth storage and energy services. Initially, SunPower had retained the Hillsboro, Oregon factory which it purchased in 2019 in order to manufacture the Performance Series module. However, in early 2021, SunPower closed the factory, thereby completely exiting the module manufacturing business. Maxeon Solar Technologies, based in Singapore, become the manufacturer of the premium Maxeon (IBC-cell) solar panels as well as the Performance Series (shingled-cell) solar panels.

SunPower was founded in 1985 and is regarded in the industry as a leader in manufacturing high efficiency solar photovoltaic cells. In the early 1990s, SunPower commercialized the Interdigitated Back-Contact (IBC) cell design which had been used to construct the industry's most efficient silicon-based cells, originally developed for concentrator and specialty applications, such as solar vehicles and aerospace applications. SunPower (now Maxeon) denotes their various generations of IBC cells as Maxeon cells and achieves average production cell efficiencies exceeding 25% which led to the world record Maxeon solar panel achieving a module efficiency of 24.7%.

In 2011, France-based Total S.A. purchased a controlling interest in SunPower and remains a majority shareholder in Maxeon Solar Technologies. In 2015 SunPower acquired Cogenra Solar, Inc. for their innovative cell shingling technology used in SunPower's Performance Series modules. Then, in 2017, SunPower formed DZS, a joint venture with Dongfang Electric Company (DEC) and Tianjin Zhonghuan Semiconductor (TZS), to manufacture their Performance Series shingled modules. Maxeon has invested in manufacturing plants in Mexico which total 2.5 GWp/year of Performance Series module production. In late 2023, Maxeon announced a cell and module 3 GWp/year factory in Albuquerque, New Mexico representing a \$1 billion investment. In early 2024, Maxeon, claiming patents related to tunnel oxide passivated contact (TOPCon) solar cell technology, initiated a TOPCon patent infringement lawsuit against Canadian Solar in the US.

The table below summarizes DNV's high-level review of Maxeon.

**Table 4-3 Summary of DNV's review of Maxeon**

Item	Details	DNV View
Manufacturer	Maxeon	
Years' experience	25	Ranks as a highly experienced manufacturer.



Item	Details	DNV View
Production size (GWp/year)	4	Correlated with improving quality control systems.
Factory locations	China, Malaysia, Philippines, Mexico	Multiple countries of manufacture help to mitigate external risks including supply constraints, political or pandemic issues, or tariffs.
Manufacturing chain	Cells, modules	Typical vertical integration with typical quality control challenges.
ISO 9001	Yes	In-line with expectations.
ISO 14001	Yes	In-line with expectations.
OHSAS 18001/ISO 45001	Yes	In-line with expectations.
Extended-duration test tally (<2%)	21	Evidence of an ability to repeatably design durable modules, indicating that an effective design and quality system may have been implemented.
Factory audit summary	<i>No factory audits have been reviewed for Maxeon.</i>	
DNV manufacturer summary	<i>Based on the information above, DNV considers Maxeon capable of supplying PV modules of similar or better quality as modules from prominent manufacturers in the market.</i>	

DNV considers Maxeon (Sunpower) capable of supplying PV modules of similar or better quality as modules from prominent manufacturers in the market.

#### 4.1.1.3 LG Solar company review

Founded in 1958, LG Electronics Inc. of South Korea, is part of the LG Group and is a large multinational producer of consumer electronics, mobile communications devices and home appliances. While being involved with photovoltaics as far back as 1985, the company entered the PV module industry in earnest in 2009. In that year, LG Electronics constructed PV cell and module factories in Gumi, Korea, as well as a Solar Test Lab which is certified by TÜV and UL. LG began initial mass production of solar modules in 2010. In January 2016, LG began a fab expansion increasing its capacity from 1 GWp to 1.8 GWp by 2018 and expanding to 3 GWp by 2020. LG opened a solar plant in Huntsville, Alabama in 2019 with a total capacity of 550 MWp. However, in February 2022, LG announced it is exiting the global solar module manufacturing business and shutting all its module factories.

LG was a vertically-integrated manufacturer producing their own solar cells and assembling their own modules. LG offered advanced monocrystalline modules using innovative PV technologies such as n-type PERT cells and n-type interdigitated back-contact (IBC) cells.

While operating its module manufacturing, LG stated that it performs electroluminescence (EL) tests on 100% of modules coming off their manufacturing line, which DNV considers to be industry best practice. LG maintained their own PV module test laboratory certified by Underwriters Laboratories (U.S.) and TÜV Rhineland (Germany) to carry out a suite of customary UL and IEC tests applied to solar modules. The firm produced PV modules with module efficiencies exceeding 21%. In Feb 2021, LG unveiled its new 66-cell NeON R and NeON R Prime modules featuring back-contact cells and efficiencies up to 22.1% for U.S. homebuilders and homeowners. Additionally, LG offered a 25-year product warranty on its NeON series of modules compared with the typical 10 or 12-year product warranties in the market.

Although panel production has ceased, LG said it will continue to honor the limited warranty with each product sold.

The table below summarizes DNV's high-level review of LG Solar.

**Table 4-4 Summary of DNV's review of LG Solar**

Item	Details	DNV View
Manufacturer	LG Solar	
Years' experience	12 years (2010 to 2022)	
Production size (GWp/year)	3	Correlated with improving quality control systems.
Factory locations	South Korea	Single country of manufacture increases external risks including supply chain constraints, political, pandemic, or tariffs.
Manufacturing chain	Cells, modules	Typical vertical integration with typical quality control challenges.
ISO 9001	Yes	In-line with expectations.
ISO 14001	Yes	In-line with expectations.
OHSAS 18001/ISO 45001	Yes	In-line with expectations.
Extended-duration test tally (<2%)	Typical	
Factory audit summary	<i>No factory audits have been reviewed for LG Solar.</i>	
DNV manufacturer summary	<i>Based on the information above, DNV considers LG Solar capable of supplying PV modules of similar quality as modules from conventional manufacturers in the market.</i>	

DNV considers LG Solar capable of supplying PV modules of similar quality as modules from conventional manufacturers in the market.

#### 4.1.1.4 REC Solar company review

REC (Renewable Energy Corporation) was originally founded in 1996 in Norway as a silicon wafer manufacturer, ScanWafer. The company changed its name to REC in 2000 and began cell and module manufacturing in 2003. The former Renewable Energy Corporation ASA had two divisions: REC Silicon and REC Solar. In October 2013, these were split into two entirely separate entities, each focusing on their own core business. For REC Silicon, this was polysilicon and silane gas for the solar and electronics industries with manufacturing facilities in Moses Lake, Washington and Butte, Montana, U.S. Both facilities were shut down, but presently, the Moses Lake polysilicon refining factory is being resurrected with a capital injection and partnership with Hanwha Q Cells. REC Solar has been sold to Elkem, a large Norwegian conglomerate and continues as "REC" to manufacture wafers, solar cells, and solar panels at its highly automated integrated manufacturing facility in Singapore. After multiple changes in ownership, REC Group (formerly 'REC Solar') is presently under the ownership of the Indian company, Reliance Industries, a large Indian conglomerate. Reliance's revenues are primarily in oil/gas/chemicals. REC's revenues represent less than 1% of those of Reliance.

REC offers a variety of module technologies including modules with PERC cells and heterojunction cells (n-type) for higher efficiencies.

The table below summarizes DNV's high-level review of REC Solar.

**Table 4-5 Summary of DNV's review of REC Solar**

Item	Details	DNV View
Manufacturer	REC Solar	
Years' experience	22	Ranks as a highly experienced manufacturer.
Production size (GWp/year)	1.5	Correlated with less mature quality control systems.

Item	Details	DNV View
Factory locations	Singapore	Single country of manufacture increases external risks including supply chain constraints, political, pandemic, or tariffs.
Manufacturing chain	Cells, modules	Typical vertical integration with typical quality control challenges.
ISO 9001	Yes	In-line with expectations.
ISO 14001	Yes	In-line with expectations.
OHSAS 18001/ISO 45001	Yes	In-line with expectations.
Extended-duration test tally (<2%)	0	Insufficient information to infer the manufacturer's ability to repeatably design durable modules.
Factory audit summary	<i>No factory audits have been reviewed for REC Solar.</i>	
DNV manufacturer summary	<i>Based on the information above, DNV considers REC Solar capable of supplying PV modules of similar quality as modules from conventional manufacturers in the market.</i>	

DNV considers REC Solar capable of supplying PV modules of similar quality as modules from conventional manufacturers in the market.

#### 4.1.1.5 LONGi company review

LONGi Silicon Materials was founded in 2000 and focused on growing silicon ingots and slicing wafers. LONGi Solar is the largest manufacturing entity in the PV industry today. LONGi manufactures half the industry's monocrystalline wafers. LONGi entered the cell and module market when it acquired Lerri Solar Technology in 2014. Lerri was founded in 2007 and focused on the manufacture of solar mono-crystalline cells and modules.

LONGi claims to perform internal testing of its modules to 3x the IEC 61215 tests with <5% degradation, and PID (85°C /85%RH/96h, 300h, & 600h) and dynamic mechanical loading testing (1000cycles+TC50+HF10) with <3% degradation. Additionally, LONGi advertises its quality management systems including a comprehensive quality system management and continuous improvement utilizing MES (manufacturing executing system). In 2020, LONGi's Product R&D center was certified by CSA as a Witness Manufacturer Testing facility which means that LONGi can now use its own resources to conduct on-site testing of its products according to the standards required under the witness of third-party institutions, and thereby shortening the certification testing cycle.

In 2020, LONGi acquired Vina Solar in Vietnam which has 3 GWp/year of primarily p-Type PERC solar cell capacity and >7 GWp/year of module assembly capacity. After investing US\$6.7 billion, LONGi is capable of manufacturing 100 GWp of solar wafers and 50 GWp of solar cell capacity per year in 2023. In March 2023, LONGi announced a joint venture with Invenergy (developer) to build a 5 GWp/year module assembly factory in Pataskala, Ohio. Commercial operation for the first production line is expected to begin in Q1 2024, with the remaining seven lines starting throughout the remainder of 2024. According to LONGi's annual report by end of 2023, the company's self-owned silicon wafer production capacity reached 170 GWp, the cell production capacity reached 80 GWp, and the module production capacity reached 120 GWp.

The table below summarizes DNV's high-level review of LONGi.

**Table 4-6 Summary of DNV's review of LONGi**

Item	Details	DNV View
Manufacturer	LONGi	
Years' experience	18	Ranks as a highly experienced manufacturer.

Item	Details	DNV View
Production size (GWp/year)	120	Correlated with mature quality control systems.
Factory locations	China, Vietnam, Malaysia and USA	Multiple countries of manufacture help to mitigate external risks including supply constraints, political or pandemic issues, or tariffs.
Manufacturing chain	Ingots, wafers, cells, modules, systems	High vertical integration offers the opportunity for better quality control.
ISO 9001	Yes	In-line with expectations.
ISO 14001	Yes	In-line with expectations.
OHSAS 18001/ISO 45001	Yes	In-line with expectations.
Extended-duration test tally (<2%)	66	Evidence of an ability to repeatably design durable modules, indicating that an effective design and quality system may have been implemented.
Factory audit summary	<i>Based on a review of 10 factory audits performed between 2020 and 2024, DNV views the quality management at the audited sites to be leading that of other module factories in the industry, suggesting that the manufacturer may have established an effective quality management system.</i>	
DNV manufacturer summary	<i>Based on the information above, DNV considers LONGi capable of supplying PV modules of similar or better quality as modules from prominent manufacturers in the market.</i>	

DNV considers LONGi capable of supplying PV modules of similar or better quality as modules from prominent manufacturers in the market.

#### 4.1.1.6 Jinko company review

Jinko Solar started operations in 2006 with the first modules sold in 2009. It is a vertically integrated manufacturer producing silicon ingots, wafers, PV cells, modules, and mounting systems. Jinko states it has a global customer base for its utility, commercial, and residential solutions and services spanning China, the United States, Japan, Germany, the United Kingdom, and other countries.

Jinko Solar has five manufacturing facilities in Jiangxi and Zhejiang Provinces in China where the majority of the production capacity is concentrated and other minor production lines in Malaysia (for US market), Portugal, and South Africa. Jinko advertises that not only is it vertically integrated with tight quality controls, but also that its factories are highly automated and employ AI for yield and quality control. In early 2019, Jinko officially opened a 400 MWp/year solar panel manufacturing facility in Jacksonville, FL, USA., and has reportedly upgraded the capacity to 2 GWp/year. Jinko boasts of two factories in China that are entirely powered by renewable energy. In early 2024, Jinko announced they have broken ground on the first phase of what will be a 56 GWp/year PV factory. Each 14 GWp/year phase consists of an integrated ingots, wafers, solar cells, and modules factory and all four phases are expected to be online in 2025.

Jinko Solar's annual mono wafer, PERC cell and module production capacity to reached 65 GWp, 55 GWp, and 70 GWp, respectively by the end of 2022. Jinko also states that all modules use backsheets with DuPont Tedlar PVD which they state is the only material to have a proven field performance of over 25 years. Jinko has introduced n-type TOPCon cell modules to the market and has recently (October 2023) set a record efficiency for large-area (182 mm) TOPCon cell of 26.89%.

The table below summarizes DNV's high-level review of Jinko.

**Table 4-7 Summary of DNV's review of Jinko**

Item	Details	DNV View
Manufacturer	Jinko	
Years' experience	16	Ranks as a highly experienced manufacturer.
Production size (GWp/year)	70	Correlated with mature quality control systems.
Factory locations	China, Malaysia, USA	Multiple countries of manufacture help to mitigate external risks including supply constraints, political or pandemic issues, or tariffs.
Manufacturing chain	Ingot, wafers, cells, and modules	High vertical integration offers the opportunity for better quality control.
ISO 9001	Yes	In-line with expectations.
ISO 14001	Yes	In-line with expectations.
OHSAS 18001/ISO 45001	Yes	In-line with expectations.
Extended-duration test tally (<2%)	58	Evidence of an ability to repeatably design durable modules, indicating that an effective design and quality system may have been implemented.
Factory audit summary	<i>Based on a review of 3 factory audits performed in 2023, DNV views the quality management at the audited sites to be in-line with typical module factories in the industry, suggesting that the manufacturer may have established a satisfactory quality management system.</i>	
DNV manufacturer summary	<i>Based on the information above, DNV considers Jinko capable of supplying PV modules of similar or better quality as modules from prominent manufacturers in the market.</i>	

DNV considers Jinko capable of supplying PV modules of similar or better quality as modules from prominent manufacturers in the market.

#### 4.1.1.7 Silfab company review

Silfab Solar was founded in 2011 in Mississauga, Canada and manufactures monocrystalline modules. Silfab Ontario has a 110,000-square foot, ISO 9001-2008 quality certified production facility. In Toronto, Silfab says it has a manufacturing capacity of 700 MWp/year. Silfab additionally has a 150 MWp/year manufacturing site in Bellingham, Washington, after its investment in ITEK Solar.

Silfab offers modules with monocrystalline bifacial PERC cells and has been innovating modules using metal wrap-through back contact cells. Silfab is reliant on buying cells from Asia, likely Sinsung in South Korea. The company appears to have received various grants and incentives, possibly making the difference between break-even status and loss-making. While Silfab is not a large manufacturer, Silfab has been making modules for many years and claims to have a fully automated production line. DNV has not reviewed any factory audits for Silfab factories. In 2023, Silfab announced a 1 GWp solar cell and 1.2 GWp module manufacturing facility in York County, South Carolina. The facility was expected to be operational in Q3 2024 but is now expected to begin deliveries in mid-2025.

The table below summarizes DNV's high-level review of Silfab.

**Table 4-8 Summary of DNV's review of Silfab**

Item	Details	DNV View
Manufacturer	Silfab	
Years' experience	14	Ranks as a highly experienced manufacturer.

Item	Details	DNV View
Production size (GWp/year)	1	Correlated with less mature quality control systems.
Factory locations	Canada, USA	Two countries of manufacture may help mitigate external risks including supply constraints, political or pandemic issues, or tariffs.
Manufacturing chain	Modules	Less vertical integration poses more difficulty with quality control.
ISO 9001	Yes	In-line with expectations.
ISO 14001	Yes	In-line with expectations.
OHSAS 18001/ISO 45001	No	Atypical in the industry.
Extended-duration test tally (<2%)	16	Some evidence of an ability to repeatably design durable modules, but not enough evidence to indicate that an effective design and quality system has been consistently implemented.
Factory audit summary	<i>No factory audits have been reviewed for Silfab.</i>	
DNV manufacturer summary	<i>Based on the information above, DNV considers Silfab to likely supply PV modules with a higher probability of a quality risk than modules from conventional manufacturers in the market.</i>	

DNV considers Silfab to likely supply PV modules with a higher probability of a quality risk than modules from conventional manufacturers in the market.

#### 4.1.1.8 Yingli company review

Yingli Green Energy Holding Company entered the PV industry in 1998 and was listed on the NYSE in 2007 (YGE). The company was vertically integrated, producing silicon wafers, cells, and modules. Yingli was the largest PV manufacturer in 2012 and 2013 and the second largest in 2014. In 2015, Yingli ranked 5th largest manufacturer, and marketed the innovative PERT cell called "Panda" cell. Yingli then experienced significant financial difficulties, scaled back its operations and went bankrupt in 2019. The company was then restructured and emerged under new private ownership within China in 2020 as Yingli Energy. Yingli has discontinued wafer and cell manufacturing and is presently a ~10 GWp/ per year module manufacturer.

According to its website, Yingli's factories have the ISO 9001 Quality Management System certification, the ISO 14001 Environmental Management System certification, and the OHSAS 18001 Occupational Health and Safety certification. DNV cautions that the company has had and still has financial difficulties which may impact Yingli's ability to meet obligations.

The table below summarizes DNV's high-level review of Yingli.

**Table 4-9 Summary of DNV's review of Yingli**

Item	Details	DNV View
Manufacturer	Yingli	
Years' experience	27	Ranks as a highly experienced manufacturer.
Production size (GWp/year)	10	Correlated with mature quality control systems.
Factory locations	China	Single country of manufacture increases external risks including supply chain constraints, political, pandemic, or tariffs.

Item	Details	DNV View
Manufacturing chain	Modules	Less vertical integration poses more difficulty with quality control.
ISO 9001	Yes	In-line with expectations.
ISO 14001	Yes	In-line with expectations.
OHSAS 18001/ISO 45001	Yes	In-line with expectations.
Extended-duration test tally (<2%)	8	Insufficient information to infer the manufacturer's ability to repeatably design durable modules.
Factory audit summary	<i>No factory audits have been reviewed for Yingli.</i>	
DNV manufacturer summary	<i>Based on the information above, DNV considers Yingli capable of supplying PV modules of similar quality as modules from conventional manufacturers in the market. DNV cautions that the company has had financial difficulties which may impact Yingli's ability to meet obligations. Like many Chinese manufacturers, modules for the US market are manufactured outside of China, sometimes by other companies.</i>	

DNV considers Yingli capable of supplying PV modules of similar quality as modules from conventional manufacturers in the market. DNV cautions that the company has had financial difficulties which may impact Yingli's ability to meet obligations. Like many Chinese manufacturers, modules for the US market are manufactured outside of China, sometimes by other companies.

#### 4.1.1.9 Trina company review

Trina Solar, founded in 1997, produces silicon ingots, wafers, cells, and modules and includes a system integration group. Trina Solar is a leading global PV module supplier ranking in the top 5 largest suppliers. The company's corporate headquarters and main factory are located in Changzhou, China. The factory locations are in China, Vietnam, Thailand, Indonesia, and the U.S. They have over 40,000 employees worldwide. Trina Solar manufactures monocrystalline PERC cells and, starting Q1 2023, TOPCon cells. Trina's downstream businesses include solar PV project development, financing, design, construction, and operations & management. In 2018, Trina also acquired a tracker company (Nclave) in an attempt to offer module-plus-BoS solutions for utility projects. Trina Solar US has states that its 6.5 GWp PV wafer manufacturing facility in Vietnam has been online since mid-2023 specifically to supply the US market. Trina said that it has already begun developing a supply chain with polysilicon sourced outside of China.

According to the company's website, Trina's State Key Laboratory of PV Science and Technology has broken 21 world records on solar cell efficiency and module power. A recent efficiency record is 25.5% on an n-type monocrystalline TOPCon cell in March 2022. In March 2025, Trina announced a record 808 W perovskite/silicon tandem solar module (26% module efficiency, 3.1 m<sup>2</sup>). Trina claims to use 36 in-house quality tests to ensure product reliability throughout the manufacturing chain from incoming silicon and wafer quality, through cell and module assembly. Trina built a 5 GWp module manufacturing factory in Wilmer, Texas which was acquired by Freyr Battery in 2024.

The table below summarizes DNV's high-level review of Trina.

**Table 4-10 Summary of DNV's review of Trina**

Item	Details	DNV View
Manufacturer	Trina	
Years' experience	25	Ranks as a highly experienced manufacturer.
Production size (GWp/year)	130	Correlated with mature quality control systems.



Item	Details	DNV View
Factory locations	China, Vietnam, Thailand, Indonesia	Multiple countries of manufacture help to mitigate external risks including supply constraints, political or pandemic issues, or tariffs.
Manufacturing chain	Ingot, wafer, cells, and modules	High vertical integration offers the opportunity for better quality control.
ISO 9001	Yes	In-line with expectations.
ISO 14001	Yes	In-line with expectations.
OHSAS 18001/ISO 45001	Yes	In-line with expectations.
Extended-duration test tally (<2%)	81	Evidence of an ability to repeatably design durable modules, indicating that an effective design and quality system may have been implemented.
Factory audit summary	<i>Based on a review of 2 factory audits performed between 2022 and 2023, DNV views the quality management at the audited sites to be leading that of other module factories in the industry, suggesting that the manufacturer may have established an effective quality management system.</i>	
DNV manufacturer summary	<i>Based on the information above, DNV considers Trina capable of supplying PV modules of similar or better quality as modules from prominent manufacturers in the market.</i>	

DNV considers Trina capable of supplying PV modules of similar or better quality as modules from prominent manufacturers in the market.

## 4.1.2 Module warranty review

**Table 4-11 Module warranty review**

Manufacturer	Description	Warranty version	Product Warranty Duration (years)	Performance Duration (years)	Performance 1st year	Performance Annual degradation	Performance Last year	IE Comments
Hanwha Q cells	DNV has not received warranty documentation for review							
Maxeon (SunPower)	DNV has not received warranty documentation for review							
LG Solar	LG350N1C-V5	NA	25	25	98%	0.5%	86%	Leading
REC Solar	N-Peak Series	NE-05-11-Rev- B 01.19	20	25	98%	0.5%	86%	Leading
LONGi Solar	LR6-60HP	V10	10	25	98%	0.55%	84.8%	In-line
Jinko Solar	DNV has not received warranty documentation for review							
Silfab	BC Series SIL - 320 BL	Silfab-SIL-320-BL-20210803	25	30	97.1%	-0.5%	82.6%	Leading
Yingli	YLM-Ti 60 CELL	DS_YLM-Ti 60CELL-30b_35mm_EU_EN_2 0190915_V04	12	25	97%	-0.70%	80.20%	Lagging
Trina	TSM-DD06M.05(II)	TSM_EN_2019_A	10	25	97%	-0.70%	80.20%	Lagging



## 4.2 Inverters

Table 4-12 shows the top three (3) inverter manufacturers in the Portfolio. DNV reviewed the manufacturers that make up 98% of the Portfolio by capacity.

**Table 4-12 Inverter suppliers in the Portfolio**

Manufacturer	Number of systems	Capacity (kWdc)	% of Fleet (by capacity)
SolarEdge Technologies	5,986	50,132	54%
Enphase Energy	4,028	35,803	38%
SunPower	519	5,221	6%
<b>Total</b>	<b>10,533</b>	<b>91,156</b>	<b>98%</b>

### 4.2.1 Inverter manufacturer review

#### 4.2.1.1 Enphase company review

Enphase Energy (NASDAQ: ENPH) is a publicly held company based in Petaluma, California, and is the world's leading microinverter manufacturer. As of Q2 2024, Enphase reported that it has installed over 76 million of its microinverters [30] since their introduction in 2008 and is currently on its eighth-generation design. The devices have thus far been well-received by the solar industry. The use of module-level electronics like Enphase can be particularly beneficial for systems with partial shading or complex roof designs, as the microinverters help reduce mismatch losses (as are incurred with string inverters). Enphase's microinverters are also favored by certain installers due to the simplicity of installation (relative to a string inverter) and module level performance monitoring, among other reasons.

Enphase has also developed storage products for integration into residential installations, integrating with Enphase microinverters and an Enphase system controller. Recently, Enphase has also begun selling EV charging infrastructure for residential installations.

According to Wood Mackenzie report dated June 2024, in 2023 Enphase was first globally in microinverter shipments and second in MLPE shipments.

DNV has previously reviewed reliability information for Enphase M215 integrated ground (IG), M250, S230, S280, IQ6, IQ6PLUS, IQ7 and IQ7PLUS microinverters, which support a 25-year design lifetime, although some proportion will likely fail over this period. The most recent update to the Technology Review of Enphase's product line covered the IQ7 and IQ7PLUS and may be available from Enphase. The Technology Review includes a significant reliability discussion including field failure rate data for models including the IQ6 and IQ6PLUS. The Technology Review also includes failure projections for all then-available Enphase models, including the IQ7 and IQ7PLUS. DNV views the overall Enphase activities to ensure product reliability positively. These include:

- Design for Reliability
- Reliability testing (HALT)
- Actual field performance monitoring with low field failure rates.

The design and product verification approaches used by Enphase are state-of-the-art in these areas.

The table below summarizes DNV's high-level review of Enphase.

**Table 4-13 Summary of DNV's review of Enphase**

Item	Detail	DNV View
Production experience	Since 2008	Typical manufacturer experience
PV inverter market share ranking (by MWac shipments)	Ranking year: 2023 Ranking source: Wood Mackenzie report 2024  Category: Microinverters: USA: 1 <sup>st</sup> Globally: 1 <sup>st</sup>	The top provider of microinverters globally
Detailed technology reviews of manufacturer conducted by DNV	DNV most recently reviewed Enphase's microinverters in 2023	DNV is familiar with the manufacturer.
Manufacturing locations	Germany (Phoenix Contact), China (Flextronics), and Canada (Flextronics)	All facilities are contract manufacturers. DNV is familiar with the facilities and manufacturing quality practices.
ISO 9001 Quality Management Systems	Yes	In-line with industry practice
ISO 14001 Environmental Management Systems	Yes	In-line with industry practice
ISO 45001	Yes	In-line with industry practice
DNV opinion	Enphase is the foremost supplier of microinverters in North America with a robust quality and reliability program. DNV has reviewed Enphase's technology in detail and finds them to be an acceptable supplier of module-level power conversion and energy storage technologies. DNV considers Enphase to be an acceptable supplier of microinverters and does not consider Enphase to represent an atypical technology risk to the Portfolio.	

#### 4.2.1.2 SolarEdge company review

SolarEdge (NASDAQ: SEDG, with a March 2015 initial public offering) is a solar electronics manufacturer which was founded in 2006 and began mass production of module-level power optimizers and inverters in 2009. SolarEdge specializes in string-level inverters utilizing power optimizing MLPE devices and also offers energy storage products and EV charging hardware.

As of August 2024, SolarEdge indicates that it has shipped over 5.7 million inverters and 128 million power optimizers worldwide, with over 4,600 employees. According to Wood Mackenzie report dated June 2024, in 2023 SolarEdge was first globally in optimizer and MLPE shipments. In the US SolarEdge is seventh in inverter and first in single-phase inverter shipments for 2023.

SolarEdge provides both module level electronics (optimizers) and inverters. SolarEdge is best known for its power optimizers, which are small electronic devices attached to each PV module which operate under the principal of implementing Maximum Power Point Tracking (MPPT) at the individual module level. An additional benefit of this setup is real-time performance monitoring of each PV module. These devices are commonly deployed in situations where a PV array may consist of two or more azimuths and/or complex shading conditions where part of the module or array may be wholly or partially shaded while another part has a clear view of the sun. SolarEdge was one of the first market entrants for this type of component. The systems with SolarEdge optimizers almost always employ SolarEdge inverters, as the inverters are designed to work as a system with optimal performance and cost.



DNV is very familiar with SolarEdge's residential product lines, and has reviewed the steps of design for reliability, highly accelerated life testing (HALT), and field track record since the optimizer's introduction. In 2017, SolarEdge also provided DNV up-to-date track record summaries for inverters and power optimizers.

In 2016, SolarEdge introduced the HD-Wave Inverter, with over 10,000 units shipped in the first year. DNV reviewed the HD-Wave in detail in 2017. The field introduction matched the typical "Bathtub Curve" failure rate prediction for electronic devices, with a higher failure rate in the first units deployed, followed by a decline in failure rate within the first year. Product improvements and changes in process brought the HD-Wave failure rate in-line with expectations, with an annual failure rate of less than 0.5% after the first year of deployment.

### Energy Hub Inverter

In June 2020, SolarEdge launched the SolarEdge Energy Hub Inverter with features that combined the HD-Wave technology with the functionality of the StorEdge Inverter, to achieve greater flexibility in residential installations. The Energy Hub Inverter is available in four power ratings for installation in North America: 3000, 3800, 6000 and 7600 watts.

The Energy Hub Inverter can support up to 200% dc over-sizing, with 99% CEC weighted efficiency, and is designed to operate grid-tied or in ac backup mode, serving the household loads. The AVL notes that the Energy Hub Inverter is not yet approved for use with storage within the Portfolio.

DNV has not reviewed the Energy Hub Inverter design and product validation in detail, and field reliability data have not yet become available for review.

### Power optimizers

The documentation provided to DNV indicates that the field reliability of SolarEdge power optimizers is high. Each power optimizer device contains a relatively low discrete component count (compared to solar inverters), utilizes existing mature electronic technologies and fabrication methods, and is subject to rigorous product testing. Short of longer duration field reliability data, SolarEdge has applied established QA/QC and production methods which in their view allow them to warrant the devices for 25 years of operation, based upon a daily duty cycle of 12 hours on, 12 hours off.

### Inverters

The single-phase and three-phase inverter data supplied by SolarEdge in 2017 (as well as single-phase inverter data from other Portfolios DNV has reviewed) all indicate that SolarEdge inverters have a good track record and are on par with other leading inverter suppliers in terms of performance and failure rates.

The table below summarizes DNV's high-level review of SolarEdge.

**Table 4-14 Summary of DNV's review of SolarEdge**

Item	Detail	DNV View
Production experience	Since 2006	Typical manufacturer experience

Item	Detail	DNV View
PV inverter market share ranking (by MWac shipments)	<p>Ranking year: 2023 Ranking source: Wood Mackenzie report 2024</p> <p>Category: Overall USA: 7<sup>th</sup> Globally: 11<sup>th</sup></p> <p>Category: single-phase string USA: 1<sup>st</sup> Globally: 4<sup>th</sup></p> <p>Category: dc optimizer and MLPE USA: NA Globally: 1<sup>st</sup></p>	One of the top providers of solar residential conversion products
Detailed technology reviews of manufacturer conducted by DNV	Detailed review of optimizers and inverters performed most recently in 2022	DNV is familiar with the manufacturer.
Manufacturing locations	China, Vietnam, Hungary, Mexico, Israel, South Korea	All facilities use contract manufacturers. DNV is familiar with the facilities and manufacturing quality practices.
ISO 9001 Quality Management Systems	Yes	In-line with industry practice
ISO 14001 Environmental Management Systems	Yes	In-line with industry practice
ISO 45001	Yes	In-line with industry practice
DNV opinion	SolarEdge has approximately 18 years of experience designing and manufacturing PV solar inverters and power optimizers, demonstrating typical reliability. DNV considers SolarEdge to be an acceptable supplier of inverters and optimizers and does not represent an atypical technology risk to the portfolio.	

#### 4.2.1.3 SunPower company review

SunPower is best known as an American manufacturer of PV solar modules, but has supplied some conversion products embedded with its PV modules.

SunPower the company is reviewed in detail in Section 4.1.1.2 above. Note that SunPower filed bankruptcy in 2024. Solaria acquired some portions of the SunPower business. Solaria announced in April 2025 it would change its operating name to SunPower. As a part of this transition, only some of SunPower's original business offerings remain.

SunPower has previously offered microinverters as a part of some PV module products. In 2014 SunPower acquired SolarBridge Technologies, a developer of microinverter technologies, to offer integrated conversion with PV modules. In 2018, SunPower sold its microinverter business to Enphase, and began utilizing Enphase microinverters for its ac-coupled modules (see Section 4.2.1 for a review of Enphase). The latest offerings of SunPower do not appear to currently offer power conversion or ac modules.

DNV did not have explicit information on which SunPower conversion types (internal or Enphase) were being used within the Portfolio.

The table below summarizes DNV's high-level review of SunPower.

**Table 4-15 Summary of SunPower conversion products**

Item	Detail	DNV View
Production experience	Solar PV established 1985 Conversion products starting in 2014	Extensive solar manufacturing experience; however, is no longer offering power conversion products
PV inverter market share ranking (by MWac shipments)	<p>Ranking year: 2018 Ranking source: Wood Mackenzie report 2024</p> <p>Category: dc optimizer USA: NA Globally: 2<sup>nd</sup></p> <p>Category: single-phase string USA: 11<sup>th</sup> Globally: 3<sup>th</sup></p> <p>Category: Three-phase string USA: 3<sup>th</sup> Globally: NA</p>	SunPower was last ranked in 2018 but has not been a top provider of conversion products in recent years.
Detailed technology reviews of manufacturer conducted by DNV	DNV reviewed SunPower's ac inverters in 2015 and 2017.	DNV was familiar with SunPower's conversion technology prior to the switch to Enphase technology.
Manufacturing locations	Dongguan, China (Celestica contract manufacturing – for ca. 2017 product)	For SunPower's power conversion products prior to Enphase, DNV is familiar with the facilities and manufacturing quality practices.
ISO 9001 Quality Management Systems	Yes	In-line with industry practice
ISO 14001 Environmental Management Systems	Yes	In-line with industry practice
ISO 45001	No – OSHAS 18001	In-line with industry practice for the production vintage
DNV opinion	SunPower was previously a top supplier of PV modules, with a US-based engineering team. SunPower also previously provided power conversion devices as a part of their ac modules, first by a contract manufacturer and then with integrated Enphase conversion modules, however the products are no longer offered in the market. DNV considers SunPower to be an acceptable supplier and to not present an atypical technology risk, though DNV recommends confirmation of the current warranty coverages and hardware support for fielded products.	

## 4.2.2 Inverter warranty review

**Table 4-16 Inverter warranty review**

Manufacturer	Term (years)	Commencement	New/ Refurb	Advanced shipment	Shipping covered	Labor	Unusual exclusions
Enphase IQ Microinverters	25	Commencing on earlier date of which the product is registered with Enphase or activated.	Seller's discretion	Yes (although can require receipt of RMA before shipping replacement)	Yes – replacement device (RMA of failed implies owner pays shipping)	Not included	None

Manufacturer	Term (years)	Commencement	New/ Refurb	Advanced shipment	Shipping covered	Labor	Unusual exclusions
Enphase IQ Envoy Communications gateway	5	Commencing on earlier date of which the product is registered with Enphase or activated.	Seller's discretion	Yes (although can require receipt of RMA before shipping replacement)	Yes – replacement device (RMA of failed implies owner pays shipping)	Not included	None
SolarEdge Inverters	12	Commencing on the earlier of 4 months from the date the products are shipped from SolarEdge and the installation of the products.	Seller's discretion	Not included	Yes	Not included	None
SunPower (ac modules)	25	No information	No information	No information	No information	No information	Detailed warranty documentation was not provided. The warranty support and hardware availability may be affected by recent SunPower bankruptcy.
Vision Metering	No information	No information	No information	No information	No information	No information	No information

## 4.3 Metering and communication

### 4.3.1 Metering and communication manufacturer review

#### 4.3.1.1 Enphase Envoy S

The IQ gateway is the current communications device supplied by Enphase and was formerly known as the IQ Envoy. DNV did not review certifications or documentation relating to the cybersecurity of the Enphase IQ Gateway. The Portfolio provided documentation for the previous product model, the Envoy S. Some features may be different between the IQ Gateway and the Envoy S.,

The Gateway provides internet access to the solar array enabling comprehensive monitoring and management of an Enphase system. This hardware communicates with the Enphase microinverters through a power line communications (PLC) protocol. Data is gathered every 5 minutes from the microinverter, and reported every 15 minutes to the Enphase App. A maximum of 300 microinverters can be connected to each IQ unit, according to recent datasheets, however the Envoy S datasheet lists a maximum of 600 microinverters. DNV did not have clarity on which maximum count was the current specification for Enphase monitoring with the Envoy S.

The Gateway is equipped with integrated revenue grade PV production metering, and optional consumption metering is available. It also has integrated Wi-Fi and Ethernet communications with an optional cellular modem.



**Figure 4-1 Enphase IQ Gateway**

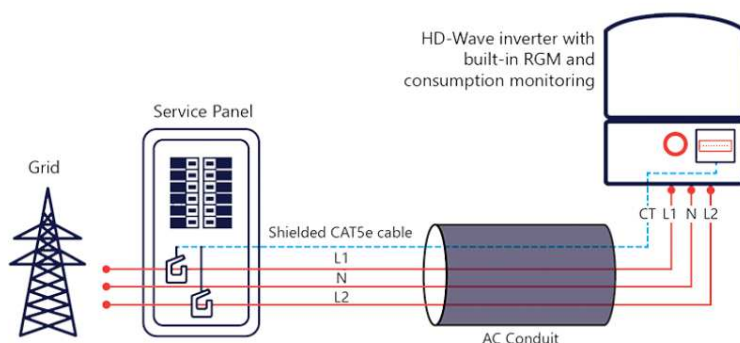
**Table 4-17 Enphase inverter communications and metering**

Specifications	Description	DNV Comment
Product under review	Envoy S Gateway	Control and management of Enphase microinverters and storage systems
Protection Rating	IP30 (combiner box NEMA 3R)	Must be installed indoors/in protected enclosure IQ Combiner box provides outdoor rating NEMA 3R
Max capacity/units	Up to 600 microinverters Use of a cell modem may limit maximum units.	Meets expectations The Envoy S indicates a maximum capacity of 600 units, however the IQ Gateway has a maximum of 300 units listed.
<b>Communications</b>		
Connectivity	Wi-Fi, Cellular (4G), Ethernet, USB 2.0	Numerous options for setup. Reports to Web API Cellular connections must be ordered separately for T mobile or AT&T plans.
Communication protocols	Digital I/O for grid control, power line communication for devices	Protocols may include tcp/ip, modbus, analog
Cybersecurity	No cybersecurity standards listed	Cybersecurity standards may include SunSpec, IEEE 1547.3, UL 2900, UL 2941. DNV recommends projects also follow best practices for securing installations, including changing default passwords.
Metering Standards	ANSI C12.1 +/- 0.5% accuracy class (only with Envoy S Metered) (5% with Envoy S Standard)	+/- 0.5% production metering, 2.5% consumption and battery metering Available metering standards in industry include ANSI C12, UL 2735, and IEC 6052-31)
Other metering information	Supports up to 2 consumption CTs, 1 production CT, 1 battery CT	

#### 4.3.1.2 SolarEdge HD-Wave Inverter with Revenue Grade Meter

SolarEdge uses a Revenue Grade Meter that is integrated into the inverters. Revenue Grade Metering modules are also available that can be installed separately, as a stand-alone unit.

DNV did not have information to review on SolarEdge's cybersecurity standards.



**Figure 4-2 SolarEdge integrated Revenue Grade Meter**

The specifications are as follows:

- Accuracy: Metering ANSI C12.20 accuracy class 0.5 (PV production)
- Temperature range: -30°C to +75°C
- Third party compliance: UL 61010-1 Safety Requirements for Electrical Equipment for Measurement, Control and Laboratory Use

**Table 4-18 SolarEdge inverter communications and metering**

Specifications	Description	DNV Comment
Product under review	SolarEdge single-phase home inverters (SExxH-US)	Monitoring built into inverters. Inverters also utilize SolarEdge optimizer products.
Protection Rating	NEMA 4X (inverter housing)	Acceptable for outdoor installation
Max capacity/units	Dependent on inverter	PV and battery inputs dependent on model.
<b>Communications</b>		
Connectivity	RS485, Ethernet, Cellular, Wi-Fi (optional), SolarEdge Home Network (optional)	Some connection methods may require additional components or charges.
Communication protocols	Not listed	Protocols may include tcp/ip, modbus, analog)
Cybersecurity	No cybersecurity standards listed	Cybersecurity standards may include SunSpec, IEEE 1547.3, UL 2900, UL 2941. DNV recommends Projects also follow best practices for securing installations, including changing default passwords.
Metering Standards	ANSI C12.1 +/- 0.5% accuracy class	+/- 0.5% accuracy for production. Revenue grade is for production only, additional components required for consumption monitoring. Available metering standards in industry include ANSI C12, UL 2735 , and IEC 6052-31)
Other metering information	Integrates with SolarEdge home energy systems, including EV charging	

#### 4.3.1.3 SunPower

Limited information is available on the communications and monitoring specifications for the SunPower products utilized as a part of this Portfolio. DNV notes that some SunPower installations have been transferred to Enphase for monitoring as a



result of SunPower's 2024 bankruptcy. DNV recommends that each project confirm their ongoing monitoring status, and to confirm specifications on monitoring and communications.

**Table 4-19 SunPower communications and metering**

Specifications	Description	DNV Comment
Product under review	SPR-E30-XX-E-AC and SPR-X22-XX-E-AC	AC modules
Protection Rating	NEMA 6	Leading environmental protection rating
Max capacity/units	No information	-
<b>Communications</b>		
Connectivity	No information	-
Communication protocols	No information	-
Cybersecurity	No information	Cybersecurity standards may include SunSpec, IEEE 1547.3, UL 2900, UL 2941. DNV recommends projects also follow best practices for securing installations, including changing default passwords.
Metering Standards	No information	Available metering standards in industry include ANSI C12, UL 2735, and IEC 6052-31)
Other metering information	No information	

#### 4.3.1.4 Vision Metering Cat M1 Modem Meter

Vision Metering is a private company based out of South Carolina that provides smart energy metering devices, accessories, and testing equipment. Vision Metering was established in 1991 as Austin International, changing its name to Vision Metering in 2011.

DNV has limited experience with Vision Metering products and history. While the datasheet provided for review indicates that the product includes four quadrant and net metering capabilities with communication across cell networks, DNV finds that the datasheet is missing essential information such as environmental protection, warranty, and metering accuracy. DNV also did not review any information on the cybersecurity of the Vision Metering meter devices.

**Table 4-20 Vision Metering communications and metering**

Specifications	Description	DNV Comment
Product under review	Cat M1 Modem Meter	Electric meter for residential use
Protection Rating	Not listed	DNV recommends environmental protection certifications are confirmed for the product
Max capacity/units	n/a	One product to be used in monitoring energy meter at home
<b>Communications</b>		
Connectivity	Mobile data	T-mobile and Sprint cell networks listed as compatible. No other connectivity methods listed
Communication protocols	No comms standards listed	Protocols may include tcp/ip, modbus, analog)

Specifications	Description	DNV Comment
Cybersecurity	No information	Cybersecurity standards may include SunSpec, IEEE 1547.3, UL 2900, UL 2941. DNV recommends projects also follow best practices for securing installations, including changing default passwords.
Metering Standards	No information	ANSI C12 is listed however the accuracy class for the product is not stated. Available metering standards in industry include ANSI C12, UL 2735, and IEC 6052-31)
Other metering information	No information	

### 4.3.2 Metering and communication warranty review

Please see Table 4-16 for a summary of the metering and communication products, often integrated into the inverter units.

## 4.4 Racking

DNV has not been provided with the type of racking that will be utilized for the projects, only that it will be rooftop system racking. In lieu of additional information (pitched roof, flat roof, system type, attachment method, etc.), DNV has provided a high-level review of risks associated with racking for residential systems.

### 4.4.1 Pitched roof racking

Regarding pitched roof racking risks, specifically with the racking, the largest hazards, if designed properly, would likely be module damage (such as for hail), roof damage due to attachment of the racking to the roof, water intrusion due to age or poor waterproofing methods, mitigation of animals and insects, and lack of inspection and system maintenance. Systems in high snow regions could have issues with snow shed, where snow suddenly slides off of the roof surface or racking system onto the ground. Other considerations include design for the roof for snow sliding onto the roof. If modules appear to be shattered, broken, dirty, or not performing optimally, inspection is recommended as over time, the system may be a fire hazard. Solar racking systems should be placed on roofs in good condition. Inspection and maintenance, both electronically and visually, should be done regularly and after larger environmental events to help ensure that the system is performing properly.

### 4.4.2 Flat roof racking

Regarding flat roof racking risks, specifically with the racking, the largest hazards, if designed properly, would likely be module damage (such as for hail due to low tilt angle), system movement, and lack of inspections and system maintenance. For ballasted, attached, or hybrid (ballasted and attached) systems, potential system movement could be an issue after a larger wind or seismic event, or due to thermal expansion of the system over time (both daily and seasonal) and may cause damage to the roof. For ballasted and/or steel systems, systems should be inspected for degradation and corrosion. Ballast blocks for ballasted or hybrid systems could deteriorate over time depending on quality, site conditions, and/or exposure. Rooftop drainage should be considered when placing solar PV racking systems on a rooftop. If modules appear to be shattered, broken, dirty, or not performing optimally, inspection is recommended as over time, the system may be a fire hazard. Solar racking systems should be placed on roofs in good condition. Inspection and maintenance, both electronically and visually, should be done regularly and after larger environmental events to help ensure that the system is performing properly.

### 4.4.3 Racking warranty review

A racking warranty review could not be provided at this time due to insufficient information regarding the system type and manufacturer.

## 5 SHREC PRODUCTION FORECASTING PROCESS REVIEW

### 5.1 Review methodology

DNV previously reviewed the procedure by which the Sponsor generates energy production forecasts for each PV system with the purpose of evaluating the long-term accuracy of these forecasts and their usefulness for predicting the Portfolio's revenue from energy production, and thereby the Portfolio's ability to generate SHRECs. The Sponsor has confirmed that this process has not changed since DNV previously reviewed this process and therefore the review has not been updated. The review has focused on the following areas:

- Quality of data used to establish long-term irradiation and temperature
- Method employed to determine irradiation on the collector plane
- Simulation of physical plant
- Reasonableness of loss factor assumptions

This section provides a qualitative review of the Sponsor's energy production forecasting procedure, whereas Section 6 provides a comparison between the Sponsor's forecasts and the actual production data.

### 5.2 Energy simulation

Since 2006, PowerClerk has acted as the proposal and system reporting portal for all Sponsor systems, as well as supporting the Sponsor's incentive program. The Sponsor's process requires that system information is initially entered in PowerClerk; however, for SHREC forecasting purposes, the Sponsor relies on a parallel calculation in Clean Power Research's (CPR) SolarAnywhere Fleetview. The only difference between PowerClerk and SolarAnywhere Fleetview is the choice of weather data used in the simulation. PowerClerk relies on National Solar Radiation Database (NSRDB) Typical Meteorological Year 3 (TMY3) weather files whereas the CPR SolarAnywhere Fleetview estimate is based on SolarAnywhere typical global horizontal irradiation year (TGY) weather files. All PowerClerk system entries are transferred to CPR SolarAnywhere Fleetview automatically and the underlying PVForm code is the same between PowerClerk and SolarAnywhere Fleetview. The remainder of this section and the Report focuses on SolarAnywhere Fleetview as the SHREC forecast source.

SolarAnywhere Fleetview is able to access Clean Power Research's (CPR) SolarAnywhere irradiance data through a web-based RESTful API to calculate solar energy production. CPR's SolarAnywhere Fleetview tool incorporates a modified version of Sandia National Labs PVForm Power Output Model. NREL's PVWatts is also based on PVForm, but the SolarAnywhere Fleetview API implements the model differently in several ways.

DNV understands some of the major differences include reference cell temperature, PV module temperature equations, radiation transmitted through module covers, and module nonlinearity. DNV does not have access to the underlying API code and therefore has not independently verified the SolarAnywhere Fleetview API model. DNV requested access to PowerClerk and SolarAnywhere Fleetview to validate a number of sample systems.

The inputs into PowerClerk and later transferred to SolarAnywhere Fleetview include the following system parameters:

- Location
- Number of arrays, inverters per array
- PV module manufacturer, model, quantity, and cost
- Inverter manufacturer, model, quantity, and cost
- Fixed tilt or tracking array type

- Azimuth and tilt for each array
- Solar obstruction (shading) angles or monthly (solar access) percentages for each array.

### 5.3 Calculation procedure for the continental United States

The Sponsor uses PVForm code to produce an hourly production time series and SolarAnywhere Fleetview sums the hourly simulation results to output year 1 monthly energy estimates that can be summed to an annual value.

The following information was previously identified in the 10271931-OAL-R-01 TDD Report [7] and remains unchanged. The following is a description of the calculation procedure after drawings are completed:

1. CPR SolarAnywhere Fleetview maintains a database of satellite irradiation data. Address, zip code, and state are used to find the irradiance tile over the site.
2. The inputs entered into PowerClerk are transferred to SolarAnywhere Fleetview and are translated into the PVForm-required inputs of dc rating, array type, array tilt, and array azimuth.
3. The Perez irradiance model is used and plane of array calculations are performed based on the PV array orientation parameters input by the user.
4. A shading model is applied based on the shading obstruction angles or monthly (solar access) percentages input by the user. DNV notes that the shade loss is calculated based on the percent of shaded area which is not directly correlated to actual module shade losses. Actual shading losses depend on system variables such as module architecture (e.g., bypass diodes) and orientation, string configuration, and severity of shade. As shown in various studies [31], this assumption underestimates the impact of shading losses on the string of modules for string inverters.
5. The PVForm Power Output Model is used to calculate production from irradiance, based on the inverter and module specifications of the system. PowerClerk has a drop down of inverter and module models selected by the user and can look up hardware specifications including inverter efficiency values from the California Energy Commission (CEC). These specifications are transferred to SolarAnywhere Fleetview for use in the PVForm Power Output Model.
6. The Sponsor uses a fixed 10% de-rate factor, with the exception of inverter and PV module specifications as noted above. A comparison of the Sponsor's de-rate factor vs. DNV's recommended values for Connecticut are provided in Table 4-1 below.
7. The hourly production time series is summed by SolarAnywhere Fleetview to obtain year 1 monthly energy estimates and an annual energy estimate.
8. The Sponsor applies a 0.5% annual degradation to the year 1 energy estimates. DNV comments on portfolio degradation in Section 6.8.2.

### 5.4 Commentary on the Sponsor's residential method

The below commentary regarding the Sponsor's methodology for generating production estimates provides context to the forecast accuracy discussion in Section 6, where estimates are compared to Portfolio production data.

### 5.4.1 Accuracy and reliability of meteorological data

The Sponsor uses CPR SolarAnywhere TGY data at the site location as the irradiation data input to the energy estimate simulation. Irradiation inputs are a high impact variable within a solar energy production assessment and have the potential to significantly impact the production results. DNV discusses the effect of weather data selection throughout this section.

CPR SolarAnywhere data is derived from the SolarAnywhere satellite imagery collected from geosynchronous satellite networks and is applied to 10 x 10 km mesh grids. The data spans 1998 – 2017. DNV has reviewed discussions of uncertainty supplied by CPR and has found them insufficient to provide a clear picture of the spatial and temporal uncertainty of this dataset. DNV considers the data to be acceptable for use in solar energy estimate production estimates based on endorsements from NREL and the data's general agreement with other, peer reviewed datasets. Also, production index analysis produces correction factors that can compensate for bias error in the weather data among other sources of bias.

DNV considers the CPR SolarAnywhere data sets to be suitable for use in PVForm model simulations assuming the localized 10x10 km gridded data is selected as the weather file. DNV recommends comparing nearby irradiance resource files to lower the risk of outliers, especially in climatically diverse zones such as coastal or mountainous regions. DNV expects the localized 10 x 10 km gridded data from SolarAnywhere to be reasonable, especially given the nature of the spatial coverage needed for residential energy estimates.

Given the background with CPR SolarAnywhere data, DNV considers the uncertainty of the Sponsor's solar radiation to be relatively high and higher than a well-calibrated ground measurement station. Nonetheless, DNV considers such an approach to be among the best available methods for residential solar applications given the need to have rapid and algorithmic energy estimates. Other meteorological data could potentially have a lower uncertainty if it were site-specific, well-calibrated, well-maintained and consistent between all sites, however the cost of such an approach makes it impractical in most cases with such a large number of systems and the time required to record the measurements. DNV considers the use of CPR SolarAnywhere data as a meteorological source to be acceptable for use in the Sponsor's energy forecasts.

### 5.4.2 Accuracy and reliability of energy simulation process

DNV has reviewed SolarAnywhere PV Simulation Product Documentation [32] to inform its understanding of the modifications performed to the PVForm Power Output Model, as discussed in Section 5.2. This document provides a comparison of the PVForm model used by PVWatts and SolarAnywhere for a representative system in Boulder, CO, using the same weather data in the simulation. The difference in AC power is 6% with the largest source of discrepancy being the PTC versus STC reference temperature. The full list of discrepancies are summarized within the document.

While this comparison is useful for highlighting the differences between the two PVForm-based models it does not provide information on the accuracy of the model's energy estimates. The PVWatts v5 Manual [33] lists the PVForm-based energy estimate error as high as +/- 10% on an annual basis. DNV does not have access to the underlying API code and therefore has not independently verified the SolarAnywhere Fleetview API model.

As an engine for generating energy production forecasts, SolarAnywhere Fleetview is able to achieve usability and speed and adequately provides meteorological data spatially and geographically for the various systems considered in this portfolio. Therefore, DNV considers the use of SolarAnywhere Fleetview to be a reliable method and the selection of such a tool seems appropriate given the Sponsor's business model.

Aggregating a large number of PV systems into a portfolio results in a portfolio-wide uncertainty that is lower than the uncertainty for a given rooftop PV system, an effect that is discussed in further detail in Section 6.8.

### 5.4.3 Accuracy and reliability of energy loss factor assumptions

Table 5-1 below summarizes the losses used to determine DNV's standard loss assumptions compared to SolarAnywhere Fleetview's default loss value.

**Table 5-1 Default loss factors**

Component loss factors	Sponsor default loss factors	DNV recommended values in CT
Soiling + Snow		3.5%
Shading	Defined per system outside of this value	Defined per system
Mismatch		1%
Wiring		2%
Connections		0%
Light-induced degradation		2%
Nameplate rating		0%
Age		0%
Availability		2%
<b>Total loss factor</b>	<b>10%</b>	<b>10%</b>

While DNV does not have information on the breakdown of the 10% loss factor applied in SolarAnywhere Fleetview, DNV finds the 10% loss factor reasonable for this specific Portfolio of systems based on regional weather and assuming aggregation of many thousands of systems. Recommended loss values for each component loss factor are presented herein. DNV notes that in SolarAnywhere Fleetview, shade losses are considered outside of the 10% loss factor and DNV agrees with this approach. DNV notes that the shade loss is calculated based on the percent of shaded area and may underestimate the impact of shading losses on the string of modules for systems using string inverters. DNV notes that actual soiling losses can change based on the geographical region and environment and recommends regional dust and snow soiling losses be calculated. A standard loss factor in all regions would not account for this variability. DNV calculated typical snow loss factors in Connecticut since the regional distribution of this Portfolio is small.

A discussion of selected loss factor assumptions follows:

- PV module nameplate dc rating: Nameplate variation (also referred to as module binning tolerances) is listed as 0%/+3% (or -0 W to +5 W) on most PV module datasheets. DNV also accounts for MPPT non-ideality with an additional 0.5% loss. When considering all module nameplate power losses, DNV recommends a value of 0% be used for this loss.
- Inverter and Transformer: The inverter efficiency is obtained from a look-up table which is updated using values published by the CEC. DNV finds this approach reasonable.
- Mismatch: The electrical losses resulting from the performance variation of individual electrically- connected modules. DNV recommends a 1% loss for default residential systems using string inverters. DNV notes that this loss is lower when using dc optimizer or microinverters.
- DC and AC wiring: DNV recommends a 2.0% loss for dc wiring loss and ac wiring loss for generic systems. DNV notes that for string inverter systems dc wiring losses will be higher than for module- level microinverters. The opposite is true of ac wiring losses when comparing string and microinverter systems. In total, dc and ac wiring

losses are typically 1.5% to 2.5% for most residential systems. DNV notes that the Sponsor can control this loss by altering the system design and wire selection.

- LID: Most conventional silicon modules stabilize with a 1-3% loss within the first few hours/days of exposure.
- Shading: As part of the design process, installers must take either manual or satellite-based shade measurements. The shade obstruction angles or monthly solar access percentages are entered into PowerClerk (and subsequently transferred to SolarAnywhere Fleetview) and incorporated into the production estimate. DNV notes that the shade loss is calculated based on the percent of shaded area and may underestimate the impact of shading losses on the string of modules for string inverters.
- Soiling/Snow: DNV notes that actual soiling/snow losses can change based on the geographical region and environment. DNV independently calculated soiling/snow losses using precipitation data and snowfall data for a generic residential system in CT and determined that 3.5% is a reasonable estimate of soiling/snow losses as presented in Table 4-1. In order to account for potential error caused by soiling/snow losses, DNV considers variance in production expectations in the uncertainty analysis as presented in Section 6.8.1.
- System Availability: DNV notes that, to some extent, the Sponsor has visibility into the downtime of systems by monitoring system production data. The Sponsor is able to inform third-party owners and installers when systems are down so that those systems can be brought back online. For project monitoring issues that are not addressable by owners and installers, the Green Bank will rely on C-TEC Solar to assist with troubleshooting and repair.

DNV notes that industry-wide practices for controlling system downtime include employing good monitoring techniques, active maintenance, and responsive repairs. DNV generally considers a portfolio-wide availability of 98% as an achievable target for a well-maintained residential system portfolio of thousands of systems.

To obtain an estimate of PV system degradation, DNV has relied on its review of the Jordan and Kurtz 2016 Compendium of photovoltaic degradation rates [34]. DNV notes that degradation rates used in non-recourse project finance transactions for PV systems are typically in the range of 0.5-0.75% per annum. This range is supported by extensive industry literature [34]. Based on DNV's review of available studies, the median system-level degradation rate is reported to be 0.64%, and the interquartile range (P25-P75) is 0.2%-1.2% per annum.



## 6 PRODUCTION ANALYSIS AND ENERGY FORECASTING

DNV evaluated how systems in the Portfolios have performed to date to forecast future energy production. DNV received a dataset in May 2025 (“Tranche 5 and 6 Data”) containing actual and expected production data for 10,749 systems (the “Production Data Set”) [35] [36] [37] [38] [39] [40]. The systems range in PTO date from 2015 to 2022. Production data was included from 2021 through 2025.

The Sponsor has provided system information for the systems in the Portfolio, including location, system size, estimated monthly production, installer, and inverter and module information. DNV understands from the Sponsor that all Year-1 monthly estimates were generated using SolarAnywhere FleetView, a solar forecasting service from Clean Power Research which is the Sponsor’s current energy estimate methodology.

### 6.1 Description of the data set

DNV analyzed the Sponsor’s operational data from the Production Data file using the following steps:

- Clean the Fleet data to remove erroneous and excludable values;
- Adjust the production data to long-term average behavior with regard to irradiance;
- Calculate system performance indices based on the accuracy of the Sponsor’s forecasts;
- Apply uncertainties to the future Portfolio;
- Forecast future production.

Of the 10,749 systems in the Production Data Set, 9,186 systems had sufficient production and metadata with which to perform a historical production analysis and forecasting (the “Production Sample”). DNV used this data for historical production analysis and forecasting.

DNV notes that the actual production data provided by the Sponsor was modified such that it reflected the actual production data that would be submitted to NEPOOL GIS for SHREC minting. If a particular system is non-communicating for a period, CT Green Bank is permitted to use historical generation of that particular system to mint SHRECs for months that the system was non-communicating. For example, if a system had historically produced at 75% of expected production and then had three months of non-communication before coming back online, CT Green Bank would be able to mint SHRECs at 75% of the forecast energy for the non-communicating months. The energy reported to the Sponsor comes from a Locus revenue grade meter that is owned and installed by CT Green Bank. DNV further notes that the Sponsor does not have the ability to remotely diagnose whether a non-communicating system is due to a meter failure or a communication fault, however during a recent 3G meter swap out campaign in which the Sponsor replace nearly 5,000 meters, non-communicating meters were rarely aligned with production issues. DNV finds this reasonable and clarifies that a meter that is reporting zero (0) production is not adjusted to reflect historical performance as the meter is capturing the actual performance of the system. Only non-communicating systems are adjusted to reflect historical performance. DNV requested to understand how long the Sponsor will allow a meter to remain in a non-communicating state before attempting to diagnose on site. The Sponsor provided an email [5] stating Green Bank may choose to target non-communicating meters for replacement depending on several factors including the ability to estimate REC production for the project, the potential value of the project’s remaining RECs, and system owner for the project. Generally, the process can take about 3 months once a meter has been identified and targeted for replacement by the Green Bank. DNV takes no exception to this approach.

### 6.2 Weather correction

DNV calculated the extent to which over/under production in a region can be attributed to differences between the irradiance during the operational period relative to the reference irradiation for that region. The analysis compared monthly global

horizontal irradiation (GHI) over the operational period to the long-term reference GHI. DNV procured monthly GHI data from DNV Solcast, a web-based service that provides gridded satellite-based irradiance data with global coverage. Solcast's global solar dataset is based on over a decade of high-resolution visible satellite imagery via the broadband visible wavelength channel. This data has been processed using a combination of peer-reviewed, industry standard techniques and processing algorithms developed in-house, including a cloud-index algorithm that produces consistent results when used with the large number of satellites that must be combined to construct a global dataset. The resulting time series of cloudiness (or cloud index) is then combined with other information to model the amount of solar radiation at the Earth's surface. The outcome is a 17+ year dataset that provides hourly and sub-hourly estimates of surface irradiance (GHI, DNI, and DIF) for all the Earth's land mass at a spatial resolution of approximately 3 km (2 arc minutes).

DNV mapped each system in the Production Sample in order to run a clustering algorithm that selects irradiance tile locations based on the geographic distribution and climactic regime of each of the systems in the Production Sample. A total of 15 tile locations were selected. The actual production of each system in the Production Sample is adjusted according to the irradiance adjustment factor during the measurement period from the nearest irradiance tile. The irradiance adjustment factor is the ratio of the annual long-term average compared to the period of record of each system.

### 6.3 Accuracy of Sponsor's energy production forecasts

For each system, DNV computed the mean actual and expected monthly production for each of the twelve (12) calendar months. A Performance Index (PI) was then computed for each system by dividing the sum of monthly means for the actual production by the sum of monthly means for the expected production.

The Production Sample consists of 9,186 systems and the distribution of the performance indices in the Production Sample is displayed in Table 6-1.

**Table 6-1 Performance Index of Portfolio**

Region	Irradiance adjusted Performance Index (PI)	Number of projects	Standard deviation
CT	0.99	9,186	10.5%

### 6.4 Performance by module manufacturer

The table below shows the PI by module manufacturer.

**Table 6-2 Performance Index by module manufacturer**

Module manufacturer	Irradiance adjusted Performance Index (PI)	Number of projects	Standard deviation
Hanwha	0.99	3,279	8.8%
LG	1.01	1,619	10.4%
SunPower	0.99	1,343	11.6%
REC	0.98	605	9.5%
Silfab	0.92	533	10.7%
LONGi	0.98	471	13.8%

Module manufacturer	Irradiance adjusted Performance Index (PI)	Number of projects	Standard deviation
Jinko	1.01	423	8.4%
Yingli	0.98	362	8.0%
Trina	0.93	141	12.8%
Solaria	0.97	96	13.1%
Canadian	0.92	79	12.3%
Panasonic	0.99	54	9.9%
SolarCity	0.94	47	12.6%
Shanghai	0.90	34	6.8%
JA	0.92	26	13.5%
SolarWorld	0.91	18	17.0%
Mission	0.89	18	20.2%
Hyundai	1.00	12	11.9%
Axitec	0.95	12	8.1%
Sun	0.75	6	44.3%
Vikram	0.95	3	5.0%
S-Energy	0.94	1	nan%
Risen	0.87	1	nan%
CSI	0.92	1	nan%
Lumos	0.82	1	nan%
Kyocera	0.92	1	nan%
<b>TOTAL</b>	<b>0.99</b>	<b>9,186</b>	<b>10.5%</b>

## 6.5 Performance by inverter manufacturer

The table below shows the PI by inverter manufacturer.

**Table 6-3 Performance Index by inverter manufacturer**

Inverter manufacturer	Irradiance adjusted Performance Index (PI)	Number of projects	Standard deviation
SolarEdge	0.98	5,162	9.7%
Enphase	1.01	3,428	10.5%
SunPower	0.98	402	11.5%
Delta	0.89	115	20.2%
SMA	0.92	26	16.2%
ABB	0.92	22	8.7%
Tesla	0.88	14	11.0%
Generac	0.92	9	16.5%
Fronius	0.89	6	16.6%
OutBack	0.72	1	nan%

Inverter manufacturer	Irradiance adjusted Performance Index (PI)	Number of projects	Standard deviation
Sol-Ark	0.31	1	nan%
<b>TOTAL</b>	<b>0.99</b>	<b>9,186</b>	<b>10.5%</b>

## 6.6 Performance by PTO year

The table below shows the PI by PTO year.

**Table 6-4 Performance Index by PTO year**

PTO year	Irradiance adjusted Performance Index (PI)	Number of projects	Standard deviation
2015	0.86	54	21.0%
2016	0.92	41	15.1%
2017	0.94	37	17.5%
2018	0.97	65	10.3%
2019	0.97	1,420	11.6%
2020	0.98	5,356	9.4%
2021	1.00	2,210	11.1%
2022	1.09	3	6.3%
<b>TOTAL</b>	<b>0.99</b>	<b>9,186</b>	<b>10.5%</b>

## 6.7 SHREC minting process summary

As described in the SHREC Creation and Minting Process Standard Operating Procedure (the “SOP”) and email correspondence to changes in the procedure provided to DNV in June 2019, the Sponsor creates and mints SHRECs from qualified projects [41].

A summary of the procedure is as follows:

- Obtain net production in kWh from the Locus monitoring data platform;
- Adjust the production data with the CPR solar resource ratio;
- Compare adjusted measured production to the energy estimate for each system;
- If the adjusted measured production exceeds 200% of the estimated production, the Customer assumes the value to be erroneous due to communication errors or back fed generation. Measured production is then limited to the 200% cap;
- 1 MWh equates 1 unit SHREC.

In order to understand future performance of the Portfolio in terms of the SHREC asset class, DNV has analyzed past performance of the Portfolio and converted the past performance of SHREC estimates using the processes described in the SOP. DNV understands that historically minted SHREC production is largely unavailable, as the Sponsor was granted permission in 2015 to mint SHRECs beginning with 2017.

## 6.8 Forecasting

### 6.8.1 Uncertainty analysis

DNV performed an uncertainty analysis of the Portfolio described above.

A statistical ensemble of PV systems will yield a lower uncertainty relative to the sum of individual systems—this is referred to as the “portfolio effect”. DNV has estimated the uncertainty in its production forecast by the method described below. Uncertainty in a residential PV portfolio energy forecast impacts the P50 to P99 ratio. Higher uncertainty will drive larger spreads between the P50 and P90 downside scenarios.

The sources of uncertainty in the forecast of energy production can be categorized as two types: (1) those due to uncertainties in the historical data and analysis methodology; and (2) those due to the future variability of the solar resource and production loss factors. The portfolio effect arises due to the statistical independence of the contributing sources of uncertainty, which are described in the following subsections.

#### 6.8.1.1 Historical uncertainty

Historical uncertainty is calculated based on a combination of sample representation uncertainty, analysis process uncertainty, and measurement and data reliability uncertainty.

##### Sample Representation

- **Performance Index:** DNV’s forecast is an adjustment to the Sponsor’s forecast. Regions with larger numbers of PV systems tend to have lower Performance Index uncertainty due to the law of large numbers.
- **Limited Data:** Uncertainty has been increased for regions lacking a representative sample of production data.
- **Technology:** For Portfolio systems whose specifications are yet undefined, or whose technology (e.g., module type) is not analyzed in the available sample of production data, uncertainty has been assigned to account for any potential deviation in production.

##### Analysis Process

- **Irradiance Correction:** Irradiance uncertainty is scaled by the magnitude of the total average regional irradiance correction factor. This uncertainty value represents the possible deviation in solar radiation and thus energy production, compared to the long-term solar radiation for the region.
- **Adjustment to long-term reference:** The uncertainty associated with an adjustment from the historical production data to a long-term solar radiation source. This uncertainty is calculated by the interannual variability of the solar resource (IAV) divided by square root of number of years of historical irradiance data. The longer the historical record the smaller this number.
- **General:** The uncertainty associated with the general analysis process is taken into consideration. For example, fully synthetic portfolios have a higher uncertainty than portfolios that use production data from TPO systems developed and operated by the sponsor.

##### Measurement/Data Reliability

- This uncertainty is meant to account for the process with which the Sponsor performs energy forecasts. Portfolios forecast with an established and clearly documented process with a higher anticipated degree of accuracy and consistency will have lower uncertainties than portfolios with less well documented and established processes. DNV notes that the P50 is insensitive to this pragmatic uncertainty correction.

Based on the above approach, DNV's uncertainty factors take on the values shown in Table 6-5 . These values are statistically blended to represent the Portfolio; and account for the composition of the Portfolio in terms of methodology used, the availability of production data, and the definition of system details.

**Table 6-5 Uncertainty in the regional Correction Factors**

Region	Production Sample Representation	Analysis Process	Measurement and Data Reliability	Historical Uncertainty
CT	1.50%	1.84%	1.72%	2.93%

### 6.8.1.2 Future uncertainty

Future uncertainty is calculated using the solar resource interannual variability and the availability.

- **Interannual Variability (IAV):** In any given year, Portfolio production may be higher or lower because of variability in the incident solar radiation; and
- **Availability:** The variability of the future energy production due to availability.

**Table 6-6 Future uncertainty by region**

Region	Inter-Annual Variability 1-Year	Availability	Future Uncertainty 1-Year
CT	3.43%	0.73%	3.50%

### 6.8.1.3 Portfolio uncertainty

Table 6-7 summarizes the estimated Correction Factors and uncertainty for each.

**Table 6-7 Correction Factors and uncertainties for Year-1**

Region	Fraction of Portfolio	Correction Factor	Total Uncertainty Year-1
CT	100.0%	0.98	4.6%

Combining the model uncertainty (found using the principal values described in Table 6-5 ) with the solar resource and availability uncertainty for the Year-1 future period yields overall Portfolio uncertainty of 4.6%.

## 6.8.2 Degradation

For an individual system utilizing standard crystalline modules, DNV utilizes an asymmetric system-level degradation distribution with a mean of 0.81% and a median of 0.64%. This system-level degradation rate distribution is based on a peer-reviewed study published by NREL and DNV. The study analyzed quality-controlled performance data from numerous PV installations to isolate the effect of degradation from other performance factors. DNV notes that the study was primarily based on performance data from larger-capacity PV systems, rather than residential-scale systems study. For Maxeon systems, DNV utilizes an annual system-level P50 degradation factor of 0.25%.

There are notable differences between long-term module level degradation rates, such as the rates detailed in manufacturers warranties, and system level degradation. This difference is often attributed to BOS losses and system level degradation, which is the sum of the module level degradation and BOS degradation effects. It should be emphasized that modules can degrade at a rate independent of other modules. Over time the variation of these rates leads to system mismatch where the optimum operating current and voltages of modules may vary. For hardwired arrays this can lead to none of the degraded modules working as well in the array as they would individually, and this impact is expected to increase with time.

The majority of the Connecticut Green Bank Fund will utilize MLPE technology. The utilization of module-level-power-electronics technology on residential sites can theoretically mitigate some of the electrical mismatch that can further degrade system performance; however, DNV currently lacks sufficient and statistically robust data to evaluate this behavior.

For large portfolios of systems consisting of a variety of module models, some independent behavior with regards to degradation is expected. This independence reduces the overall Portfolio-level degradation uncertainty when compared to the individual system uncertainties.

DNV performed a Monte Carlo simulation on the Portfolio systems to estimate the uncertainty in Portfolio-level degradation. A key assumption is that each module model behaves independently. Other factors can create either correlation or independence in degradation; however, little data is available to inform how these factors behave. In each realization of the simulation, a degradation rate is randomly sampled from a distribution unique to each module model, and this degradation rate is assigned to all systems utilizing that same module make and model. The Portfolio-level degradation rate was calculated as an energy estimate-weighted average of the degradation rates for all systems within the Portfolio. The results of 10,000 simulations of the Portfolio are presented in Table 6-8. DNV notes that the Sponsor will use 0.50% annual system-level degradation applied linearly. While this is lower than DNV's modeled degradation, it is in line with what other residential TPO Funds have used for recent TPO portfolios.

**Table 6-8 T5 Portfolio degradation rates**

Percentile	Degradation rate (%/year)
P50	0.80%
P75	0.92%
P90	1.03%
P95	1.11%
P99	1.25%

**Table 6-9 T6 Portfolio degradation rates**

Percentile	Degradation rate (%/year)
P50	0.80%
P75	0.92%
P90	1.04%
P95	1.12%
P99	1.26%

When calculating annual forecasts, DNV combines the degradation rates with the Year-1 model uncertainties and variabilities. This results in a further reduction of the apparent degradation rate when a later year forecast is compared with the Year-1 forecast for any of the downside scenarios.

### 6.8.3 Annual forecasts

DNV's energy forecast runs a simulation that assumes a normal distribution of three variables addressed above: Correction Factor, Interannual Variability (IAV) of the solar resource, and Degradation. Each variable has a range of possible values. A mathematical Monte Carlo analysis is run sampling from the three aforementioned values to forecast P50 through P99 energy forecast values for each year of the Portfolio. The annual forecasts represent the combination of sampled variables, uncertainties reported in Section 6.8.1.3, and reductions in availability during the years when inverters are expected to be replaced. Annual forecasts at various probabilities of exceedance for are presented below in the table below. These forecasts are expressed as a percentage of the Sponsor's contractual first year estimate and annual forecast. Year 1 in the forecast tables below begins on 01 January 2026.

**Table 6-10 Exceedance values for T5– relative to the Sponsor's original forecast**

Year	P50	P75	P90	P95	P99
1	0.9494	0.9195	0.8926	0.8765	0.8462
2	0.9414	0.9114	0.8844	0.8683	0.8380
3	0.9330	0.9029	0.8759	0.8596	0.8292
4	0.9244	0.8942	0.8670	0.8507	0.8201
5	0.9161	0.8858	0.8584	0.8420	0.8112
6	0.9091	0.8785	0.8509	0.8343	0.8031
7	0.9017	0.8709	0.8429	0.8262	0.7946
8	0.8938	0.8627	0.8344	0.8174	0.7855
9	0.8857	0.8541	0.8256	0.8083	0.7760
10	0.8776	0.8457	0.8167	0.7993	0.7664
11	0.8696	0.8373	0.8079	0.7902	0.7567
12	0.8621	0.8293	0.7995	0.7814	0.7474
13	0.8548	0.8215	0.7912	0.7728	0.7381
14	0.8476	0.8138	0.7829	0.7641	0.7287
15	0.8404	0.8060	0.7745	0.7554	0.7193
16	0.8332	0.7982	0.7661	0.7466	0.7097
17	0.8261	0.7905	0.7577	0.7378	0.7001
18	0.8190	0.7828	0.7493	0.7289	0.6904
19	0.8118	0.7749	0.7407	0.7199	0.6805
20	0.8045	0.7669	0.7320	0.7107	0.6705
21	0.7970	0.7587	0.7231	0.7014	0.6602
22	0.7893	0.7502	0.7140	0.6917	0.6496
23	0.7813	0.7415	0.7045	0.6818	0.6388
24	0.7733	0.7328	0.6950	0.6718	0.6279



Year	P50	P75	P90	P95	P99
25	0.7652	0.7239	0.6854	0.6617	0.6168

**Table 6-11 Exceedance values for T5– relative to Sponsor’s annual forecast**

Year	P50	P75	P90	P95	P99
1	0.9778	0.9470	0.9193	0.9027	0.8716
2	0.9746	0.9435	0.9156	0.8989	0.8675
3	0.9709	0.9396	0.9115	0.8946	0.8629
4	0.9670	0.9354	0.9070	0.8899	0.8580
5	0.9634	0.9315	0.9027	0.8854	0.8530
6	0.9611	0.9287	0.8995	0.8820	0.8490
7	0.9583	0.9255	0.8958	0.8780	0.8445
8	0.9550	0.9217	0.8915	0.8734	0.8393
9	0.9514	0.9175	0.8868	0.8683	0.8335
10	0.9478	0.9133	0.8821	0.8632	0.8277
11	0.9443	0.9092	0.8773	0.8580	0.8217
12	0.9412	0.9054	0.8728	0.8531	0.8160
13	0.9384	0.9019	0.8685	0.8483	0.8102
14	0.9356	0.8983	0.8642	0.8435	0.8044
15	0.9328	0.8947	0.8597	0.8384	0.7984
16	0.9300	0.8910	0.8551	0.8333	0.7921
17	0.9272	0.8872	0.8505	0.8281	0.7858
18	0.9245	0.8835	0.8458	0.8228	0.7793
19	0.9215	0.8796	0.8409	0.8172	0.7725
20	0.9184	0.8755	0.8357	0.8114	0.7654
21	0.9151	0.8711	0.8303	0.8053	0.7580
22	0.9115	0.8664	0.8245	0.7988	0.7502
23	0.9075	0.8613	0.8183	0.7920	0.7420
24	0.9035	0.8561	0.8120	0.7849	0.7336
25	0.8993	0.8508	0.8055	0.7777	0.7249

**Table 6-12 Energy forecast for T5 in GWh**

Year	P50	P75	P90	P95	P99
1	53.8805	52.1832	50.6554	49.7410	48.0257
2	53.4242	51.7240	50.1931	49.2766	47.5571
3	52.9471	51.2423	49.7063	48.7863	47.0601
4	52.4603	50.7486	49.2054	48.2805	46.5446
5	51.9900	50.2687	48.7153	47.7836	46.0343

Year	P50	P75	P90	P95	P99
6	51.5930	49.8572	48.2890	47.3475	45.5793
7	51.1748	49.4231	47.8382	46.8859	45.0965
8	50.7260	48.9570	47.3542	46.3900	44.5775
9	50.2624	48.4745	46.8521	45.8749	44.0371
10	49.8043	47.9953	46.3510	45.3594	43.4934
11	49.3517	47.5195	45.8511	44.8436	42.9468
12	48.9242	47.0658	45.3706	44.3455	42.4144
13	48.5113	46.6243	44.8999	43.8556	41.8874
14	48.1030	46.1855	44.4298	43.3651	41.3574
15	47.6944	45.7445	43.9559	42.8698	40.8204
16	47.2854	45.3016	43.4784	42.3698	40.2767
17	46.8808	44.8612	43.0018	41.8696	39.7308
18	46.4804	44.4234	42.5261	41.3692	39.1827
19	46.0702	43.9748	42.0386	40.8564	38.6210
20	45.6551	43.5202	41.5439	40.3357	38.0502
21	45.2307	43.0554	41.0383	39.8036	37.4668
22	44.7928	42.5765	40.5180	39.2566	36.8680
23	44.3416	42.0841	39.9838	38.6953	36.2544
24	43.8865	41.5868	39.4441	38.1280	35.6340
25	43.4275	41.0851	38.8992	37.5552	35.0072

**Table 6-13 Exceedance values for T6– relative to the Sponsor’s original forecast**

Year	P50	P75	P90	P95	P99
1	0.9734	0.9415	0.9127	0.8955	0.8632
2	0.9652	0.9332	0.9044	0.8872	0.8548
3	0.9564	0.9243	0.8954	0.8781	0.8457
4	0.9469	0.9147	0.8857	0.8683	0.8357
5	0.9368	0.9045	0.8754	0.8579	0.8251
6	0.9280	0.8955	0.8661	0.8485	0.8155
7	0.9218	0.8889	0.8592	0.8414	0.8079
8	0.9157	0.8825	0.8524	0.8343	0.8004
9	0.9088	0.8751	0.8447	0.8263	0.7919
10	0.9012	0.8672	0.8363	0.8176	0.7827
11	0.8935	0.8591	0.8277	0.8088	0.7733
12	0.8853	0.8504	0.8186	0.7994	0.7633
13	0.8771	0.8417	0.8094	0.7899	0.7531
14	0.8689	0.8329	0.8001	0.7802	0.7428
15	0.8605	0.8240	0.7907	0.7704	0.7323
16	0.8523	0.8152	0.7813	0.7606	0.7218

Year	P50	P75	P90	P95	P99
17	0.8444	0.8068	0.7722	0.7511	0.7115
18	0.8372	0.7989	0.7636	0.7421	0.7017
19	0.8303	0.7912	0.7553	0.7332	0.6920
20	0.8234	0.7836	0.7469	0.7243	0.6822
21	0.8162	0.7756	0.7382	0.7152	0.6720
22	0.8087	0.7674	0.7292	0.7056	0.6616
23	0.8008	0.7587	0.7197	0.6957	0.6507
24	0.7926	0.7498	0.7100	0.6855	0.6395
25	0.7843	0.7407	0.7002	0.6751	0.6282

**Table 6-14 Exceedance values for T6– relative to Sponsor’s annual forecast**

Year	P50	P75	P90	P95	P99
1	0.9976	0.9648	0.9353	0.9177	0.8846
2	0.9943	0.9613	0.9316	0.9139	0.8805
3	0.9903	0.9571	0.9272	0.9092	0.8756
4	0.9855	0.9520	0.9218	0.9037	0.8698
5	0.9802	0.9464	0.9159	0.8976	0.8633
6	0.9760	0.9418	0.9110	0.8924	0.8577
7	0.9746	0.9399	0.9085	0.8896	0.8542
8	0.9733	0.9380	0.9061	0.8868	0.8507
9	0.9711	0.9352	0.9026	0.8830	0.8462
10	0.9682	0.9316	0.8985	0.8784	0.8409
11	0.9651	0.9279	0.8941	0.8736	0.8353
12	0.9615	0.9236	0.8890	0.8681	0.8289
13	0.9578	0.9191	0.8839	0.8625	0.8224
14	0.9540	0.9145	0.8785	0.8566	0.8156
15	0.9500	0.9097	0.8729	0.8505	0.8085
16	0.9461	0.9050	0.8673	0.8443	0.8013
17	0.9427	0.9006	0.8620	0.8385	0.7943
18	0.9399	0.8968	0.8572	0.8330	0.7877
19	0.9374	0.8933	0.8527	0.8278	0.7812
20	0.9349	0.8896	0.8480	0.8224	0.7745
21	0.9320	0.8857	0.8429	0.8166	0.7674
22	0.9287	0.8812	0.8373	0.8103	0.7597
23	0.9249	0.8763	0.8313	0.8035	0.7516
24	0.9208	0.8710	0.8249	0.7963	0.7430
25	0.9165	0.8655	0.8181	0.7889	0.7341

**Table 6-15 Energy forecast for T6 in GWh**

Year	P50	P75	P90	P95	P99
1	28.4993	27.5638	26.7218	26.2178	25.2724
2	28.2604	27.3233	26.4796	25.9745	25.0269
3	28.0021	27.0627	26.2166	25.7097	24.7590
4	27.7219	26.7798	25.9306	25.4216	24.4668
5	27.4288	26.4832	25.6301	25.1183	24.1584
6	27.1697	26.2181	25.3589	24.8429	23.8751
7	26.9871	26.0258	25.1568	24.6342	23.6543
8	26.8093	25.8367	24.9565	24.4264	23.4327
9	26.6066	25.6224	24.7306	24.1928	23.1846
10	26.3849	25.3888	24.4849	23.9389	22.9156
11	26.1605	25.1514	24.2345	23.6797	22.6400
12	25.9204	24.8980	23.9675	23.4036	22.3469
13	25.6806	24.6438	23.6988	23.1251	22.0503
14	25.4385	24.3865	23.4261	22.8421	21.7481
15	25.1941	24.1261	23.1496	22.5548	21.4406
16	24.9525	23.8676	22.8740	22.2678	21.1324
17	24.7236	23.6205	22.6085	21.9901	20.8320
18	24.5121	23.3890	22.3573	21.7257	20.5431
19	24.3100	23.1659	22.1132	21.4676	20.2592
20	24.1075	22.9415	21.8671	21.2072	19.9721
21	23.8973	22.7092	21.6127	20.9382	19.6760
22	23.6773	22.4668	21.3481	20.6589	19.3694
23	23.4455	22.2126	21.0716	20.3677	19.0508
24	23.2067	21.9512	20.7878	20.0691	18.7246
25	22.9635	21.6853	20.4992	19.7654	18.3931

## 7 MAJOR AGREEMENT REVIEW

### 7.1 Master Purchase Agreement

In Q4, 2018 [42] DNV reviewed the Master Purchase Agreement (MPA) for SHRECs between Connecticut Green Bank and The Connecticut Light and Power Company (dba “Eversource Energy”) and The United Illuminating Company (“UI”). The MPA covers buying and selling SHRECs and is the sole offtake agreement. DNV also presents the solar incentive structure relevant to SHREC generation. Review of installer EPC agreements was not included; the CT Green Bank’s procedures for qualifying installers are discussed in Section 3.

#### 7.1.1 MPA summary

In Q4, 2018 DNV reviewed the executed agreements (collectively, “MPAs”), both dated 7 February 2017 with Eversource Energy [43] and UI [44].

SHREC sales to Eversource Energy and UI are provided for using a Master Purchase Agreement (MPA).

The MPAs provide for the Sponsor to sell SHRECs at firm pricing (\$50 per MWh for the Tranche 1, \$49 per MWh for Tranche 2, \$48 per MWh for Tranche 3, and \$47 per MWh for Tranche 4, \$35/MWh for Tranche 5, and \$34/MWh for Tranche 6) for 15 years. The Buyer, either Eversource Energy or UI, is obligated to purchase those SHRECs in a tranche associated with the energy generated by the projects assuming the pre-requisites have been met and continue to be met through the term. The main difference between the MPAs provided is the Buyer’s Percentage Entitlement (“BPE”). Eversource Energy having a BPE of 80% and UI having a BPE of 20%. DNV has not identified other meaningful differences between the individual MPAs.

While the Buyer is obligated to purchase all SHRECs from a qualifying tranche, there is not a SHREC guaranty or other performance-based terms that require a minimum amount of electricity be produced from a tranche.

#### 7.1.2 Term and termination

The agreement term begins upon execution and, unless terminated earlier, continues for 15 years from the final tranche start date. The Buyer’s obligation to purchase tranche SHRECs will end no later than the earlier of when Sponsor achieves deployment of 305.4 MWdc of qualifying residential solar PV installations or 31 December 2022, meaning the final tranche start date would begin no later than 1 January 2022. The tranche delivery term starts on 1 January of a tranche year and continues for 15 years.

#### 7.1.3 Sale of SHRECs

The purchase price of each SHREC is set by the Sponsor in accordance with the Connecticut General Statutes, currently not more than \$50.00 (the price for each SHREC in Tranche 1), \$49 (the price for each SHREC in Tranche 2), \$48 (the price for each SHREC in Tranche 3), and \$47 (the price for each SHREC in Tranche 4), \$35 (the price for each SHREC in Tranche 5), and \$34 (the price for each SHREC in Tranche 5). A SHREC is equal to one megawatt hour (MWh) of electricity generated from a qualifying residential solar PV system. The Buyer is obligated to purchase all SHRECs generated by SHREC projects in a particular tranche, irrespective of any delays in REC deliveries, whether or not due to one or more force majeure events. Upon transfer and receipt, Buyer receives titles to all the SHRECs and Environmental Attributes.

Assuming all obligations are met, SHRECs are bought and delivered within 90 days after tranche delivery term start date. For each contract year of the tranche term, SHRECs are delivered equal to the electricity produced by projects in the

applicable tranche. Payment for any SHRECs are invoiced quarterly, with payment due by the last business day of the month following the month during which SHRECs were delivered.

#### 7.1.4 General obligations

The Sponsor is responsible for providing notice to the Buyer certifying:

- Details of the tranche project's and their system size, tranche delivery term start date, and purchase price has been provided in Exhibit B and has been executed between both parties for each tranche.
- Energy generation has begun prior to tranche delivery start date
- The tranche purchase price
- The SHREC projects, as constructed, meet all of the requirements of a qualifying residential solar photovoltaic system pursuant to the Energy Act, which means the project:
  - Receives funding from the Connecticut Green Bank
  - Certified by the authority as a Class I renewable source (e.g. electricity generated from solar power)
  - Emits no pollutants,
  - Located on the customer-side of the revenue meter of a one-to-four family home,
  - Serves the distribution system of the electric distribution company
  - Capable of producing SHRECs
- Has satisfied all obligations in the MPAs to complete the delivery of the SHRECs to Buyer

#### 7.1.5 Buyer's general obligations

The Buyer agrees to the following general obligations:

- Has received regulatory and corporate approvals
- Details of the tranche project's and their system size, tranche delivery term start date, and purchase price has been provided in Exhibit B and has been executed between both parties for each tranche.

#### 7.1.6 Metering and interconnection

SHREC projects must be located behind a qualifying Connecticut electric system's revenue meter. The MPAs do not allow for a SHREC project to be interconnected directly to the utility electric system. The project must have a separate meter dedicated to measurement of the SHREC project's energy output. The meter shall be installed, operated, maintained, and tested to meet applicable requirements and standards of the utility and electric system operator.

#### 7.1.7 Liability limits

In the MPAs reviewed by DNV, the Sponsor nor the Buyer is liable to the other party for any damages or otherwise.

### 7.2 Solar incentive structure

The following describes the current residential solar incentives as per the residential solar investment program website [45] which provides both current [46] and historical incentive levels [47]. As the program is structured as a declining incentive block structure, projects in Tranche 5 and 6 will have received various incentive levels:

- When purchasing a solar PV system for your home, the EPBB incentive is calculated at \$0.358/watt up to 10 kW for utility consumption equaling the last 12 months of electricity usage and \$0.207/watt from previous utility

consumption for systems up to 20 kW. Systems that have a calculated design factor less than 75% receive a discounted incentive. Systems with a design factor less than 60% are not eligible to receive a Connecticut Green Bank EPBB.

- For PV systems that are leased, the PBI is calculated at \$0.03/kWh for system up to 20 kW. The PBI is paid quarterly over six years upon validation of system generation. Systems with a design factor less than 60% are not eligible to receive a Connecticut Green Bank PBI.

### **7.3 O&M agreement**

DNV understands that the Sponsor does not have direct responsibility for O&M costs for the Portfolio, as the Sponsor's role is as an asset program administrator. As such, DNV has not reviewed either O&M cost estimates or inverter replacement cost projections.

## 8 TECHNICAL INPUTS TO FINANCIAL MODEL

DNV has not received a project specific financial model for review. DNV'S review of technical inputs relevant for useful life as well as O&M considerations and stress case considerations follows.

### 8.1 Useful life

DNV expects well-designed, properly installed, and well-maintained PV systems to perform in line with expectations for 25–30 years. While DNV views system performance and maintenance requirements as increasingly uncertain beyond Year 30, as equipment replacement rates are expected to increase, DNV considers that well-funded and maintained systems could achieve an operational life beyond their designed service life and up to 35 years or longer. Given the broad equipment list, broad installer base, and the varying care with which homeowners will care for systems, the actual achieved lifetime for the PV systems is expected to vary within the Portfolio.

### 8.2 O&M

DNV understands that the Sponsor does not have direct responsibility for O&M costs for the Portfolio, as the Sponsor's role is as an asset program administrator. As such, DNV has not reviewed either projected Performance Guarantee payout liabilities or inverter replacement cost projections.

### 8.3 Stress cases

The stress cases outlined below are intended to illustrate potential risks to the Portfolio. DNV considers lower- than-expected Project performance and limited or absent operational monitoring and PV system maintenance risks to Portfolio economics.

#### 8.3.1 Production stress cases

DNV 's correction factors for P75, P90, P95, and P99 production stress cases are presented in 6.8.3.

#### 8.3.2 Installer bankruptcy / market exit

DNV has assessed the potential implications of an installer ceasing operations due to bankruptcy or voluntary market exit. In such a scenario, the inability to service existing systems could have adverse effects on SHREC production.

The Sponsor has taken steps to mitigate against this risk. As noted in 4.3, the Sponsor uses metering and communication equipment manufactured by Enphase, SolarEdge, SunPower, and Vision Metering for Portfolio monitoring and the Sponsor has contracted with C-TEC Solar as a third-party US residential O&M provider. The Sponsor via email [5] stated Cat M1 meters are manufactured by Vision and are sold by Locus/Also Energy. DNV views this as an appropriate risk mitigation step.

DNV can evaluate other stress cases upon request.



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## About DNV

We are the independent expert in assurance and risk management. Driven by our purpose, to safeguard life, property and the environment, we empower our customers and their stakeholders with facts and reliable insights so that critical decisions can be made with confidence. As a trusted voice for many of the world's most successful organizations, we use our knowledge to advance safety and performance, set industry benchmarks, and inspire and invent solutions to tackle global transformations.

## Capital Solutions RFP

Extension and Expansion of a Funding Facility for

Connecticut Green Bank

Issuance of Short Term Mini-Bonds

Via the Honeycomb Credit Crowd Investing Portal

August 13, 2025



**Document Purpose:** This document contains background information and due diligence on the extension and expansion of the Green Liberty Notes funding facility for the Connecticut Green Bank via the Honeycomb Credit crowd investing portal. The information herein is provided to the Connecticut Green Bank Board of Directors for the purposes of reviewing and approving recommendations made by the staff of the Connecticut Green Bank.

In some cases, this package may contain, among other things, trade secrets and commercial or financial information given to the Connecticut Green Bank in confidence and should be excluded under C.G.S. §1-210(b) and §16-245n(D) from any public disclosure under the Connecticut Freedom of Information Act. If such information is included in this package, it will be noted as confidential.

# Memo

**To:** Connecticut Green Bank Board of Directors

**From:** David Beech, Senior Manager, Investments; Bert Hunter, EVP and CIO

**Cc:** Bryan Garcia, President and CEO; Brian Farnen, General Counsel and CLO; Mackey Dykes, VP Financing Programs and Officer, Jane Murphy, EVP Finance & Administration

**Date:** August 20, 2025

**Re:** Honeycomb Credit Capital Solutions RFP – Program Extension

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## Summary

At the July 2021 meeting of the Connecticut Green Bank (“Green Bank”) Board of Directors (the “Board”), the Board authorized staff to enter into an agreement (the “Issuer Agreement”) with Raise Green, Inc. an entity registered with and approved by the Securities and Exchange Commission (the “SEC”) as a crowdfunding funding portal, to issue bonds in an amount not to exceed \$2,000,000 under the SEC’s Regulation Crowdfunding. This was the first program or project approved by the Board that was submitted via the Open RFP for Capital Solutions. The program was later extended on two separate occasions through June 30<sup>th</sup>, 2025. At the December 2024 meeting of the Board, the Board authorized staff to continue the program with Honeycomb Credit, who acquired Raise Green in November of 2024, in alignment with a Capital Solutions RFP proposal they submitted. The Green Bank is seeking approval from the Board to extend the program with Honeycomb Credit to allow for four additional issuances in Fiscal Year 2026.

## Program Update

Since Honeycomb’s proposal was approved at the December 2024 meeting of the board, the Green Bank has brought two Green Liberty Note issuances to the market via Honeycomb’s platform. Both issuances sold out - extending the streak of sold out Green Liberty Note issuances to eleven - and received investments from a record number of investors.

The Green Bank has also successfully repaid investors for three issuances via Honeycomb’s “wallet” feature. Investors that did not create a Honeycomb account prior to the maturity date of their investment, received a check in the mail. All future repayments will be paid via the Honeycomb wallet, which will reduce the administrative burden of repayment on staff. Efficiency for staff is also gained by the fact that Honeycomb processes all federal interest income reporting statements (1099’s) for investors, which staff previously needed to track, file and mail to investors.

Since December of 2021, when the Green Bank issued the country’s first Green Bond Designated, one-year crowdfunded offering, named “Green Liberty Notes”, the Green Bank has raised more than \$3.75M over 13 issuances, from 526 unique investors. Of those investors, roughly 50% live in Connecticut, and more than 60%

originally invested \$1,000 or less. In 2024, the program received a State Leadership In Clean Energy (“SLICE”) award from the Clean Energy States Alliance (“CESA”).

### Interest Rate Spread

The indexed discount rate applied to SBEA loan tranches purchased in accordance with the master purchase agreement, has allowed the Green Bank to offer investors competitive 1 year interest rates, and still maintain a positive interest rate spread of more than 100bps for each of the past four issuances when compared to the most recently purchased SBEA tranche.

Issuance	Date of Launch	Amount Raised	GLNs Interest Rate	SBEA Tranche Interest Rate
1	December 14 <sup>th</sup> , 2021	\$190,400	1.00%	3.26% (average 12/20/18 – 11/17/21)
2	April 13 <sup>th</sup> , 2022	\$114,335	1.50%	2.36% (3/17/22)
3	July 7 <sup>th</sup> , 2022	\$250,000	2.50%	4.88% (6/14/22)
4	September 29 <sup>th</sup> , 2022	\$250,000	3.50%	4.88% (6/14/22)
5	January 9 <sup>th</sup> , 2023	\$250,000	4.75%	6.39% (10/29/22 and 12/22/22)
6	April 17 <sup>th</sup> , 2023	\$250,000	4.50%	5.83% (3/20/23)
7	June 26, 2023	\$350,000	5.00%	6.39% (6/30/23)
8	September 27, 2023	\$350,000	5.25%	6.91% (10/6/23)
9	January 8, 2024	\$350,000	5.25%	6.19% (12/21/23)
10	April 15, 2024	\$350,000	5.25%	6.46% (3/28/24)
11	July 9, 2024	\$350,000	5.25%	6.44% (6/20/24)
12	February 26, 2025	\$350,000	4.50%	6.42% (12/23/24)
13	May 20, 2025	\$350,000	4.50%	6.21% (3/14/25)

### Proposed Extension

To continue building on the success of the program, staff is requesting approval of four additional issuances of the same maximum quarterly amount of \$350,000 to be closed in FY 2026, totaling \$1,400,000. Since these issuances will replace prior issuances that mature, the overall outstanding principal balance of issuances for the SBEA Green Liberty Notes program is capped at \$1,400,000, while cumulative issuances will total a maximum of \$5,154,735.

### Coverage Ratio

Staff has performed an analysis of expected SBEA revenues and the expected issuance sizes. Even if no SBEA loan tranches are purchased in FY 26. The expected loan repayments from previously purchased tranches of SBEA loans are enough to comfortably maintain the minimum 2.0x Debt Service Coverage Ratio for four fully subscribed \$350,000 issuances.

## Post Close Operations

Investor Relations and Communications – Green Bank staff will continue to manage communications with investors including messaging out impact, keeping them aware of Green Bank news, responding to requests, and answering questions.

Capitalization Table Management – The Green Bank will continue to maintain the list of investors and track transfers internally. There have been no investment transfers to date. Honeycomb also maintains a cap table for each issuance which allows the Green Bank to make one lump sum transfer of money for investment repayment which Honeycomb will distribute to investors “wallets” in accordance with their investment amount and interest rate.

## Conclusion

The Green Liberty Note program has provided a unique opportunity for the Green Bank to achieve our goals of equity and market transformation. After eleven consecutive sold-out issuances, with most investments coming in original increments of \$1,000 or less, it is clear there is strong demand from retail investors for climate-related investments. This series of issuances would build off of that success and give more investors the opportunity to get involved. Approval is recommended.

## Resolutions

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

**Whereas**, subsequently, the Green Bank launched and closed 6 Crowdfunding issuances named “Green Liberty Notes”.

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

**Whereas**, at the June 2024 meeting of the Green Bank Board, the Board authorized staff to issue four additional bonds in quarterly issuances not to exceed \$350,000 and in a total program amount not to exceed \$4,105,000 under the SEC’s Regulation Crowdfunding regulations.

**Whereas**, Raise Green, the crowdfunding platform used by the Green Bank to issue Green Liberty Notes, was acquired by another crowdfunding platform: Honeycomb Credit.

**Whereas**, Honeycomb Credit submitted a proposal to the Green Bank’s Capital Solutions Open RFP program outlining how the Green Liberty Notes program could transition to their platform.

**Whereas**, at the December 2024 meeting of the Board, the Board authorized staff to enter into an agreement with Honeycomb Credit to issue quarterly issuances not to exceed \$350,000 and in a total program amount not to exceed \$4,105,000 under the SEC’s Regulation Crowdfunding regulations.

**Whereas**, staff wishes to maintain the successes of the program, which include eleven consecutive oversubscribed issuances, and ensure that new investors have the opportunity to invest in the Green Bank's efforts to fight climate change and support small and medium businesses and municipalities in Connecticut.

**NOW**, therefore be it:

**RESOLVED**, that the Green Bank is authorized to modify its existing agreement (the "Issuer Agreement") with Honeycomb Credit an entity registered with and approved by the SEC as a crowdfunding funding portal, to issue bonds in an amount not to exceed \$5,155,000, in quarterly issuances not to exceed \$250,000 for the first six issuances and \$350,000 for the subsequent eleven issuances (the "Bonds") under the SEC's Regulation Crowdfunding regulations. The Bonds shall be issued by a subsidiary of CEFIA Holdings and shall be issued by and for the sole purposes of the subsidiary, and shall not be issued by or on behalf of the Green Bank. The proceeds of the Bonds shall be used by the subsidiary to acquire certain loans under the Small Business Energy Advantage program (the "Loans"), and to pay the costs of issuance on the Bonds; and

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

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

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

Submitted by: Bryan Garcia, President and CEO; Bert Hunter, EVP and CIO; and David Beech, Senior Manager, Investments.





# Memo

**To:** Connecticut Green Bank Board of Directors

**From:** Barbara Waters, Director of Smart-E Loan Program

**CC:** Bryan Garcia, President and CEO; Bert Hunter, EVP and CIO, Eric Shrago, Vice President of Operations; Brian Farnen, General Counsel and Chief Legal Officer

**Date:** August 13, 2025

**Re:** Smart-E Interest Rate Buydown (IRB) Promotion in Support of Heat Pumps using Utility Funding

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In partnership with Eversource and Avangrid, the Connecticut Green Bank ("Green Bank") staff proposes to use utility funding for an Interest Rate Buydown ("Promotional IRB") on heat pumps 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 program. The Green Bank will front lenders a portion of the interest on loans for heat pump projects as a limited time offer, and the utilities will reimburse us for that expense.

## Overview

Earlier this summer, the utilities reached out to the Green Bank regarding our interest in an IRB campaign for heat pumps. They have a goal, set by the state, for the number of heat pumps installed in calendar year 2025 (CY25), and are falling short. They believe that bringing the Smart-E interest rate down for a limited time would be an effective way to help overcome the shortfall. During the last IRB promotion that included heat pumps, there was a significant uptick in the number of these projects, and we ended up doing a substantial number of heat pump installs during the promotional period.

## Rationale

The number of Smart-E HVAC loans decreased almost 50% between FY 24 and FY 25. Contractors gave us varying reasons for the decline, but there are a few we can state that unequivocally impacted our numbers:

1. When Capitol for Change (C4C) left the Smart-E program in early 2024, and then when the CT Heat Loan expired on 12/31/24, the number of heat pump projects funded through the Smart-E program decreased, as many contractors would use C4C and the Heat Loan as a steppingstone to a Smart-E loan. Some of the contractors, who had been top performers in previous years, told us that they did not want to work with any of the other lenders in the program besides C4C because of the unique way C4C managed contractor engagement, due to their user database for the CT Heat Loan. We believe that an aggressive and well-funded IRB promotion will bring some of them back to using Smart-E.
2. Contractors have reported rising costs across the board, particularly in hiring and retaining skilled labor. However, one of the most significant challenges is the increasing cost of equipment for heat pump installations. These higher project costs create real “sticker shock” for consumers who are not otherwise planning to replace their home heating systems. With new tariffs on all non-domestic equipment taking effect, these costs will only escalate. By buying down the interest rate, we can help offset the impact of these increases, lowering monthly loan payments for consumers and making projects more financially accessible.
3. With the sunset of federal ITCs in support of heat pumps, the Green Bank seeks to support the HVAC industry that is already struggling due to tariff issues.

### **Cost of Promotional IRB**

This opportunity will be 100% funded by the utilities—no Green Bank funds will be involved. The estimated amount that will be provided from the utilities is \$1M, split between Eversource and Avangrid, and loans will be available “first come, first served.” It is possible that the amount provided to the Green Bank will be reduced if the utilities decide to increase their heat pump incentive payment along with funding a reduction in the Smart-E interest rates to achieve maximum impact.

Assuming a budget of \$1M, and an average loan of \$20,000 for 10 years where the current interest rate is 6.99%, this promotion could result in anywhere between 200 and 570 loans, depending upon the buydown chosen (0.99%, 1.99%, 2.99%, 3.99% or 4.99% for instance) and the actual loan amounts. We are also suggesting that we include a Low and Moderate Income rate along with the standard market rate, and eligibility would be determined by the metric the utilities use for participation in their Home Energy Solutions – Income Eligible program.

Here are the calculations in support of each buy down option that we presented to the utilities for their decision:

#### **Buy down from 6.99% to 4.99%:**

- Cost per loan: \$1,750.58
- Number of loans that can be bought down: 571

**Buy down from 6.99% to 3.99%:**

- Cost per loan: \$2,590.42
- Number of loans that can be bought down: 386

**Buy down from 6.99% to 2.99%:**

- Cost per loan: \$3,406.28
- Number of loans that can be bought down: 293

**Buy down from 6.99% to 1.99%:**

- Cost per loan: \$4,197.97
- Number of loans that can be bought down: 238

**Buy down from 6.99% to 0.99%:**

- Cost per loan: \$4,965.33
- Number of loans that can be bought down: 201

We are currently working with the utilities on how much they plan to allocate to this promotion and which buy down rate they wish to implement, with a goal to get the program launched in September (in conjunction with our Battery Storage IRB) so that we can impact their CY25 goals as much as possible.

**Request**

This promotion supports the overall state direction in increasing the number of heat pumps installed in Connecticut homes, with a two-for-one impact on both the utilities' goals as well as the Green Bank's. Staff requests that the Board approve the Green Bank's management of a utility-funded IRB.

**Resolution**

**WHEREAS**, both the Connecticut Green Bank ("Green Bank") and the state's electric utilities have their own respective goals to drive heat pump installations;

**WHEREAS**, the state's electric utilities are interested in partnering with the Green Bank to increase the number of heat pumps installed in Connecticut homes;

**WHEREAS**, the utilities are interested in using funding from the Conservation and Load Management Fund to create a promotional interest rate buydown ("IRB") program using the Green Bank's existing homeowner lending program, Smart-E;

**WHEREAS**, the Green Bank will work closely with our lending partners and contractors to provide them with a time-limited, valuable marketing promotion that has been proven effective in increasing customer uptake of a product;

**NOW**, therefore be it:

**RESOLVED**, that the Green Bank Board of Directors approves a time-limited IRB promotion to be implemented through the Green Bank Smart-E Loan Program and funded exclusively by the state's electric utilities;

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

**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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